

Registration number NI029828

**H.M.T. Shipping Limited
Strategic Report,
Directors' Report
and
Consolidated Financial Statements
Year Ended 31 March 2017**

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H.M.T. Shipping Limited

Company information

Directors

Gerard Hughes
Jarlath Magee
Gerard Magee

Secretary

Gerard Magee

Company number

NI029828

Registered office

Milltown Industrial Estate
Warrenpoint
Co Down
BT34 3FN

Auditors

Jones Peters
Hughes House
6 Church Street
Banbridge
BT32 4AA

Business address

Milltown Industrial Estate
Warrenpoint
Co Down
BT34 3FN

Bankers

Ulster Bank
2 Charlotte Street
Warrenpoint
BT34 3LF

Solicitors

Rosemary Connolly Solicitors
2 The Square
Warrenpoint
Co Down
BT34 3JT

H.M.T. Shipping Limited

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H.M.T. Shipping Limited
Strategic Report
for the year ended 31 March 2017

The Directors present their strategic report on the group for the year ended 31 March 2017.

REVIEW OF THE BUSINESS

The principal activities of the group are shipping, the provision of cross channel freight, freight forwarding services and palletised distribution. No change is contemplated in these activities.

Results and performance

We aim to present a balanced and comprehensive review of the development and performance of the group during the year and its position at the year end. Our review is consistent with the size and non-complex nature of the group and is written in the context of the risks and uncertainties faced.

Despite ongoing difficult market conditions the group has managed to increase turnover by £1,854,567 in the year. In addition the gross profit margin has increased from 22.41% in 2016 to 23.11% in 2017. Distribution and administration expenses have both increased in the year, in line with the increased turnover, by £107,027 and £167,460 respectively. The group achieved a net profit before tax for the year of £1,143,073 compared to a net profit before tax of £834,476 in 2016.

The group has a sound financial position at the year end with net assets of £3,932,688 (2016: £3,295,491).

Key Performance Indicators

The group experienced another successful year with increased turnover, gross profit margin, operating profit and EBITDA.

	2017	2016
Turnover	£24.53m	£22.69m
Gross Profit Percentage	23.11%	22.41%
Operating Profit	£1,254,806	£942,745
EBITDA	£2,299,384	£1,840,898

Business Environment

The group is well established in the shipping, cross channel freight services, freight forwarding and palletised distribution industries in Northern Ireland and the North West of England. Despite ongoing difficult market conditions, particularly in the construction sector, the group has managed to maintain consistent levels of turnover and gross profit year on year.

PRINCIPAL RISKS AND UNCERTAINTIES

The process of risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management. Compliance with regulation, legal and ethical standards is a high priority for the group and the Directors and Finance Department take on an important overview in this regard.

H.M.T. Shipping Limited

Strategic Report for the year ended 31 March 2017

Financial risk management objectives and policies

The main risks to the group's operations are liquidity risk, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous years.

Liquidity risk

The group actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the group has sufficient available funds for operations and planned expansions.

Interest rate risk

The group finances its operations through a mixture of retained profits, cash and bank loans. The group has negotiated competitive loan rates to limit its exposure to interest rate fluctuations.

Credit risk

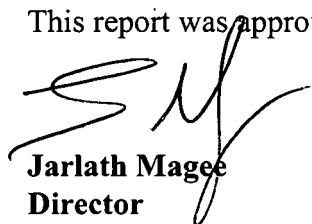
Investments of cash surpluses and borrowings are made through reputable financial institutions which must fulfil criteria approved by the directors. All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

STRATEGY AND DEVELOPMENT

The group's success is dependent on understanding and meeting the developing needs of customers and developing innovative solutions for their needs.

The group will continue to consolidate its position and concentrate on achieving maximum growth in its market sector while at the same time continuing to improve efficiency in all areas of its operations. With its strong capital base and proven track record the group believes it will be well placed to retain existing customers and generate new business.

