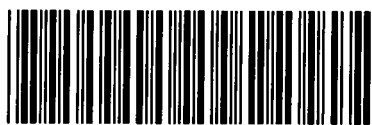


EUROLINE SHIPPING CO. LIMITED
No. SC160336

FILLETED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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EUROLINE SHIPPING CO. LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

EUROLINE SHIPPING CO. LIMITED

**BALANCE SHEET
AS AT 31 DECEMBER 2019**

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	3		56,186		62,913
Current assets					
Debtors	4	641,603		454,040	
Cash at bank and in hand		239,246		290,602	
		880,849		744,642	
Creditors: amounts falling due within one year	5	(461,142)		(408,782)	
Net current assets			419,707		335,860
Net assets			475,903		398,773
Capital and reserves					
Called up share capital	6		2		2
Profit and loss reserves			475,901		398,771
Total equity			475,903		398,773

The directors of the company has elected not to include a copy of the profit and loss account within these financial statements.

These financial statements have been prepared and delivered in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board of directors and authorised for issue on 14 May 2020 and are signed on its behalf by:


J. Van Roon
Director

Company Registration No. SC160336

EUROLINE SHIPPING CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

After the closure of the 2019 financial year, there were no events that could have significant effects on the company's financial statements.

However, it should be noted that, at the date of preparation of the financial statements, the instability factor relating to the health emergency due to the spread of Coronavirus, which in the first weeks of 2020 initially affected China and subsequently other countries, should not be underestimated. This factor was considered as an event that does not trigger adjustments to the financial statements since, although the Coronavirus phenomenon occurred in China close to the balance sheet date, it is only from the end of January 2020 that the World Health Organization has declared the Coronavirus epidemic an international public health emergency. The spread of the virus has accelerated in recent weeks, with outbreaks in the UK and a growing number of European Union countries and the rest of the world.

Taking into account the elements of absolute uncertainty regarding the effects of the spread of the epidemic and the consequent measures that have been put in place by Governments to combat it, it is not possible to exclude significant impacts on the international and UK economy, which could be reflected on the results of 2020.

The company has started the activity of reviewing the scenario and evaluating the management actions to mitigate the impact to the business. The Company has adopted initiatives to safeguard the health of its people and actions aimed at maintaining operational activity. The repercussions on any adjustments to the financial statements are currently not determinable in light of the volatility of the scenario and the continuous evolution of the market. These will be reflected in the 2020 results.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue for the provision of services is recognised by reference to the date on which services were rendered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

EUROLINE SHIPPING CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting policies (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33 1/3% Straight line
Fixtures, fittings & equipment	15% Straight line
Motor vehicles	48 months with 25% residual value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EUROLINE SHIPPING CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

EUROLINE SHIPPING CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (continued)

1.10 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 7 (2018 - 7).

EUROLINE SHIPPING CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2019	209,856
Additions	33,690
Disposals	(63,961)
	<u>179,585</u>
At 31 December 2019	<u>179,585</u>
Depreciation and impairment	
At 1 January 2019	146,943
Depreciation charged in the year	23,527
Eliminated in respect of disposals	(47,081)
	<u>123,389</u>
At 31 December 2019	<u>123,389</u>
Carrying amount	
At 31 December 2019	<u>56,196</u>
At 31 December 2018	<u>62,913</u>

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	580,388	392,162
Amounts owed by group undertakings	33,577	33,577
Other debtors	27,638	28,301
	<u>641,603</u>	<u>454,040</u>

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	399,981	339,850
Corporation tax	46,823	43,533
Other taxation and social security	6,567	11,953
Other creditors	7,771	13,446
	<u>461,142</u>	<u>408,782</u>

EUROLINE SHIPPING CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

6 Called up share capital

	2019	2018
	£	£
Ordinary share capital Issued and fully paid 2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Derek Petrie MA (Hons) CA.

The auditor was Hall Morrice LLP.

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019	2018
	£	£
Total	132,106	149,116
	<u>132,106</u>	<u>149,116</u>

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

	2019	2018
	£	£
Total	42,252	-
	<u>42,252</u>	<u>-</u>

9 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2019	2018
	£	£
Acquisition of tangible fixed assets	4,675	-
	<u>4,675</u>	<u>-</u>

EUROLINE SHIPPING CO. LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

10 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	2019	Sales 2018	Management fees 2019	2018
	£	£	£	£
Entities with control, joint control or significant influence over the company	195,466	441,537	5,000	-
Other related parties	110,580	17,206	-	-
	<u>306,046</u>	<u>458,743</u>	<u>5,000</u>	<u>-</u>

11 Parent company

The company was controlled throughout the current and previous year by its immediate parent company, Euroline Holdings Limited, a company incorporated in Scotland. The ultimate parent company of Euroline Holdings Limited is KVR Holding b.v., a company incorporated in the Netherlands.

12 Company information

Euroline Shipping Co. Limited is a private company limited by shares incorporated in Scotland. The registered office is Dock Gate House, Waterloo Quay, Aberdeen, AB11 5DF.