

Southampton Grain Terminal Limited

Registered number: 01595121

Annual report

For the year ended 30 June 2019

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SOUTHAMPTON GRAIN TERMINAL LIMITED

COMPANY INFORMATION

Directors	J-F Lepy S P Christensen J Bernardon
Company secretary	J Bernardon
Registered number	01595121
Registered office	Berth 36 Test Road Eastern Docks Southampton Hampshire SO14 3GG
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor Merck House Seldown Lane Poole Dorset BH15 1TW

SOUTHAMPTON GRAIN TERMINAL LIMITED

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SOUTHAMPTON GRAIN TERMINAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2019

The directors present their report and the audited financial statements for the year ended 30 June 2019.

Principal activities

The principal activities are receiving, storing and loading of cereals for shipment.

Directors

The directors who served during the year and to the date of this report were:

R C Pollard (resigned 30 April 2020)
S Blackford (resigned 13 December 2018)
J-F Lepy
S P Christensen
J Bernardon (appointed 13 December 2018)

Directors' responsibilities statement

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

Company law requires the directors to prepare audited financial statements for each financial year. Under that law the directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the audited financial statements unless they are satisfied that they 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 period.

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

- select suitable accounting policies for the company's financial statements 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;
- prepare the audited financial statements on the going concern basis unless it is inappropriate to presume that the company 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 to enable them to ensure that the audited 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.

SOUTHAMPTON GRAIN TERMINAL LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2019

Going concern

The directors have considered the effects of COVID-19 and Brexit on the financial position of the company and has no reason to believe there to be a significant impact which would cast doubt on the company to continue as a going concern. Trade in April and May 2020 exceeded the comparative months for the prior year, continuing the trend of good results to June 2020. Accordingly the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Ongoing support has also been confirmed from its investors. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

Coronavirus and the COVID-19 pandemic

The impact of the Coronavirus outbreak is not yet clear and at the date of this report it is not possible to evaluate all potential implications for the company's trade, customers, and suppliers. The directors consider that, depending on the effect of the pandemic as well as government responses to it, the company may face different economic scenarios such as a slowdown or recession. This may directly affect the trade of the company. The directors are actively analysing possible consequences whilst directing the company's response to mitigate these risks. The principal objective is to protect the health and safety of personnel in the performance of their duties, ensure the continuity of operations, and to fully cooperate with public authorities on all matters within their scope.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Simon Christensen

Simon Christensen (Jun 25, 2020 14:15 GMT+1)

S P Christensen

Director

Date: Jun 25, 2020

SOUTHAMPTON GRAIN TERMINAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHAMPTON GRAIN TERMINAL LIMITED

Opinion

We have audited the financial statements of Southampton Grain Terminal Limited (the 'company') for the year ended 30 June 2019 which comprise the Statement of comprehensive income, the Statement of financial position, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 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.

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation on page 9 and non-adjusting post balance sheet events on page 2.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19. The potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of the COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the company's trade, customers, suppliers and the wider economy.

SOUTHAMPTON GRAIN TERMINAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHAMPTON GRAIN TERMINAL LIMITED

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

SOUTHAMPTON GRAIN TERMINAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHAMPTON GRAIN TERMINAL LIMITED

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, 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 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.

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

Use of the audit 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.


Stephen Mills (Jun 26, 2020 10:20 GMT+1)

Stephen Mills (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor
Merck House
Seldown Lane
Poole
BH15 1TW

Date: Jun 26, 2020

SOUTHAMPTON GRAIN TERMINAL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 £	2018 Restated £
Turnover		1,226,353	1,388,798
Cost of sales		(616,370)	(610,225)
Gross profit		609,983	778,573
Administrative expenses		(1,019,830)	(1,046,087)
Other operating income		13,703	21,178
Operating loss		(396,144)	(246,336)
Interest receivable and similar income	6	968	135
Loss before tax		(395,176)	(246,201)
Tax on loss		55,788	41,115
Loss for the financial year		(339,388)	(205,086)

There was no other comprehensive income for 2019 (2018: £Nil).

The notes on pages 9 to 17 form part of these financial statements.

