

COMPANY REGISTRATION NUMBER SC032785

DENHOLM PORT SERVICES LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2024

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DENHOLM PORT SERVICES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

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DENHOLM PORT SERVICES LIMITED
OFFICERS AND PROFESSIONAL ADVISORS

Directors

J N W Denholm (Resigned 3 May 2024)
J Watt
K Brathagen (Resigned 1 January 2025)
B D R MacLehose
A O Platt (Appointed 24 May 2024)
P J Cross
B A H Brubakk (Appointed 1 January 2025)
L Nyhus

Secretary

C D G Daniels

Registered office

18 Woodside Crescent
Glasgow
G3 7UL

Independent auditor

BDO LLP
Chartered Accountants and Statutory Auditor
2 Atlantic Quay
31 York Street
Glasgow
G2 8NJ

DENHOLM PORT SERVICES LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2024

The directors in preparing this strategic report have complied with S414C of the Companies Act 2006.

Business review

The principal activity of the company continued to be the provision of ship agency and related port and marine services.

The company's key performance indicators are turnover and profit on ordinary activities before taxation. Turnover for the year amounted to £10,667,030 (2023 - £7,774,339) and loss on ordinary activities before taxation amounted to £218,640 (2023 - profit of £1,235,242). The company's year end balance sheet reported net assets of £1,237,575 (2023 - £1,411,728).

The underlying trading performance was pleasing, resulting in a stable gross profit compared to the prior year. Significant legal expenses were incurred in relation to a review of operational trading processes, resulting in the loss for the year.

The company's principal risks and uncertainties relate to economic factors such as the strength of the UK economy, world shipping markets and exchange rate fluctuations, together with the performance of customers and competitors.

Financial risk management

The company's principal financial assets are bank balances and trade debtors. The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of provisions for doubtful debts. The company has a relatively diverse credit risk, with exposure spread over a reasonable number of customers. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

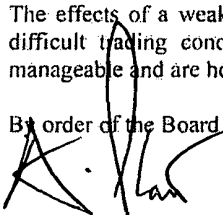
The company's principal financial liabilities are trade creditors.

In the normal course of business the company obtains certain supplies and makes certain sales in euros and dollars. The company manages the risk of foreign exchange movements by entering into forward currency contracts at the point of sale.

Future developments

The effects of a weakened economy in the United Kingdom and uncertainties caused by global events will create difficult trading conditions for the business, however the directors are confident that these situations will be manageable and are hopeful that 2025 will be a successful year.

By order of the Board on 18 June 2025


A O Platt
Director

DENHOLM PORT SERVICES LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2024

The directors submit their report and the financial statements of the company for the year ended 31 December 2024.

Company number

The company is registered in Scotland (company number SC032785).

Principal activities

The principal activity of the company continued to be the provision of ship agency and related port and marine services.

Results and dividends

The loss for the year after taxation was £174,153 (2023 - profit of £930,901).

The directors do not recommend the declaration and payment of a dividend in 2024 (2023 - £750,000 dividend paid).

Financial risk management and future developments

Please refer to the strategic report for information on the company's financial risk management and future developments.

Directors

The directors who served the company during the year and to the date of this report are listed on page 1.

Employment Policies

The company's employment policies are built around Fairness, Achievement, Integrity and Respect as set out in the Denholm Standard for employment.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the 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. 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), including FRS 102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland". The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

As at the date of this report, as far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Each of the directors have taken such steps as they should have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

DENHOLM PORT SERVICES LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2024

Going concern

The directors having considered the company's forecasts, cash resources, facilities, and projected costs (based on a range of possible outcomes), have concluded that there is no material uncertainty arising in relation to going concern and that the company has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future and to meet its obligations as they fall due. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

By order of the Board on 18 June 2025



A O Platt
Director

DENHOLM PORT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENHOLM PORT SERVICES LIMITED

YEAR ENDED 31 DECEMBER 2024

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss 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.