This report was approved by the Board on 21 November 2017 and signed on its behalf by:



Jarlath Magee
Director

H.M.T. Shipping Limited

Directors' Report for the year ended 31 March 2017

The directors present their report and the group financial statements for the year ended 31 March 2017.

Directors and their interests

The directors who served during the year are as stated below:

Gerard Magee
Jarlath Magee
Gerard Hughes

No changes have taken place in the interests of the above directors between 31 March 2017 and the date the financial statement were approved.

Results and dividends

The results of the group for the year are set out on page 7.

The directors have paid an interim dividend amounting to £200,000 and they do not recommend payment of a final dividend.

Future developments

The likely future developments in the business of the group are discussed in the strategic report.

Financial instruments

The main risks arising from the group's operations are liquidity risk, interest rate risk and credit risk. The directors consider that price and market risks are insignificant. The directors review and agree policies for managing each of these risks and they are summarised in the Strategic Report. The policies have remained unchanged from previous years.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and group and of the profit or loss of the company and group for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

H.M.T. Shipping Limited

Directors' Report for the year ended 31 March 2017

Disclosure of information to the auditors

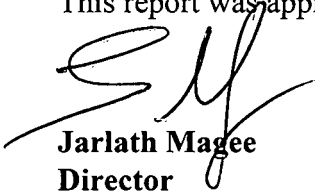
We, as the directors of the group who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the group's auditors are unaware; and
- we have taken all steps that we ought to have taken, as directors to make ourselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Auditors

Jones Peters are deemed to be reappointed in accordance with Section 487(2) of the Companies Act 2006.

This report was approved by the Board on 21 November 2017 and signed on its behalf by:



Jarlath Magee
Director

H.M.T. Shipping Limited

Independent Auditor's Report to the members of H.M.T. Shipping Limited for the year ended 31 March 2017

We have audited the financial statements of H.M.T. Shipping Limited for the year ended 31 March 2017 which comprise the Group Profit and Loss Account and Retained Earnings, the Group and Company Balance Sheets, the Group Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 3 and 4, the group's directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group and company's circumstances and have been consistently applied and adequately disclosed and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company and group's affairs as at 31 March 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

H.M.T. Shipping Limited

**Independent Auditor's Report to the members of
H.M.T. Shipping Limited
for the year ended 31 March 2017**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Hughes House
6 Church Street
Banbridge
Co Down
BT32 4AA**



**Paul Cummings (senior statutory auditor)
For and on behalf of Jones Peters
Chartered Accountants and
Statutory Auditors
21 November 2017**

H.M.T. Shipping Limited

Consolidated Profit and Loss Account and Retained Earnings for the year ended 31 March 2017

	Notes	Continuing operations	
		2017 £	2016 £
Turnover	3	24,543,580	22,689,013
Cost of sales		<u>(18,870,059)</u>	<u>(17,603,411)</u>
Gross profit		5,673,521	5,085,602
Distribution costs		(2,638,605)	(2,531,578)
Administrative expenses		(1,790,009)	(1,622,549)
Other operating income	4	<u>9,899</u>	<u>11,270</u>
Operating Profit	5	1,254,806	942,745
Interest payable and similar charges	6	<u>(111,733)</u>	<u>(108,269)</u>
Profit on ordinary activities before taxation		1,143,073	834,476
Tax on profit on ordinary activities	9	<u>(235,876)</u>	<u>(185,572)</u>
Profit on ordinary activities after taxation		907,197	648,904
Minority interest		<u>(129,404)</u>	<u>(144,626)</u>
Profit for the year		<u>777,793</u>	<u>504,278</u>
Dividends paid and payable	10	(200,000)	(200,000)
Retained earnings at the start of the year		<u>3,019,291</u>	<u>2,715,013</u>
Retained earnings at the end of the year		<u>3,597,084</u>	<u>3,019,291</u>

All of the activities of the group are from continuing operations.

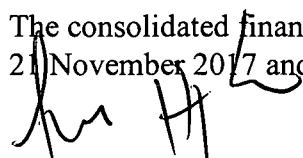
The notes on pages 11 to 21 form an integral part of these consolidated financial statements.

