

REGISTERED NUMBER: 1877474 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009
FOR
THE GREAT EASTERN SHIPPING CO LONDON LTD**

WEDNESDAY



PG26GA03

PC2

20/05/2009

325

COMPANIES HOUSE

THE GREAT EASTERN SHIPPING CO LONDON LTD

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Profit and Loss Account	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Financial Statements	9

THE GREAT EASTERN SHIPPING CO LONDON LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2009**

DIRECTORS:	B.K Sheth M J Brace P.B Kerr-Dineen
SECRETARY:	M J Brace
REGISTERED OFFICE:	The Galleries Charters Road Sunningdale Ascot Berkshire SL5 9QJ
REGISTERED NUMBER:	1877474 (England and Wales)
AUDITORS:	Davis Burton Sellek Chartered Accountants Registered Auditors The Galleries Charters Road Sunningdale Berkshire SL5 9QJ
BANKERS:	Bank of Baroda 32 City Road London EC1Y 2BD
BANKERS:	Royal Bank of Scotland plc Shipping Business Centre 5-10 Great Tower Street London EC3P 3HX

THE GREAT EASTERN SHIPPING CO LONDON LTD

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2009**

The directors present their report with the financial statements of the company for the year ended 31 March 2009.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of shipping.

REVIEW OF BUSINESS

The company's trading activities remained at a low level during the year.

The investment in a container shipping enterprise has been written down to reflect current market values.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2009.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2008 to the date of this report.

B.K Sheth
M J Brace
P.B Kerr-Dineen

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

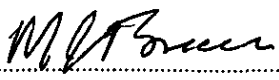
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Davis Burton Sellek, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
M J Brace - Secretary

Date: 27/4/2009

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
THE GREAT EASTERN SHIPPING CO LONDON LTD**

We have audited the financial statements of The Great Eastern Shipping Co London Ltd for the year ended 31 March 2009 on pages five to eleven. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
THE GREAT EASTERN SHIPPING CO LONDON LTD**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



Davis Burton Sellek
Chartered Accountants
Registered Auditors
The Galleries
Charters Road
Sunningdale
Berkshire
SL5 9QJ

Date: 28/4/2009

THE GREAT EASTERN SHIPPING CO LONDON LTD

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	2009 \$	2008 \$
TURNOVER		2,632,961	-
Cost of sales		2,592,644	(32,736)
GROSS PROFIT		40,317	32,736
Administrative expenses		48,424	55,748
OPERATING LOSS	3	(8,107)	(23,012)
Interest receivable and similar income		125,667	411,176
		117,560	388,164
Amounts written off investments	4	5,475,570	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(5,358,010)	388,164
Tax on (loss)/profit on ordinary activities	5	30,311	116,450
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(5,388,321)	271,714
(DEFICIT)/PROFIT FOR THE YEAR		(5,388,321)	271,714
Retained profit brought forward		8,927,754	8,656,040
RETAINED PROFIT CARRIED FORWARD		3,539,433	8,927,754

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

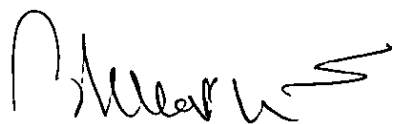
The notes form part of these financial statements

THE GREAT EASTERN SHIPPING CO LONDON LTD

**BALANCE SHEET
31 MARCH 2009**

	Notes	2009	2008
		\$	\$
FIXED ASSETS			
Investments	6	1,488,025	1,606,440
CURRENT ASSETS			
Debtors	7	445	10,919
Cash at bank		2,382,874	7,764,011
		<u>2,383,319</u>	<u>7,774,930</u>
CREDITORS			
Amounts falling due within one year	8	30,311	152,016
NET CURRENT ASSETS		<u>2,353,008</u>	<u>7,622,914</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,841,033</u>	<u>9,229,354</u>
CAPITAL AND RESERVES			
Called up share capital	9	301,600	301,600
Profit and loss account		3,539,433	8,927,754
SHAREHOLDERS' FUNDS	14	<u>3,841,033</u>	<u>9,229,354</u>

The financial statements were approved by the Board of Directors on 15 April 2009 and were signed on its behalf by:



B.K. Sheth - Director

The notes form part of these financial statements

THE GREAT EASTERN SHIPPING CO LONDON LTD

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	2009 \$	2008 \$
Net cash outflow from operating activities	1	(33,199)	(69,107)
Returns on investments and servicing of finance	2	125,667	411,176
Taxation		(116,450)	(6,692)
Capital expenditure and financial investment	2	<u>(5,357,155)</u>	<u>(1,606,440)</u>
Decrease in cash in the period		<u><u>(5,381,137)</u></u>	<u><u>(1,271,063)</u></u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Decrease in cash in the period		<u>(5,381,137)</u>	<u>(1,271,063)</u>
Change in net funds resulting from cash flows		<u>(5,381,137)</u>	<u>(1,271,063)</u>
Movement in net funds in the period		<u>(5,381,137)</u>	<u>(1,271,063)</u>
Net funds at 1 April		<u>7,764,011</u>	<u>9,035,074</u>
Net funds at 31 March		<u><u>2,382,874</u></u>	<u><u>7,764,011</u></u>