We have audited the financial statements of Denholm Port Services Limited ("the company") for the year ended 31 December 2024 which comprise the profit and loss account, the balance sheet, the statement of cash flows, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DENHOLM PORT SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENHOLM
PORT SERVICES LIMITED *(continued)*
YEAR ENDED 31 DECEMBER 2024

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The procedures that we designed and executed included:

DENHOLM PORT SERVICES LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENHOLM
PORT SERVICES LIMITED (continued)
YEAR ENDED 31 DECEMBER 2024

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, anti-bribery legislation and anti-slavery legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred;
- Discussions with in-house regulatory and legal teams in order to identify any non-compliance.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiring of management and those charged with governance concerning any known or suspected instances of fraud, actual and potential litigation, and claims and seeking corroborating and contradictory evidence to support their claims;
- Obtaining an understanding of the Company's policies and procedures relating to:
- Detecting and responding to the risks of fraud; and
- Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, revenue cut-off in the agency and support services revenue streams, accrued income and completeness of provisions.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the recognition of revenue, accrued income and provisions;

DENHOLM PORT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENHOLM

PORT SERVICES LIMITED (continued)

YEAR ENDED 31 DECEMBER 2024

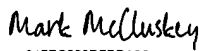
- We sought to identify any areas of management bias by corroborating significant estimates and judgements and challenging management as to their appropriateness based on third party empirical evidence, recalculating management's estimate, following up on information in relation to estimates to the date of approval as well as in some cases developing our own estimate range and comparing this to management's estimate;
- Focussing on revenue year end cut-off procedures and existence of accrued income and the inclusion of revenue in the correct accounting periods;
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- Reading minutes of meetings of those charged with governance; reviewing correspondence with legal advisors to identify indications of non-compliance with laws and regulations;
- Determining whether the accounting policies and presentation adopted in the financial statements are in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice);
- Vouching balances and reconciling items in key control account reconciliations to supporting documentation as at 31 December 2024;
- Testing the completeness and existence of the provision for invoicing practices by testing the methodology, assumptions and underlying information supporting the provision through statistical sampling and in reference to the IT system used;

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Mark McCluskey (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Glasgow
United Kingdom

25 June 2025

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BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

DENHOLM PORT SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
TURNOVER	2	10,667,030	7,774,339
Cost of sales		(4,212,277)	(1,213,904)
GROSS PROFIT		<u>6,454,753</u>	<u>6,560,435</u>
Administrative expenses		(7,178,499)	(5,651,974)
Other operating income	3	53,433	12,978
OPERATING (LOSS)/PROFIT	4	<u>(670,313)</u>	<u>921,439</u>
Interest receivable and similar income	7	457,023	328,805
Interest payable and similar charges	8	(5,350)	(15,002)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>(218,640)</u>	<u>1,235,242</u>
Tax on (loss)/profit on ordinary activities	9	44,487	(304,341)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u><u>(174,153)</u></u>	<u><u>930,901</u></u>

All of the activities of the company are classed as continuing.

Statement of other comprehensive income

There are no items of other comprehensive income other than the loss of £174,153 attributable to the shareholders for the year ended 31 December 2024 (2023 - profit of £930,901). Accordingly, a statement of other comprehensive income is not presented.

The notes on pages 13 to 24 form part of these financial statements.

DENHOLM PORT SERVICES LIMITED

BALANCE SHEET

YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Intangible assets	11	-	10,249
Tangible assets	12	<u>118,018</u>	<u>165,089</u>
		<u>118,018</u>	<u>175,338</u>
CURRENT ASSETS			
Debtors due within one year	13	12,558,960	12,649,210
Cash at bank and in hand		<u>11,921,045</u>	<u>6,862,914</u>
		24,480,005	19,512,124
CREDITORS: Amounts falling due within one year	15	(23,235,448)	(18,132,334)
NET CURRENT ASSETS		<u>1,244,557</u>	<u>1,379,790</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,362,575</u>	<u>1,555,128</u>
PROVISIONS FOR LIABILITIES	16	(125,000)	(143,400)
NET ASSETS		<u>1,237,575</u>	<u>1,411,728</u>
CAPITAL AND RESERVES			
Called-up share capital	17	100,000	100,000
Profit and loss account	17	<u>1,137,575</u>	<u>1,311,728</u>
SHAREHOLDERS' FUNDS		<u>1,237,575</u>	<u>1,411,728</u>

These financial statements were approved by the Board on 18 June 2025


A O Platt
Director

The notes on pages 13 to 24 form part of these financial statements.