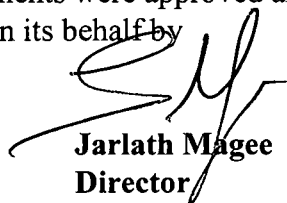
H.M.T. Shipping Limited

Consolidated Balance Sheet as at 31 March 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	11	5,564,506	5,333,039
Investments	12	<u>27,600</u>	<u>27,600</u>
		5,592,106	5,360,639
Current assets			
Debtors	13	4,053,119	4,260,716
Cash at bank and in hand	14	<u>1,308,103</u>	<u>659,643</u>
		5,361,222	4,920,359
Creditors: amounts falling due within one year	15	<u>(5,315,821)</u>	<u>(5,208,681)</u>
Net current assets/(liabilities)		<u>45,401</u>	<u>(288,322)</u>
Total assets less current liabilities		5,637,507	5,072,317
Creditors: amounts falling due after more than one year	16	(1,609,747)	(1,639,675)
Provisions for liabilities	18	<u>(95,072)</u>	<u>(137,151)</u>
Net assets		<u>3,932,688</u>	<u>3,295,491</u>
Capital and reserves			
Called up share capital	20	100	100
Profit and loss account		<u>3,597,084</u>	<u>3,019,291</u>
Shareholders' funds		3,597,184	3,019,391
Minority Interest		<u>335,504</u>	<u>276,100</u>
		<u>3,932,688</u>	<u>3,295,491</u>

The consolidated financial statements were approved and authorised for issue by the Board on 21 November 2017 and signed on its behalf by


Gerard Hughes
Director


Jarlath Magee
Director


Gerard Magee
Director

Registration number NI029828

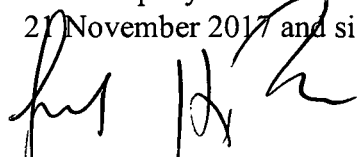
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H.M.T. Shipping Limited

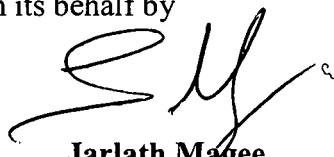
Company Balance Sheet as at 31 March 2017

	Notes	2017	2016
		£	£
Fixed assets			
Tangible assets	11.1	2,314,465	2,340,677
Investments	12.1	<u>75</u>	<u>75</u>
		2,314,540	2,340,752
Current assets			
Debtors	13	3,119,166	3,304,768
Cash at bank and in hand	14	<u>886,528</u>	<u>412,302</u>
		4,005,694	3,717,070
Creditors: amounts falling due within one year	15	<u>(4,124,923)</u>	<u>(4,048,283)</u>
Net current (liabilities)/assets		<u>(119,229)</u>	<u>(331,213)</u>
Total assets less current liabilities		2,195,311	2,009,539
Creditors: amounts falling due after more than one year	16	(329,937)	(333,746)
Provisions for liabilities	18	<u>(2,269)</u>	<u>(2,269)</u>
Net assets		<u>£1,863,105</u>	<u>£1,673,524</u>
Capital and reserves			
Called up share capital	20	100	100
Profit and loss account		<u>1,863,005</u>	<u>1,673,424</u>
Shareholders' funds		<u>£1,863,105</u>	<u>£1,673,524</u>

The company's financial statements were approved and authorised for issue by the Board on 21 November 2017 and signed on its behalf by



Gerard Hughes
Director



Jarlath Magee
Director



Gerard Magee
Director

Registration number NI 029828

The notes on pages 11 to 21 form an integral part of these consolidated financial statements.

