ABP MARINE ENVIRONMENTAL RESEARCH LIMITED

(Company Number 1956748)

ANNUAL REPORT AND ACCOUNTS 2014

ABP MARINE ENVIRONMENTAL RESEARCH LIMITED
ANNUAL REPORT AND ACCOUNTS 2014

Contents **Page**

Directors' report

The directors present their report and the audited accounts of the company (number 1956748) for the year ended 31 December 2014.

Principal activities
The principal activities of the company are the operation of research facilities and the provision of research and consultancy services to both group companies and customers outside the group.

Important events of the year
The profit for the year attributable to the equity shareholder was £26,000 (2013: £77,000). At 31 December 2014, the company had net assets of £2,184,000 (2013: £2,158,000).

Dividends
The directors do not recommend the payment of a dividend (2013: £nil).

Future outlook
The directors do not foresee any material changes in the principal activities of the company.

On 31 March 2015, GS Infrastructure Partners and Infracapital announced the signing of an agreement for the sale of their combined 33.33% stake in the company's ultimate parent undertaking ABP (Jersey) Limited.

Directors
The directors of the company during the year and up to the date of these accounts were as follows:

WSJ Cooper
SC Hull
SR Lake
IH Schofield

Financial instruments
The company's accounting policies on financial instruments are set out in note 1 of the financial statements.

Directors' indemnities
The company's ultimate parent undertaking, ABP (Jersey) Limited, maintains directors' and officers' liability insurance and pension fund trustees' liability insurance which give appropriate cover for any legal action brought against the directors and officers of the company. In addition, the Articles of Association of the company permit the directors and officers of the company to be indemnified in respect of liabilities incurred as a result of their office. Qualifying third party indemnity provisions (as defined by s234 of the Companies Act 2006) for the benefit of IH Schofield were in force during the year and remain in force in relation to certain losses and liabilities which IH Schofield may incur (or has incurred) in connection with his duties, powers or office.

Annual general meeting
In accordance with s303 of the Companies Act 2006, the members have not required the directors to call an annual general meeting of the company.

Directors' report (continued)

Auditor re-appointment
In accordance with s487 of the Companies Act 2006, the auditor is deemed to have been re-appointed and Ernst & Young LLP will therefore continue as auditor to the company.

Audit information
The directors of the company at the time of approving the directors' report are listed above. Having made enquiries of fellow directors and the company's auditor, each of these directors confirms that:

- so far as each director is aware, there is no relevant audit information (that is, information needed by the company's auditor in connection with preparing his report) of which the company's auditor is 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 auditor is aware of that information.

Small company exemptions
In preparing the directors' report, the directors have taken advantage of the exemptions available under s415A of the Companies Act 2006 in so far as it relates to filing obligations of companies entitled to the small companies exemptions.

In addition, the directors have taken advantage of the exemption available under s414B not to produce a strategic report.

By Order of the Board

GKH Mason
Company Secretary
Aldwych House
71-91 Aldwych
London WC2B 4HN
14 **May 2015**

Statement of directors' responsibilities in respect of the preparation of the annual report and accounts

The directors are responsible for preparing the annual report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the company accounts in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union. Under company law, the directors must not approve accounts unless they are satisfied that they give a true and fair view of the assets, liabilities, financial position and profit or loss of the company. In preparing those accounts, the directors are required to:

- present fairly the financial position, financial performance and cash flows of the company;
- select suitable accounting policies in accordance with *IAS 8: Accounting policies, changes in accounting estimates and errors,* and then apply them consistently;
- make judgments that are reasonable;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs as adopted by the European Union is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance; and
- state that the company has complied with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions, to disclose with reasonable accuracy, at any time, the financial position of the company at that time, and to enable them to ensure that the company accounts 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABP MARINE ENVIRONMENTAL RESEARCH LIMITED

We have audited the financial statements of ABP Marine Environmental Research Limited for the year ended 31 December 2014 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

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.

