

LOMBARD SHIPPING & FORWARDING LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

LOMBARD SHIPPING & FORWARDING LIMITED
REGISTERED NUMBER: 01273218

STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2018

	Note	2018 £	<i>As restated</i> 2017 £
Fixed assets			
Tangible assets	5	3,986	6,409
Investment property	6	185,000	185,000
		<u>188,986</u>	<u>191,409</u>
Current assets			
Debtors: amounts falling due after more than one year	8	1,857,003	-
Debtors: amounts falling due within one year	8	748,872	2,335,489
Cash at bank and in hand	9	1,369,094	814,036
		<u>3,974,969</u>	<u>3,149,525</u>
Creditors: amounts falling due within one year	10	(1,834,349)	(1,203,836)
Net current assets		<u>2,140,620</u>	<u>1,945,689</u>
Total assets less current liabilities		<u>2,329,606</u>	<u>2,137,098</u>
Provisions for liabilities			
Deferred tax		(29,935)	(32,533)
		<u>(29,935)</u>	<u>(32,533)</u>
Net assets		<u><u>2,299,671</u></u>	<u><u>2,104,565</u></u>
Capital and reserves			
Called up share capital		10,100	10,100
Investment property reserve	12	16,882	16,882
Profit and loss account	12	2,272,689	2,077,583
		<u><u>2,299,671</u></u>	<u><u>2,104,565</u></u>

LOMBARD SHIPPING & FORWARDING LIMITED
REGISTERED NUMBER: 01273218

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2018

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 April 2019.

F. Fox
Director

The notes on pages 3 to 12 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

1. General information

Lombard Shipping & Forwarding Limited is a private limited company incorporated in England and Wales. Its registered office is Lombard Business Centre, Link Road, Huyton, Merseyside, L36 6AP. The company number is 01273218.

The principal activity of the company is shipping and forwarding agents..

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company has cash resources and has no requirement for external funding. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

2. Accounting policies (continued)

2.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

2. Accounting policies (continued)

2.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and reducing balance basis..

Depreciation is provided on the following basis:

Fixtures and fittings	-	15%	Reducing balance
Office equipment	-	20%	Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.12 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

2. Accounting policies (continued)

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.18 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the

NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.18 Financial instruments (continued)

contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 13 (2017 - 12).

4. Intangible assets

	Goodwill £
Cost	
At 1 August 2017	60,000
At 31 July 2018	60,000
Amortisation	
At 1 August 2017	60,000
At 31 July 2018	60,000
Net book value	
At 31 July 2018	-
At 31 July 2017	-

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5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 August 2017	55,307	33,610	88,917
At 31 July 2018	55,307	33,610	88,917
Depreciation			
At 1 August 2017	50,617	31,891	82,508
Charge for the year on owned assets	704	1,719	2,423
At 31 July 2018	51,321	33,610	84,931
Net book value			
At 31 July 2018	3,986	-	3,986
<i>At 31 July 2017</i>	<i>4,690</i>	<i>1,719</i>	<i>6,409</i>

LOMBARD SHIPPING & FORWARDING LIMITED

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6. Investment property

	Freehold investment property (as restated) £
Valuation	
At 1 August 2017	185,000
At 31 July 2018	185,000

The 2018 valuations were made by the director, F. Fox, on an open market value for existing use basis.

	2018 £	2017 £
Revaluation reserves		
At 1 August 2017	16,882	16,882
At 31 July 2018	16,882	16,882

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2018 £	2017 £
Historic cost	40,000	40,000
Accumulated depreciation and impairments	(12,603)	(12,055)
	27,397	27,945

7. Prior year adjustment

The financial statements for the year ended 31 July 2017 were the first prepared in accordance with FRS 102 Section 1A. Under FRS 102 an investment property shall be measured at fair value at each reporting date with changes in fair value recognised in profit or loss. The director believes the fair value of investment properties as at 31 July 2016 was £185,000 but the fair value adjustment was not reflected in the financial statements.

A prior year adjustment has been made to increase the value of investment properties by £145,000, increase the deferred tax provision by £29,450 and increase the profit and loss reserve by £115,550.

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8. Debtors

	2018 £	2017 £
Due after more than one year		
Other debtors	1,857,003	-
	<u>1,857,003</u>	<u>-</u>
	2018 £	2017 £
Due within one year		
Trade debtors	725,756	531,154
Other debtors	10,198	1,790,274
Prepayments and accrued income	12,918	14,061
	<u>748,872</u>	<u>2,335,489</u>

9. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	1,369,094	814,036
Less: bank overdrafts	-	(24,147)
	<u>1,369,094</u>	<u>789,889</u>

10. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	-	24,147
Trade creditors	626,949	401,130
Corporation tax	73,441	34,816
Other taxation and social security	6,765	4,638
Other creditors	635,806	321,423
Accruals and deferred income	491,388	417,682
	<u>1,834,349</u>	<u>1,203,836</u>

LOMBARD SHIPPING & FORWARDING LIMITED

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11. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,369,094</u>	<u>814,036</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

12. Reserves

Investment property revaluation reserve

Includes all gains and losses arising from changes in the fair value of investment properties.

Profit and loss account

Includes all current and prior period retained profits and losses.

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £34,902 (2017 - £38,059).

14. Commitments under operating leases

At 31 July 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	8,777	4,787
Later than 1 year and not later than 5 years	20,746	29,523
	<u>29,523</u>	<u>34,310</u>

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15. Related party transactions

	2018 £	2017 £
Amount due from LSF Estates Limited	1,857,003	1,777,003
Rent charged by D & B Pension Scheme	48,000	51,000
Amount due to D & B Pension Scheme	10,000	20,000
Amount due to F. Fox, the director of the company	<u>28,858</u>	<u>40,505</u>

LSF Estates Limited is a company under common control.

D & B Pension Scheme is a SSAS of which F. Fox is a trustee.

16. Controlling party

The controlling party of the company is F. Fox.

17. Auditors' information

The auditors' report on the financial statements for the year ended 31 July 2018 was unqualified.

The audit report was signed on 9 April 2019 by Stephen Talbot (Senior statutory auditor) on behalf of Langtons Professional Services Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.