H.M.T Shipping Limited

Consolidated Statement of Cash Flows for the year ended 31 March 2017

	2017 £	2016 £
Cash flows from operating activities		
Profit for the financial year	907,197	648,904
<i>Adjustments for:</i>		
Depreciation of tangible assets	1,070,505	901,465
Interest payable and similar charges	111,733	108,269
(Gain)/loss on disposal of tangible assets	(25,927)	(3,312)
Tax on profit on ordinary activities	235,876	185,572
Accrued (income)/expenses	(10,102)	6,425
<i>Changes in:</i>		
Trade and other debtors	207,597	(236,666)
Trade and other creditors	<u>36,369</u>	<u>(69,016)</u>
Cash generated from operations	2,533,248	1,541,641
Interest paid	(181,733)	(178,269)
Tax paid	<u>(160,455)</u>	<u>(96,400)</u>
Net cash from/(used in) operating activities	<u>2,191,060</u>	<u>1,266,972</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,341,345)	(1,398,912)
Proceeds from sale of tangible assets	<u>65,300</u>	<u>182,494</u>
Net cash used in investing activities	<u>(1,276,045)</u>	<u>(1,216,418)</u>
Cash flows from financing activities		
(Repayments of)/proceeds from borrowings	(123,576)	(117,589)
Proceeds from loans from connected companies	-	161,373
Net movement in HP/finance leases	57,021	165,690
Equity dividends paid	<u>(200,000)</u>	<u>(200,000)</u>
Net cash (used in)/from financing activities	<u>(266,555)</u>	<u>9,474</u>
Net increase in cash and cash equivalents	648,460	60,028
Cash and cash equivalents at beginning of year	14 <u>659,643</u>	<u>599,615</u>
Cash and cash equivalents at end of year	14 <u>1,308,103</u>	<u>659,643</u>

The notes on pages 11 to 21 form an integral part of these consolidated financial statements.

H.M.T Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

2. Accounting policies

General Information and basis of preparation

H.M.T. Shipping Limited is a private company limited by shares incorporated in Northern Ireland, United Kingdom. The address of the registered office is given on the company information page of these financial statements.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost contention, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The group financial statements consolidate the financial statements of H.M.T. Shipping Limited and its subsidiary undertaking, H.M.T. (Groupage) Limited (NI 601377), drawn up to 31 March each year. As permitted by section 408(3) of the Companies Act 2006, the parent company's profit and loss account has not been included in these financial statements.

Judgements and key sources of estimation uncertainty

No significant judgements have had to be made by management in preparing these financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

H.M.T Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - Straight line over 3 – 4 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold properties	-	Straight line over the life of the lease
Land and buildings	-	Straight line over 50 years
Plant and machinery	-	15-25% straight line
Fittings, fixtures and equipment	-	33% and 25% straight line
Motor vehicles	-	33% straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

H.M.T Shipping Limited

Notes to the financial statements for the year ended 31 March 2016

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Hire purchase and finance leases

Assets held under hire purchase and finance leases are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the Balance Sheet and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

H.M.T Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

3. Turnover	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Turnover arises from:				
Rendering of services	<u>24,543,580</u>	<u>22,689,013</u>	<u>17,459,915</u>	<u>15,685,252</u>

The geographical analysis of turnover has not been included, as the directors are of the opinion that such disclosures would be seriously prejudicial to the company's competitive position.

4. Other operating income	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Storage	<u>9,899</u>	<u>11,270</u>	<u>-</u>	<u>-</u>

5. Operating Profit/(Loss)	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Operating profit is stated after charging:				
Depreciation and other amounts written off tangible assets	1,070,505	901,465	739,284	686,641
Foreign exchange differences	-	19,726	-	20,571
Defined contribution plans expense	239,909	202,204	191,557	193,557
Auditors' remuneration	<u>10,500</u>	<u>12,297</u>	<u>9,567</u>	<u>8,767</u>
and after crediting:				
Profit on disposal of tangible fixed assets	25,927	3,312	23,427	4,324
Foreign exchange differences	<u>61,382</u>	<u>-</u>	<u>59,650</u>	<u>-</u>

H.M.T. Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

6. Interest payable and similar charges	2017 £	2016 £	2017 £	2016 £
Bank interest	618	406	618	406
Interest payable on loans	47,761	48,697	-	-
Hire purchase interest	<u>63,354</u>	<u>59,166</u>	<u>40,950</u>	<u>41,819</u>
	<u>111,733</u>	<u>108,269</u>	<u>41,568</u>	<u>42,225</u>

