

Company Registration No. SC195721 (Scotland)

SAFETY AT SEA LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017
PAGES FOR FILING WITH REGISTRAR



SAFETY AT SEA LIMITED

COMPANY INFORMATION

Directors	K Dodworth L Guarin A York C F Kershaw R J Luukas
Company number	SC195721
Registered office	2nd Floor 280 St Vincents Street Glasgow G2 5RL
Auditor	BWM Castle Chambers 43 Castle Street Liverpool L2 9SH
Business address	2nd Floor 280 St Vincents Street Glasgow G2 5RL
Bankers	Barclays Bank Lord Street Liverpool Merseyside L2 1TD

SAFETY AT SEA LIMITED

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 9

SAFETY AT SEA LIMITED

BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	4		275,285		274,166
Current assets					
Debtors	5	1,170,665		1,031,268	
Cash at bank and in hand		122,768		153,886	
		1,293,433		1,185,154	
Creditors: amounts falling due within one year	6	(872,959)		(703,168)	
Net current assets			420,474		481,986
Total assets less current liabilities			695,759		756,152
Creditors: amounts falling due after more than one year	7		(158,673)		(169,469)
Provisions for liabilities	8		(137,682)		(135,000)
Net assets			399,404		451,683
Capital and reserves					
Called up share capital	9		75		75
Share premium account			25		25
Profit and loss reserves			399,304		451,583
Total equity			399,404		451,683

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

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

The financial statements were approved by the board of directors and authorised for issue on 28 September 2017 and are signed on its behalf by:


C F Kershaw
Director

Company Registration No. SC195721

SAFETY AT SEA LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2017

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 May 2015	75	25	977,134	977,234
Year ended 30 April 2016:				
Profit and total comprehensive income for the year	-	-	74,449	74,449
Dividends	-	-	(600,000)	(600,000)
Balance at 30 April 2016	75	25	451,583	451,683
Year ended 30 April 2017:				
Profit and total comprehensive income for the year	-	-	247,721	247,721
Dividends	-	-	(300,000)	(300,000)
Balance at 30 April 2017	75	25	399,304	399,404

SAFETY AT SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Company information

Safety At Sea Limited is a private company limited by shares incorporated in Scotland. The registered office is 2nd Floor, 280 St Vincents Street, Glasgow, G2 5RL.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

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.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

1.5 Tangible fixed assets

Tangible fixed assets are measured at cost (or deemed cost for freehold property, where relevant, at the date of transition to FRS 102 1A), net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	5% straight line
Plant and machinery	30% straight line
Fixtures, fittings & equipment	10% straight line
Furniture	30% reducing balance

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.

SAFETY AT SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.6 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.

1.7 Cash and cash equivalents

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.

1.8 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.

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.

1.9 Equity instruments

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

SAFETY AT SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.10 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.

1.11 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 it arises.

1.12 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.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

SAFETY AT SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 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 16 (2016: 15).

3 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	(198,656)	3,771
Deferred tax		
Origination and reversal of timing differences	244	571
Total tax (credit)/charge	(198,412)	4,342

SAFETY AT SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

3 Taxation

(Continued)

The current tax credit of £198,656 includes a rebate of £143,909 due from previous years and tax relief of £51,746 on research and development expenditure incurred in the current year.

4 Tangible fixed assets

	Freehold property	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 May 2016	250,000	407,890	657,890
Additions	-	20,313	20,313
At 30 April 2017	250,000	428,203	678,203
Depreciation and impairment			
At 1 May 2016	5,000	378,724	383,724
Depreciation charged in the year	2,500	16,694	19,194
At 30 April 2017	7,500	395,418	402,918
Carrying amount			
At 30 April 2017	242,500	32,785	275,285
At 30 April 2016	245,000	29,166	274,166

The directors have, in line with FRS 102, opted to treat previously revalued property value at the date of transition (1 May 2014) as the deemed cost of the freehold property.

5 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	348,001	210,599
Corporation tax recoverable	194,922	-
Amounts due from group undertakings	457,207	488,173
Other debtors	147,009	308,726
	1,147,139	1,007,498
Deferred tax asset	23,526	23,770
	1,170,665	1,031,268

At the year end L Guarin, a director of the company, had an overdrawn director's loan account of £5,146 (2016: £5,146). The maximum overdrawn amount during the period was £5,146 (2016: £5,146). Interest may be charged on overdrawn directors' loan accounts at the commercial rate.

SAFETY AT SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

6 Creditors: amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts (secured)	10,937	10,531
Trade creditors	81,003	29,699
Amounts due to group undertakings	668,858	422,467
Corporation tax	-	3,734
Other taxation and social security	27,553	30,267
Other creditors	84,608	206,470
	<u>872,959</u>	<u>703,168</u>

7 Creditors: amounts falling due after more than one year

	2017 £	2016 £
Bank loans (secured)	<u>158,673</u>	<u>169,469</u>

The bank loan is secured by way of a cross guarantee between the company and its parent (Brookes Bell LLP) in addition to standard security over the property located at 280 St Vincent Street Glasgow and a floating charge over the remaining assets of the company.

SAFETY AT SEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

8 Provisions for liabilities

	2017 £	2016 £
Provision for repayment of grant funding	137,682	135,000

The provision for repayment of grant funding provided by the European Commission is based on the results of a grant audit that took place during the year ended 30 April 2014. The final audit findings have been issued with a repayment due of €112,067 based on the three projects that were audited, this amount is still in dispute by the directors. In light of these findings, a review of the unaudited projects has been prepared by the directors to provide an additional provision for potential repayments on those projects.

9 Called up share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
7,500 Ordinary shares of 1p each	75	75

10 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 Lesley Malkin BA FCA.
The auditor was BWM.

11 Operating lease commitments

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

	2017 £	2016 £
Within one year	620	1,580
Between two and five years	207	1,185
Obligations under operating lease	827	2,765

12 Related party transactions

The company is a wholly owned subsidiary of Brookes Bell LLP, a limited liability partnership incorporated in England and Wales. There is no ultimate controlling party as the parent entity is controlled by individuals, none of which have a controlling interest. The consolidated accounts are made publicly available and are held at the parent company's registered office at Walker House, Exchange Flags, Liverpool L2 9YL. The directors have taken advantage of the related party disclosure exemption in respect of transactions with members of the group.