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

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

Opinion on 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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABP MARINE ENVIRONMENTAL RESEARCH LIMITED (continued)

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 take advantage of the small companies' exemption in not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the directors' report.

Ernst & Young LLP

Matthew Williams (Senior statutory auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London
15 May 2015

Income statement for the year ended 31 December

	Note	2014 £000	2013 £000
Revenue		**2,990**	3,071
Cost of sales		**(2,698)**	(2,654)
Gross profit		**292**	417
Administrative expenses		**(238)**	(221)
Profit on disposal of non-current assets	2	**-**	2
Profit before taxation	2	**54**	198
Taxation	5	**(28)**	(121)
Profit for the year attributable to equity shareholder		**26**	77

All results are derived from continuing operations in the United Kingdom.

Statement of comprehensive income for the year ended 31 December

There was no other comprehensive income during the year or prior year. Total comprehensive income is represented by the profit for the year.

Balance sheet as at 31 December

	Note	2014 £000	2013 £000
Assets			
Non-current assets			
Intangible assets	6	**2**	7
Property, plant and equipment	7	**122**	145
Deferred tax asset	10	**39**	58
		163	210
Current assets			
Trade and other receivables	8	**2,209**	2,153
Cash		**9**	12
		2,218	2,165
Total assets		**2,381**	2,375
Liabilities			
Current liabilities			
Trade and other payables	9	**(197)**	(217)
		(197)	(217)
Total liabilities		**(197)**	(217)
Net assets		**2,184**	2,158
Shareholder's equity			
Share capital	12	**-**	-
Share options reserve		**170**	170
Retained earnings		**2,014**	1,988
Total shareholder's equity		**2,184**	2,158

The financial statements were approved by the Board on 11 May 2015 and signed on its behalf by:

IH Schofield
Director

Statement of cash flows for the year ended 31 December

	Note	2014 £000	2013 £000
Cash flows from operating activities			
Cash (absorbed)/generated by operations	13	(3)	54
Net cash (outflow)/inflow from operating activities		(3)	54
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	2
Purchase of property, plant and equipment		-	(47)
Net cash flow from investing activities		-	(45)
Change in cash and cash equivalents during the year		(3)	9
Cash and cash equivalents at 1 January		12	3
Cash and cash equivalents at 31 December		9	12

Statement of changes in equity for the year ended 31 December

	Share capital £000	Share options reserve £000	Retained earnings £000	Total £000
At 1 January 2013	-	170	1,911	2,081
Profit for the year	-	-	77	77
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	77	77
At 31 December 2013	-	**170**	**1,988**	**2,158**
Profit for the year	-	-	**26**	**26**
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	**26**	**26**
At 31 December 2014	-	**170**	**2,014**	**2,184**

Notes to the financial statements

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost basis.

The financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

Going concern basis
The directors have carried out a review that indicates that the company will have adequate resources to continue to trade for the foreseeable future.

The company's assets include a balance due from its fellow group company, Associated British Ports ("ABP"), which has been created mainly as a result of surplus cash generated by the company and passed to ABP for efficient investment.

Statement of compliance
These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union and applied in accordance with the Companies Act 2006.

1.2 Changes in accounting policy

Several new and amended standards and interpretations apply for the first time in 2014. The directors have concluded however, that they do not have a material impact on the company's financial statements.

New standards and amendments issued but not yet effective
The IASB and IFRIC have issued the following standards, amendments and interpretations with an effective date of implementation for accounting periods beginning after the start of the company's current financial year:

Notes to the financial statements

1. **Accounting policies** (continued)

1.2 **Changes in accounting policy** (continued)