7. Employees	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Number of employees				
The average monthly number of employees (including the directors) during the year were:				
Administration and management	24	26	14	16
Sales and distribution	<u>86</u>	<u>81</u>	<u>28</u>	<u>31</u>
	<u>110</u>	<u>107</u>	<u>42</u>	<u>47</u>
Employment costs				
Wages and salaries	2,536,488	2,567,240	1,020,630	1,012,518
Social security costs	214,852	207,501	79,310	76,576
Pension costs	<u>239,909</u>	<u>202,204</u>	<u>191,157</u>	<u>193,557</u>
	<u>2,991,249</u>	<u>2,976,945</u>	<u>1,291,097</u>	<u>1,282,651</u>

7.1 Directors' remuneration	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Remuneration and other emoluments	157,539	156,216	144,581	152,216
Pension contributions	<u>149,299</u>	<u>185,912</u>	<u>149,299</u>	<u>185,912</u>
	<u>306,838</u>	<u>342,128</u>	<u>293,880</u>	<u>342,128</u>

	Number	Number	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

8. Employee benefits

The group operates a defined contribution pension scheme in respect of directors and employees. The scheme and its assets are held by independent managers.

The amount recognised in profit or loss in relation to defined contribution plans for the group was £239,909 (2016 : £202,204).

H.M.T. Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

9. Tax on profit on ordinary activities	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Analysis of charge in period				
Current tax				
UK corporation tax	275,792	160,454	147,620	53,638
Adjustments in respect of previous periods	<u>2,163</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>277,955</u>	<u>160,454</u>	<u>147,620</u>	<u>53,638</u>
Total current tax charge / (Credit)	<u>277,955</u>	<u>160,454</u>	<u>147,620</u>	<u>53,638</u>
Deferred tax				
Origination and reversal of timing differences	<u>(42,079)</u>	<u>25,118</u>	<u>-</u>	<u>(14,816)</u>
Tax on profit on ordinary activities	<u>235,876</u>	<u>185,572</u>	<u>147,620</u>	<u>38,822</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2016: higher than) the standard rate of corporation tax in the UK of 20% (2016: 20%).

	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Profit on ordinary activities before taxation	<u>1,143,073</u>	<u>834,476</u>	<u>537,201</u>	<u>114,768</u>
Profit on ordinary activities multiplied by rate of tax	228,615	166,890	107,440	22,954
Effects of:				
Capital allowances and depreciation	47,177	(6,436)	44,866	30,684
Effect of expenses not deductible for tax purposes				
Adjustments in respect of previous periods	2,163	-	(4,686)	-
Deferred tax	<u>(42,079)</u>	<u>25,118</u>	<u>-</u>	<u>(14,816)</u>
Current tax charge for period	<u>235,876</u>	<u>185,572</u>	<u>147,620</u>	<u>38,822</u>

10. Dividends	Group		Company	
	2017 £	2016 £	2017 £	2016 £
Equity dividends				
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>

H.M.T. Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

11. Tangible fixed assets Group	Leasehold property £	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost/valuation					
At 1 April 2016	356,920	2,200,291	8,676,211	54,625	11,288,047
Additions	-	5,000	1,341,345	-	1,341,345
Disposals	-	-	(491,835)	-	(491,835)
At 31 March 2017	<u>356,920</u>	<u>2,200,291</u>	<u>9,525,721</u>	<u>54,625</u>	<u>12,137,557</u>
Depreciation					
At 1 April 2016	142,692	-	5,764,113	48,203	5,955,008
On disposal	-	-	(452,462)	-	(452,462)
Charge for the year	<u>71,346</u>	<u>43,905</u>	<u>951,366</u>	<u>3,888</u>	<u>1,070,505</u>
At 31 March 2017	<u>214,038</u>	<u>43,905</u>	<u>6,263,017</u>	<u>52,091</u>	<u>6,573,051</u>
Net book values					
At 31 March 2017	<u>142,882</u>	<u>2,156,386</u>	<u>3,262,704</u>	<u>2,534</u>	<u>5,564,506</u>
At 31 March 2016	<u>214,228</u>	<u>2,200,291</u>	<u>2,912,098</u>	<u>6,422</u>	<u>5,333,039</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	2017 Net book value £	2016 Net book value £
Asset description		
Plant and machinery	<u>2,769,491</u>	<u>2,519,282</u>