SOUTHAMPTON GRAIN TERMINAL LIMITED
REGISTERED NUMBER: 01595121

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 £	Restated 2018 £
Fixed assets			
Tangible assets	7	235,054	321,613
		<u>235,054</u>	<u>321,613</u>
Current assets			
Debtors: amounts falling due within one year	8	773,606	585,964
Cash at bank and in hand	9	228,899	229,063
		<u>1,002,505</u>	<u>815,027</u>
Creditors: amounts falling due within one year	10	(322,596)	(166,840)
Net current assets		<u>679,909</u>	<u>648,187</u>
Total assets less current liabilities		<u>914,963</u>	<u>969,800</u>
Creditors: amounts falling due after more than one year	11	(470,694)	(186,143)
Net assets		<u><u>444,269</u></u>	<u><u>783,657</u></u>
Capital and reserves			
Called up share capital	12	100,000	100,000
Profit and loss account		<u>344,269</u>	<u>683,657</u>
Total equity		<u><u>444,269</u></u>	<u><u>783,657</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Simon Christensen

Simon Christensen (Jun 25, 2020 14:15 GMT+1)

S P Christensen
Director

Date: Jun 25, 2020

The notes on pages 9 to 17 form part of these financial statements.

SOUTHAMPTON GRAIN TERMINAL LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2017	100,000	888,743	988,743
Comprehensive income for the year			
Loss for the year	-	(205,086)	(205,086)
At 1 July 2018 (as previously stated)	100,000	653,355	753,355
Prior year adjustment	-	30,302	30,302
At 1 July 2018 (as restated)	100,000	683,657	783,657
Comprehensive income for the year			
Loss for the year	-	(339,388)	(339,388)
At 30 June 2019	100,000	344,269	444,269

The notes on pages 9 to 17 form part of these financial statements.

SOUTHAMPTON GRAIN TERMINAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1. General information

Southampton Grain Terminal Limited is a private company limited by shares, incorporated in England and Wales. The address of its registered office is Berth 36, Test Road, Eastern Docks, Southampton, Hampshire, SO14 3GG.

The principal activities are receiving, storing and loading of cereals for shipment.

The financial statements have been presented in Pounds Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the effects of COVID-19 and Brexit on the financial position of the company and has no reason to believe there to be a significant impact which would cast doubt on the company to continue as a going concern. Accordingly the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is well capitalised and trends since the year end indicate improved trading results. Ongoing support has also been confirmed from its investors. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

SOUTHAMPTON GRAIN TERMINAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Grain silos	- Over the term of the lease
Plant & machinery	- 5 - 10 years
Fixtures & fittings	- 10 years
Computer equipment	- 4 years
Yard resurfacing	- Over the term of the lease

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

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

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

SOUTHAMPTON GRAIN TERMINAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

2. Accounting policies (continued)

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.7 Creditors

Short term creditors are measured at the transaction price.

2.8 Interest income

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

2.9 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

SOUTHAMPTON GRAIN TERMINAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Judgements that have the most significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Minimum tonnage agreement - key source of estimation uncertainty

As discussed in Note 16, an agreement is held between Frontier Agriculture Limited and Southampton Grain Terminal Limited whereby Frontier Agriculture Limited guarantee the minimum level of tonnage of cereals to Southampton Grain Terminal Limited for shipment. Southampton Grain Terminal Limited separately guarantee the minimum level of tonnage of cereals to its landlord for shipment out of the port.

Both agreements cover a period of three years ending 30 June 2020. The shortfall per both agreements are calculated each term year and as a minimum aggregated over the three year period.

As at 30 June 2019, Southampton Grain Terminal Limited are two years in to the three year agreement period. The directors have made a judgement, based on the current forecasts, that the minimum aggregated throughput of cereals will not be reached for the three year period of the agreements. As such, the amounts due / owing on both agreements based on shortfall of cereals shipped from the port in the current year and the prior year have been recognised in the respective years.

4. Other operating income

	2019 £	2018 £
Other operating income	13,703	21,178

5. Employees

The average monthly number of employees, including the directors, during the year was 7 (2018 - 8).

The directors, who are considered to be key management, did not receive any remuneration during the year (2018: £nil).

6. Interest receivable

	2019 £	2018 £
Other interest receivable	968	135

SOUTHAMPTON GRAIN TERMINAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

7. Tangible fixed assets

	Grain silos £	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Yard resurfacing £	Total £
Cost or valuation						
At 1 July 2018	2,543,907	2,831,192	20,754	46,116	273,270	5,715,239
Additions	-	1,900	-	-	-	1,900
At 30 June 2019	<u>2,543,907</u>	<u>2,833,092</u>	<u>20,754</u>	<u>46,116</u>	<u>273,270</u>	<u>5,717,139</u>
Depreciation						
At 1 July 2018	2,507,259	2,627,029	19,210	46,041	194,087	5,393,626
Charge for the year	10,572	53,781	527	75	23,504	88,459
At 30 June 2019	<u>2,517,831</u>	<u>2,680,810</u>	<u>19,737</u>	<u>46,116</u>	<u>217,591</u>	<u>5,482,085</u>
Net book value						
At 30 June 2019	<u>26,076</u>	<u>152,282</u>	<u>1,017</u>	<u>-</u>	<u>55,679</u>	<u>235,054</u>
At 30 June 2018	<u>36,648</u>	<u>204,163</u>	<u>1,544</u>	<u>75</u>	<u>79,183</u>	<u>321,613</u>