		Effective for accounting periods beginning on or after
IFRS 9	Financial instruments	01.01.2018
IFRS 14	Regulatory deferral accounts	01.01.2016
IFRS 15	Revenue from contracts with customers	01.01.2017
IFRS 10 and IAS 28 (proposed amendments)	Sale or contribution of assets between an investor and its associate or joint venture	01.01.2016
IFRS 10, IFRS 12 and IAS 28 (amendments)	Investment entities: applying the consolidated exception	01.01.2016
IFRS 11 (amendment)	Accounting for acquisitions of interests in joint operations	01.01.2016
IAS 1 (amendment)	Disclosure initiatives	01.01.2016
IAS 16 and IAS 38 (amendments)	Clarification of acceptable methods of depreciation and amortisation	01.01.2016
IAS 16 and IAS 41 (proposed amendments)	Agriculture: bearer plants	01.01.2016
IAS 19 (proposed amendments)	Defined benefit plans: employee contributions	01.07.2014
IAS 27 (amendment)	Equity method in separate financial statements	01.01.2016

IFRS 15 Revenue from contracts with customers
IFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods on or after 1 January 2017 with early adoption permitted. The company is currently assessing the impact of IFRS 15 and plans to adopt the new standard on the required effective date.

The directors do not anticipate that the adoption of the remaining standards, amendments and interpretations will have a material impact on the company's financial statements in the period of initial application.

The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the financial statements

1. Accounting policies (continued)

1.3 Critical estimates, judgements and assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

The directors believe that there are no areas of the company's accounting policies involving a high degree of judgement or complexity nor are there any areas where assumptions and estimates are significant to the financial statements.

1.4 Significant accounting policies

The directors consider the following to be the most important accounting policies in the context of the company's operations.

Revenue recognition
Revenue comprises the amounts receivable in respect of research and consultancy services provided to third parties and group companies in the UK, excluding related sales taxes. Revenue is recognised when the provision of the service is complete unless there is a long term contract in place, in which case revenue is recognised as appropriate after considering the likely outcome at the end of the contract and the proportion completed.

Taxation
Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) 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 temporary differences, except to the extent that the deferred tax asset or liability arises from: (a) the initial recognition of goodwill; or (b) the initial recognition of an asset or liability in a transaction which is not a business combination and which at the time of the transaction affects neither accounting profit nor taxable profit.

Temporary differences are differences between the tax base value of assets and liabilities and their carrying amount as stated in the financial statements. These arise from differences between the valuation, recognition and amortisation bases used in tax computations compared with those used in the preparation of financial statements.

Deferred tax assets or liabilities are measured at the tax rates that are expected to apply in the periods in which the temporary differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to facilitate the realisation of such assets.

Notes to the financial statements

1. **Accounting policies** (continued)

1.5 **Other accounting policies**

Intangible assets
Purchased intangible assets are capitalised at fair value on the date of acquisition if they relate to a business combination and otherwise capitalised at cost. These assets are amortised on a straight-line basis over their useful economic lives, which normally do not exceed 5 years.

Property, plant and equipment
Property, plant and equipment is measured at cost, subject to depreciation and impairment.

Borrowing costs directly attributable to the construction of major additions to non-current assets are capitalised as part of the cost of those assets.

Depreciation is provided on a straight-line basis spread over the expected useful economic lives of the various types of asset and having taken account of the estimated residual values. Estimated residual values are reviewed and updated annually. Estimated useful lives range between 2 and 10 years for plant and equipment.

Cash and cash equivalents
The company defines these as short-term highly liquid investments, readily convertible into known amounts of cash. They are normally represented by bank deposits with an original maturity of less than three months less borrowings that are repayable on demand.

Financial instruments
Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. A provision for impairment of receivables is made when there is objective evidence that the company may not be able to collect all amounts recorded within the balance sheet. The cost of impairment of receivables is recorded within administrative expenses.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method.

Financial risk management
Treasury matters throughout the group, of which the company is a member, are controlled centrally and carried out in compliance with policies approved by the boards of the company's intermediate parent, Associated British Ports Holdings Limited and the company's ultimate parent undertaking ABP (Jersey) Limited. The company's main financial risks are liquidity and credit risk. The wider group owned by the company's ultimate parent ABP (Jersey) Limited, aims to manage these risks to an acceptable level.