DENHOLM PORT SERVICES LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Operating (loss)/profit for the financial year		(670,313)	921,439
Adjustments for:			
Amortisation of intangible assets	11	10,249	30,707
Depreciation of tangible fixed assets	12	64,870	61,711
Decrease/(increase) in trade and other debtors		283,176	(5,232,683)
Increase in trade and other creditors		5,103,114	5,439,664
(Decrease)/increase in provisions	16	(18,400)	26,400
Gain on disposal of tangible assets	3	-	(14,000)
		<hr/>	<hr/>
Cash inflow from operations		4,772,696	1,233,238
Income taxes paid		(148,439)	(338,753)
		<hr/>	<hr/>
Net cash inflow from operating activities		4,624,257	894,485
Cash flows from investing activities			
Proceeds from sale of tangible assets		-	14,000
Purchases of tangible fixed assets	12	(17,799)	(91,460)
Interest received	7	457,023	328,805
Interest paid	8	(5,350)	(15,002)
		<hr/>	<hr/>
Net cash inflow from investing activities		433,874	236,343
Cash flows from financing activities			
Dividends paid	10	-	(750,000)
		<hr/>	<hr/>
Net cash outflow from financing activities		-	(750,000)
Net increase in cash and cash equivalents		5,058,131	380,828
Cash and cash equivalents at the beginning of the year		6,862,914	6,482,086
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		11,921,045	6,862,914
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 13 to 24 form part of these financial statements.

DENHOLM PORT SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2024

	Note	Called up share capital £	Profit and loss account £	Total £
At 31 December 2022		100,000	1,130,827	1,230,827
Profit for the financial year		-	930,901	930,901
Dividends paid on equity shares	10	-	(750,000)	(750,000)
At 31 December 2023		100,000	1,311,728	1,411,728
Loss for the financial year		-	(174,153)	(174,153)
At 31 December 2024		100,000	1,137,575	1,237,575

The notes on pages 13 to 24 form part of these financial statements.

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES

Basis of accounting

Denholm Port Services Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1 and its principal activities are set out in the directors' report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The company has taken advantage of the reduced disclosure exemptions as permitted by FRS 102 in preparing these financial statements as noted throughout these financial statements. This information is included in the consolidated financial statements of J. & J. Denholm Limited as at 31 December 2024 and these financial statements may be obtained from Companies House. The functional and presentational currency of Denholm Port Services Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The directors having considered the company's forecasts, cash resources, facilities, and projected costs (based on a range of possible outcomes), have concluded that there is no material uncertainty arising in relation to going concern and that the company has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future and to meet its obligations as they fall due. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

Turnover

The turnover shown in the profit and loss account represents amounts earned during the year and is stated net of Value Added Tax. Turnover represents the fair value of consideration received or receivable from the supply of ship agency and related port and marine services. In all cases, it is recognised in accordance with the contractual arrangements.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

Goodwill - over 5 years

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

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation, and any provision for impairment. Depreciation is calculated on a straight line basis to write off the cost less estimated residual value of tangible fixed assets over their anticipated useful lives as follows:

Leasehold Property	- over the lesser period of the lease or 50 years
Plant & Machinery	- over 4 years
Motor Vehicles	- over 4 years

Leases

Rentals in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Pension costs

Employees are entered into a defined contribution scheme and contributions to the scheme are charged to the profit and loss account as incurred.

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES *(continued)*

Taxation

Current tax is provided at amounts expected to be paid (or received) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be argued as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with a maturity date of 12 months or less.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved.

Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

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.

The directors have taken advantage of the exemption in Financial Reporting Standard 102, Section 1 from including a detailed financial instruments note on the grounds that the company is a qualifying entity and detailed information on the financial instruments are included in the consolidated financial statements of the ultimate parent.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs).