8. Debtors

	2019 £	Restated 2018 £
Trade debtors	23,701	72,436
Amounts owed by parent undertakings	21,085	18,813
Other debtors	346,803	254,631
Prepayments and accrued income	321,183	177,228
Tax recoverable	-	57,810
Deferred taxation	60,834	5,046
	<u>773,606</u>	<u>585,964</u>

SOUTHAMPTON GRAIN TERMINAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

9. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	228,899	229,063

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	224,129	81,327
Amounts owed to parent undertakings	16,093	19,631
Other taxation and social security	3,765	3,861
Other creditors	28,967	27,558
Accruals and deferred income	49,642	34,463
	<u>322,596</u>	<u>166,840</u>

11. Creditors: Amounts falling due after more than one year

	2019 £	Restated 2018 £
Other creditors	470,694	186,143

12. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
50,000 Ordinary A shares of £1 each	50,000	50,000
50,000 Ordinary B shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>

SOUTHAMPTON GRAIN TERMINAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

13. Comparatives

The comparative figures have been restated in order to include amounts owing and due on an underlying commercial lease. As a result of the restatement, revenue and other debtors have increased by £216,445 and cost of sales and other creditors have increased by £186,143. This has resulted in a reduction in the prior year loss of £30,302.

We have also restated the comparative figures due to a reclassification of other operating income previously net with administrative expenses. As a result of the restatement, both other operating income and administrative expenses have increased by £21,178. There was no overall impact on the loss for the comparative financial year.

14. Commitments under operating leases

At 30 June 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	215,000	185,000
Later than 1 year and not later than 5 years	430,000	555,000
	<u>645,000</u>	<u>740,000</u>

The lease payments recognised as an expense during the year was £185,000 (2018: £185,000).

SOUTHAMPTON GRAIN TERMINAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

15. Related party transactions

During the year, the company was related to Frontier Agriculture Limited and J Soufflet (U.K.) Limited by virtue of them each owning 50% of the ordinary share capital of the company. Southampton Marketing and Drying LLP is a related party by virtue of the fact that it is a joint venture of which Frontier Agriculture Limited is a venturer.

An agreement is held between Frontier Agriculture Limited and Southampton Grain Terminal Limited whereby Frontier Agriculture Limited guarantee the minimum level of tonnage of cereals to Southampton Grain Terminal Limited for shipment.

	Sales to £	Purchases from £	Management (charges)/ income £	Net balance due (to)/from £
2019				
Frontier Agriculture Limited	778,646	(15,045)	(43,925)	5,059
J Soufflet (U.K.) Limited	-	-	2,000	-
Southampton Marketing and Drying LLP	-	-	11,703	13,154
	<u>778,646</u>	<u>(15,045)</u>	<u>(30,222)</u>	<u>18,213</u>
2018				
Frontier Agriculture Limited	719,505	(45,377)	(52,294)	(818)
J Soufflet (U.K.) Limited	-	-	2,000	-
Southampton Marketing and Drying LLP	-	-	19,178	53,014
	<u>719,505</u>	<u>(45,377)</u>	<u>(31,116)</u>	<u>52,196</u>

16. Post balance sheet events**Coronavirus and the COVID-19 pandemic**

The impact of the Coronavirus outbreak is not yet clear and at the date of this report it is not possible to evaluate all potential implications for the company's trade, customers, and suppliers. The directors consider that, depending on the effect of the pandemic as well as government responses to it, the company may face different economic scenarios such as a slowdown or recession. This may directly affect the trade of the company. The directors are actively analysing possible consequences whilst directing the company's response to mitigate these risks. The principal objective is to protect the health and safety of personnel in the performance of their duties, ensure the continuity of operations, and to fully cooperate with public authorities on all matters within their scope.

SOUTHAMPTON GRAIN TERMINAL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

17. Controlling party

There is no ultimate controlling party of the company as both Frontier Agriculture Limited and J Soufflet (U.K.) Limited each own 50% of the issued share capital.