11.1 Tangible fixed assets Company	Leasehold property £	Plant and machinery £	Office equipment £	Total £
Cost/valuation				
At 1 April 2016	356,920	7,633,404	32,625	7,762,339
Additions	-	752,445	-	752,445
Disposals	-	(491,835)	-	(491,835)
At 31 March 2017	<u>356,920</u>	<u>7,633,404</u>	<u>32,625</u>	<u>8,022,949</u>
Depreciation				
At 1 April 2016	142,692	5,252,767	26,203	5,421,662
On disposal	-	(452,462)	-	(452,462)
Charge for the year	<u>71,346</u>	<u>664,050</u>	<u>3,888</u>	<u>739,284</u>
At 31 March 2017	<u>214,038</u>	<u>5,464,355</u>	<u>30,091</u>	<u>5,708,484</u>
Net book values				
At 31 March 2017	<u>142,882</u>	<u>2,169,049</u>	<u>2,534</u>	<u>2,314,465</u>
At 31 March 2016	<u>214,228</u>	<u>2,120,027</u>	<u>6,422</u>	<u>2,340,677</u>

H.M.T. Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

Included above are assets held under finance leases or hire purchase contracts as follows:

	2017	2016
	Net book	Net book
	value	value
	£	£
Plant and machinery	<u>1,750,993</u>	<u>1,750,825</u>

12. Fixed asset investments

Group	Unlisted investments	Total
	£	£
Cost/valuation		
At 1 April 2016	27,600	27,600
Disposals	<u>-</u>	<u>-</u>
At 31 March 2017	<u>27,600</u>	<u>27,600</u>
Net book values		
At 31 March 2017	<u>27,600</u>	<u>27,600</u>
At 31 March 2016	<u>27,600</u>	<u>27,600</u>

12.1 Fixed asset investments

Company	Subsidiary undertakings	Total
	£	£
Cost/valuation		
At 1 April 2016	75	75
Disposals	<u>-</u>	<u>-</u>
At 31 March 2017	<u>75</u>	<u>75</u>
Net book values		
At 31 March 2017	<u>75</u>	<u>75</u>
At 31 March 2016	<u>75</u>	<u>75</u>

12.2 Holdings of 20% or more

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
H.M.T. Groupage Limited	Northern Ireland	Freight forwarding	Ordinary	75%

H.M.T. Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

13. Debtors	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	3,936,884	4,149,317	3,035,044	3,237,701
Other debtors	100	4,291	-	4,191
Prepayments and accrued income	35,874	48,218	3,861	3,986
Amounts owed by related company	3,160	3,160	3,160	3,160
Directors' Current Accounts	77,101	55,730	77,101	55,730
	<u>4,053,119</u>	<u>4,260,716</u>	<u>3,119,166</u>	<u>3,304,768</u>

14. Cash and cash equivalents	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Cash and cash equivalents comprise the following:				
Cash at bank and in hand	1,308,103	659,643	886,528	412,302
	<u>1,308,103</u>	<u>659,643</u>	<u>886,528</u>	<u>412,302</u>

15. Creditors: amounts falling due within one year	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans	170,796	170,796	-	-
Net obligations under finance leases and hire purchase contracts	714,966	751,593	439,419	511,227
Trade creditors	3,912,681	3,835,271	3,434,600	3,365,377
Corporation tax	275,792	158,290	147,620	53,638
Other taxes and social security costs	190,894	237,170	76,532	81,853
Other creditors	41,242	36,009	19,752	19,086
Accruals and deferred income	9,450	19,552	7,000	17,102
	<u>5,315,821</u>	<u>5,208,681</u>	<u>4,124,923</u>	<u>4,048,283</u>

The group bank facilities are secured as follows:

Debenture incorporating fixed and floating charge over all company assets, legal charge over property at Unit 20, Roman Way, Preston and letters of guarantee signed by directors.