Debt instruments that are classified as payable or receivable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES *(continued)*

(ii) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

(ii) Derivative financial instruments

The activities of the company expose it directly to the financial risks of changes in foreign currency exchange rates. The company uses forward foreign exchange contracts to hedge these exposures. The company does not use derivative financial instruments for speculative purposes.

Derivatives are initially recorded on the balance sheet and subsequently measured at fair value, which is calculated using standard industry valuation techniques in conjunction with observable market data. The changes in fair value are reported through the profit and loss account.

Foreign currencies

Transactions in currencies other than the functional currency are recognised at the rate of exchange at the date of the transaction, or at an average rate where this rate approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates prevailing at that date. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

Exchange differences arising from trading are included as an exchange gain or loss in the profit and loss account.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and estimates in applying the company's accounting policies

The following are the critical judgements and estimates, that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements;

(a) Debtor's provision

The company assesses the recoverability of its debtors and provides for specific debtors if the likelihood of recoverability is deemed to be in doubt or if the customer has defaulted.

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

1. ACCOUNTING POLICIES *(continued)*

Critical judgements and estimates in applying the company's accounting policies *(continued)*

(b) Impairment of goodwill

The company carries out impairment reviews whenever events or changes in circumstance indicate that the carrying value of goodwill may not be recoverable. In addition, the company carries out an annual impairment review. An impairment loss is recognised when the recoverable amount of goodwill is less than the carrying amount. The impairment tests are carried out by assets and reflect the latest company projections.

The budgets are based on various assumptions relating to the company's outlook and prospects. These are discussed in the strategic report.

The value in use calculation requires an estimate to be made of the timing and of the amount of future cash flows to the asset and the application of a suitable discount rate in order to calculate the present value. A change in the assumptions selected by management and used in the cash flow projections could significantly affect the impairment calculation.

(c) Provision for invoicing practices

The provision for invoicing practices included in note 16 relates to incorrect revenue recognition over a number of years. The liability recognised is based on management's best estimate of the potential liability arising from the correction of the incorrectly recognised revenue.

2. TURNOVER

Turnover, stated exclusive of Value Added Tax, is derived from one continuing activity and represents amounts earned for ship agency and related port and marine services in the United Kingdom.

	2024	2023
	£	£
Rendering of services	<u>10,667,030</u>	<u>7,774,339</u>

3. OTHER OPERATING INCOME

	2024	2023
	£	£
Foreign exchange gain	42,928	7,905
Change in fair value of derivative financial instruments	10,505	(8,927)
Profit on disposal of fixed assets	-	14,000
	<u>53,433</u>	<u>12,978</u>

4. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2024	2023
	£	£
Amortisation of intangible assets	10,249	30,707
Depreciation of tangible fixed assets	64,870	61,711
Auditor's remuneration - audit fees	23,452	18,212
Operating lease costs:		
Land and buildings	<u>229,790</u>	<u>143,027</u>

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2024	2023
	Number	Number
Management	2	2
Operations	83	80
	<u>85</u>	<u>82</u>

The aggregate payroll costs of the above were:

	2024	2023
	£	£
Wages and salaries	3,569,921	3,355,829
Social security costs	356,562	350,306
Other pension costs (note 18)	180,339	170,815
	<u>4,106,822</u>	<u>3,876,950</u>

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2024	2023
	£	£
Remuneration receivable	115,215	122,028
Company pension contributions to money purchase schemes	9,797	9,403
	<u>125,012</u>	<u>131,431</u>

Remuneration of highest paid director:

	2024	2023
	£	£
Total remuneration (excluding pension contributions)	115,215	122,028
Company pension contributions to money purchase schemes	9,797	9,403
	<u>125,012</u>	<u>131,431</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2024	2023
	Number	Number
Money purchase schemes	<u>1</u>	<u>1</u>

Certain of the company's directors are remunerated by other group companies during the year and in the prior year and it is not practical to make an apportionment of remuneration in respect of services provided to this company, as a result none of their remuneration is included in the emoluments reported above.