The notes form part of these financial statements

THE GREAT EASTERN SHIPPING CO LONDON LTD

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2009**

1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2009	2008
	\$	\$
Operating loss	(8,107)	(23,012)
Decrease in debtors	10,474	6,190
Decrease in creditors	(35,566)	(52,285)
Net cash outflow from operating activities	(33,199)	(69,107)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2009	2008
	\$	\$
Returns on investments and servicing of finance		
Interest received	120,189	410,000
Foreign exchange gains/(losses)	5,478	1,176
Net cash inflow for returns on investments and servicing of finance	125,667	411,176
 Capital expenditure and financial investment		
Purchase of fixed asset investments	(5,357,155)	(1,606,440)
Net cash outflow for capital expenditure and financial investment	(5,357,155)	(1,606,440)

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.08	Cash flow	At
	\$	\$	31.3.09
			\$
Net cash:			
Cash at bank	7,764,011	(5,381,137)	2,382,874
	<u>7,764,011</u>	<u>(5,381,137)</u>	<u>2,382,874</u>
 Total	 <u>7,764,011</u>	 <u>(5,381,137)</u>	 <u>2,382,874</u>

The notes form part of these financial statements

THE GREAT EASTERN SHIPPING CO LONDON LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents revenue receivable from ship operators under charters.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

The financial statements are stated in U.S. dollars.

Assets and liabilities denominated in other currencies are translated into dollars at the rates of exchange ruling at the balance sheet date. Income and expenditure transactions in other currencies are translated into dollars at the average rate for the year. Exchange differences are taken to the profit and loss account for the year.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. STAFF COSTS

	2009	2008
	\$	\$
Social security costs	-	1,085

The average monthly number of employees during the year was as follows:

	2009	2008
Directors	3	3

3. OPERATING LOSS

The operating loss is stated after charging:

	2009	2008
	\$	\$
Other operating leases	3,325	3,250
Auditors' remuneration	5,000	5,000
Non-audit tax and consultancy fees	13,598	9,363
Directors' emoluments	-	-

4. AMOUNTS WRITTEN OFF INVESTMENTS

	2009	2008
	\$	\$
Container shipping investment	5,475,570	-

THE GREAT EASTERN SHIPPING CO LONDON LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2009**

5. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows:

	2009 \$	2008 \$
Current tax:		
UK corporation tax	30,311	116,450
Tax on (loss)/profit on ordinary activities	<u>30,311</u>	<u>116,450</u>

UK corporation tax has been charged at 25.80% (2008 - 30%).

6. FIXED ASSET INVESTMENTS

	Unlisted investments \$
COST	
At 1 April 2008	1,606,440
Additions	5,357,155
Impairments	(5,475,570)
At 31 March 2009	<u>1,488,025</u>
NET BOOK VALUE	
At 31 March 2009	<u>1,488,025</u>
At 31 March 2008	<u>1,606,440</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 \$	2008 \$
Other debtors	-	10,906
VAT	445	13
	<u>445</u>	<u>10,919</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 \$	2008 \$
Corporation tax	30,311	116,450
Accrued expenses	-	35,566
	<u>30,311</u>	<u>152,016</u>

9. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2009 \$	2008 \$
16,000	Ordinary	£10	<u>301,600</u>	<u>301,600</u>

THE GREAT EASTERN SHIPPING CO LONDON LTD**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2009****10. ULTIMATE PARENT COMPANY**

The ultimate parent company is The Great Eastern Shipping Company Ltd, a company incorporated in India.

11. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2009.

12. CAPITAL COMMITMENTS

	2009	2008
	\$	\$
Contracted but not provided for in the financial statements	<u>1,036,430</u>	<u>6,393,585</u>

The company has undertaken to invest up to \$8 million in total in a container shipping enterprise as a long term equity investment.

13. RELATED PARTY DISCLOSURES

There were no financial transactions with related parties during the year other than transactions with entities forming part of the Great Eastern Shipping Group. Group financial statements in which those entities are included are publicly available.

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	\$	\$
(Loss)/Profit for the financial year	<u>(5,388,321)</u>	<u>271,714</u>
Net (reduction)/addition to shareholders' funds	<u>(5,388,321)</u>	<u>271,714</u>
Opening shareholders' funds	<u>9,229,354</u>	<u>8,957,640</u>
Closing shareholders' funds	<u><u>3,841,033</u></u>	<u><u>9,229,354</u></u>