16. Creditors: amounts falling due after more than one year	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Bank loans	925,736	1,049,312	-	-
Net obligations under finance leases and hire purchase contracts	684,011	590,363	329,937	333,746
	<u>1,609,747</u>	<u>1,639,675</u>	<u>329,937</u>	<u>333,746</u>

H.M.T. Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

17. Obligations under hire purchase and finance leases

The total future payments under hire purchase and finance lease agreements are as follows:

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Not later than 1 year	714,966	751,593	439,419	511,227
Later than 1 year and not later than 5 years	<u>684,011</u>	<u>590,363</u>	<u>329,937</u>	<u>333,746</u>
Present value of minimum hire purchase payments	<u>1,398,977</u>	<u>1,341,956</u>	<u>769,356</u>	<u>844,973</u>

	Group		Company	
	Deferred taxation (Note 19)	Total	Deferred taxation (Note 19)	Total
	£	£	£	£
At 1 April 2016	137,151	137,151	2,269	2,269
Movements in the year	<u>(42,079)</u>	<u>(42,079)</u>	<u>-</u>	<u>-</u>
At 31 March 2017	<u>95,072</u>	<u>95,072</u>	<u>2,269</u>	<u>2,269</u>

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
19. Provision for deferred taxation				
Accelerated capital allowances	<u>95,072</u>	<u>137,151</u>	<u>2,269</u>	<u>2,269</u>
Provision for deferred tax	<u>95,072</u>	<u>137,151</u>	<u>2,269</u>	<u>2,269</u>
Provision at 1 April 2016	137,151	112,033	2,269	17,085
Deferred tax (credit)/debit in profit and loss account	<u>(42,079)</u>	<u>25,118</u>	<u>-</u>	<u>(14,816)</u>
Provision at 31 March 2017	<u>95,072</u>	<u>137,151</u>	<u>2,269</u>	<u>2,269</u>

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
20. Share capital				
Issued, called up and fully paid				
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

H.M.T. Shipping Limited

Notes to the financial statements for the year ended 31 March 2017

21. Operating leases

The company as lessee

At 31 March 2017 the group had total future lease payments under non-cancellable operating leases as follows:

	Land & Buildings Group		Land & Buildings Company	
	2017	2016	2017	2016
	£	£	£	£
Not later than 1 year	116,000	81,750	116,000	81,750
Later than 1 year and not later than 5 years	320,000	102,000	320,000	102,000
Later than 5 years	<u>800,000</u>	<u>-</u>	<u>800,000</u>	<u>-</u>
	<u>1,236,000</u>	<u>183,750</u>	<u>1,236,000</u>	<u>183,750</u>

22. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	Advances/(credits) to the directors		Amounts repaid		Balance outstanding	
	2017	2016	2017	2016	2017	2016
	£	£	£	£	£	£
Jarlath Magee	38,269	81,214	(25,923)	(90,000)	38,268	25,922
Gerard Magee	100,275	97,645	(90,000)	(90,000)	38,833	28,558
Gerard Hughes	88,750	142,527	(90,000)	(90,000)	-	1,250

23. Related party transactions

By virtue of having common directors and shareholders the group traded with the following related parties and had transactions and balances during the year and at the year end as follows:-

	£
<u>Bluekite (UK) Limited</u>	
Sales	1,767,277
Purchases	(3,182,986)
Trade Debtor balance	171,917
Trade Creditor balance	(538,407)
<u>Bluekite Transport Limited</u>	
Purchases	(643,822)
Trade Debtor balance	16,000
Trade Creditor balance	(221,270)
<u>HMT Shipping (Ireland) Limited</u>	
Purchases	(128,440)
Trade Creditor balance	(176,731)
Non-Trade Debtor Balance	3,160