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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7.	INTEREST RECEIVABLE AND SIMILAR INCOME	2024	2023
		£	£
	Bank interest receivable	457,023	328,805
		<u> </u>	<u> </u>
8.	INTEREST PAYABLE AND SIMILAR CHARGES	2024	2023
		£	£
	Bank interest payable	150	2
	Other interest payable on provision for invoicing practises (note 16)	5,200	15,000
		<u> </u>	<u> </u>
		5,350	15,002
		<u> </u>	<u> </u>
9.	TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES		
	(a) Analysis of tax (credit)/charge in the year	2024	2023
		£	£
	Current tax:		
	In respect of the year:		
	UK Corporation tax based on the results for the year	-	298,984
	(Over)/under provision in prior year	(50)	151
		<u> </u>	<u> </u>
	Total current tax	(50)	299,135
	Deferred tax:		
	Origination and reversal of timing differences	(44,437)	5,206
		<u> </u>	<u> </u>
	Tax on (loss)/profit on ordinary activities	(44,487)	304,341
		<u> </u>	<u> </u>

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

9. TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (continued)

(b) Factors affecting current tax (credit)/charge for the year

The tax assessed on the (loss)/profit on ordinary activities for the year is lower (2023 - higher) than the standard rate of corporation tax in the UK of 25.0% (2023 - 23.52%). The differences are reconciled below:

	2024	2023
(Loss)/profit on ordinary activities before tax	(218,640)	1,235,242
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.0% (2023 - 23.52%)	(54,660)	296,745
Expenses not deductible for tax purposes	4,427	5,719
Depreciation on assets not qualifying for capital allowances	2,024	862
Differences in deferred tax rate	-	303
Adjustment in respect of prior periods	(49)	234
Goodwill not deductible for tax purposes	2,562	7,223
Capital gain on disposal of non qualifying assets	-	(588)
Sundry tax adjusting items	1,209	(77)
Total tax (credit)/charge	(44,487)	304,341

10. DIVIDENDS

	2024	2023
	£	£
Dividends paid £Nil per share (2023 - £7.50 per share)	-	750,000

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

11. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 January 2024 and at 31 December 2024	2,453,925
Amortisation	
At 1 January 2024	2,443,676
Charge for the year	10,249
At 31 December 2024	2,453,925
Net Book Value	
At 31 December 2024	-
At 31 December 2023	10,249

12. TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
Cost				
1 January 2024	43,500	562,435	47,067	653,002
Additions	-	17,799	-	17,799
At 31 December 2024	43,500	580,234	47,067	670,801
Depreciation				
At 1 January 2024	16,786	463,072	8,055	487,913
Charge for the year	11,511	41,539	11,820	64,870
At 31 December 2024	28,297	504,611	19,875	552,783
Net Book Value				
At 31 December 2024	15,203	75,623	27,192	118,018
At 31 December 2023	26,714	99,363	39,012	165,089

The leasehold property above relates to a lease with less than 50 years unexpired.

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

13. DEBTORS: Amounts falling due within one year

	2024	2023
	£	£
Trade debtors	7,243,088	7,064,007
Amounts owed by group undertakings	1,368,410	2,189,988
Group relief receivable	175,336	26,847
Other debtors	1,633,533	1,783,975
Prepayments and accrued income	2,082,342	1,578,857
Deferred taxation (note 14)	49,973	5,536
Fair value of derivative instruments	6,278	-
	12,558,960	12,649,210
	12,558,960	12,649,210

The financial assets above are recorded at the transaction price. The debt instruments receivable above are recorded at the undiscounted amount receivable. The derivative financial instruments above are recorded at fair value.

14. DEFERRED TAXATION

The deferred tax included in the balance sheet is as follows:

	2024	2023
	£	£
Included in debtors (note 13)	49,973	5,536
	49,973	5,536
	49,973	5,536

The movement in the deferred taxation account during the year was:

	2024	2023
	£	£
Balance brought forward	5,536	10,742
Profit and loss account movement arising during the year (note 9)	44,437	(5,206)
	49,973	5,536
	49,973	5,536

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2024	2023
	£	£
Accounting depreciation in excess of capital allowances	49,973	5,536
	49,973	5,536
	49,973	5,536

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

15. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	12,745,385	11,878,701
Amounts owed to group undertakings	247,839	150,186
Other creditors	1,439,024	783,186
Accruals and deferred income	8,803,200	5,316,034
Fair value of derivative instrument	-	4,227
	23,235,448	18,132,334
	23,235,448	18,132,334

The financial liabilities above are recorded at transaction price.

16. PROVISIONS

	2024	2023
	£	£
Provision for invoicing practices	125,000	143,400
	125,000	143,400
	125,000	143,400

In December 2023, the Group's internal control procedures uncovered invoicing practices which have resulted in incorrect revenue recognition over a number of years. The provision of £125,000 (2023 - £143,400) represents management's best estimate of the potential liability arising from the correction of the revenue generated from these practices. The movement in the year relates to amounts paid of £23,600, partially offset by interest payable of £5,200.

17. SHARE CAPITAL

Allotted, called up and fully paid:

	2024		2023	
	Number	£	Number	£
100,000 Ordinary shares of £1 each	100,000	100,000	100,000	100,000
	100,000	100,000	100,000	100,000
	100,000	100,000	100,000	100,000

The profit and loss account of £1,137,575 (2023 - £1,311,728) represents cumulative profits or losses, net of dividends paid and other adjustments.

18. PENSIONS

The company contributes to a defined contribution scheme for which the pension charge for the year amounted to £180,339 (2023 - £170,815).

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2024 total future minimum lease payments under non-cancellable operating leases were as follows:

	Land and buildings	
	2024	2023
	£	£
Operating lease payments due:		
Within 1 year	145,043	147,485
Within 2 to 5 years	176,727	169,477
	<u>321,770</u>	<u>316,962</u>

20. RELATED PARTY TRANSACTIONS

Related Party	Purchases from related party	Sales to related party	Trading balances owed to related party	Trading balances owed from related party
	£	£	£	£
2024				
Denholm Good Logistics Limited *	167,130	55,256	19,082	7,491
Lacy & Middlemiss Shipbrokers Limited *	21,343	52,342	847	-
Denholm UK Logistics Limited *	148,016	-	8,555	-
Hamilton Shipping (Port Services) Limited *	-	-	173,996	1,360,314
Denholm Logistics Group Limited*	-	-	24,443	-
J.&J. Denholm Limited	-	-	20,916	-
Denholm Industrial Services Limited*	-	-	-	605
	<u>336,489</u>	<u>107,598</u>	<u>247,839</u>	<u>1,368,410</u>

DENHOLM PORT SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2024

20. RELATED PARTY TRANSACTIONS (continued)

	Purchases from related party £	Sales to related party £	Trading balances owed to related party £	Trading balances owed from related party £
2023				
Denholm Global Logistics Limited *	119,181	142,328	13,283	25,856
Lacy & Middlemiss Shipbrokers Limited *	9,210	98,471	5,760	29,966
Denholm UK Logistics Limited *	144,431	16,160	13,077	-
Hamilton Shipping (Port Services) Limited *	-	-	117,954	2,127,271
Denholm Logistics Group Limited*	-	-	-	2,461
J.&J. Denholm Limited	-	-	-	4,434
Denholm Good Logistics Limited *	-	3,517	112	-
Denholm Seafoods Limited*	-	205	-	-
	<u>272,822</u>	<u>260,681</u>	<u>150,186</u>	<u>2,189,988</u>

Companies marked * are fellow subsidiaries of J.& J. Denholm Limited, the ultimate parent undertaking.

In addition advantage has been taken of the exemption under section 1.12 of FRS 102, from disclosing total remuneration of key management personnel, as the company is classed as a qualifying entity.

21. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Denholm Logistics Group Limited a company incorporated in England and Wales. The ultimate parent undertaking is J. & J. Denholm Limited. Copies of the accounts of J. & J. Denholm Limited the largest and smallest group undertaking which consolidates the accounts of the company, may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.