The company does not use financial instruments for speculative purposes. The treasury function operates on a centralised non-speculative risk basis. Its purpose is to identify, mitigate and hedge treasury-related financial risks inherent in the group's business operations and funding.

Notes to the financial statements

1. **Accounting policies** (continued)

1.5 **Other accounting policies** (continued)

Retirement benefits
The company is a member of the Associated British Ports Group Pension Scheme, which is a group-wide scheme with defined benefit and defined contribution sections.

Payments to these pension schemes are charged as an expense as they fall due.

Leases - company as a lessee
Operating leases, which do not transfer to the company substantially all the risks and rewards of ownership of the leased item, are not capitalised. Operating lease payments are charged to the income statement on a straight line basis over the lease term.

Share capital
Shares are classified as equity or debt or a combination of the two depending on the terms of the instrument. External costs directly attributable to the issue of new shares are apportioned as either debt or equity on the same basis.

Dividends
Dividend receipts and payments are recognised in the period when they become a binding obligation on the paying company.

2. **Profit before taxation**

Operating profit is stated after charging/(crediting):	**2014** **£000**	**2013** **£000**
Depreciation		
Property, plant and equipment	**53**	58
Amortisation		
Intangible assets – included in cost of sales	**5**	5
Profit on disposal of non-current assets	**-**	(2)
Other operating lease rentals payable:		
Property, plant and equipment	**10**	7
Repairs and maintenance expenditure on property, plant and equipment	**17**	10
Third party labour and sub-contractor haulage	**433**	343
Utilities and fuel	**21**	21
Trade receivables impairment	**1**	-

3. **Audit fees**

	2014 **£000**	**2013** **£000**
Fees payable to the company's auditor for the audit of the company's annual accounts	**7**	7

The auditor's remuneration for 2014 and 2013 was borne by a fellow group company.

Notes to the financial statements

4. Directors and employees

Staff costs	2014 £000	2013 £000
Wages and salaries	**1,429**	1,543
Social security costs	**156**	144
Pension costs (note 11)	**228**	208
Total staff costs	**1,813**	1,895

	2014 Number	2013 Number
Monthly average number of persons employed	**48**	50

Directors emoluments are analysed as follows:

Emoluments paid to directors of the company	2014 £000	2013 £000
Short-term employee benefits	**181**	209
Post-employment benefits	**22**	21
Other long-term benefits	**36**	33
Total directors emoluments	**239**	263

Emoluments comprise amounts paid by the company to two directors of the company and also by a fellow group undertaking.

Key management compensation	2014 £000	2013 £000
Short-term employee benefits	**181**	209
Post-employment benefits	**22**	21
Other long-term benefits	**36**	33
Total key management compensation	**239**	263

Key management consists of the two directors who are directly involved with the day to day operations of the company.

Except for the amounts disclosed above in respect of two directors, the remaining directors of ABP Marine Environmental Research Limited believe that their services to the company are incidental to their role as executives for other group companies and therefore consider that they receive no remuneration in respect of qualifying services to this company (2013: £nil).

Highest paid director	2014 £000	2013 £000
Short-term employee benefits	**98**	114
Post-employment benefits	**12**	11
Other long-term benefits	**36**	18
	146	143

Notes to the financial statements

5. Taxation

Analysis of charge for the year	2014 £000	2013 £000
Current tax	9	93
Deferred tax (note 10)	19	28
Taxation	**28**	121

Current tax for the current and prior year represents a charge for group relief surrendered by another group undertaking, with the amount due being deducted from amounts due from group undertakings.

Taxation for the current and prior year is higher than the standard rate of taxation in the UK of 21.49% (2013: 23.25%). The differences are explained below:

	2014 £000	2013 £000
Profit before taxation	**54**	198
Profit before taxation multiplied by standard rate of corporation tax in the UK of 21.49% (2013: 23.25%)	12	46
Effects of:		
Expenses not deductible for tax	-	48
Reduction in deferred tax asset due to reduction in tax rate	-	7
Tax in respect of prior years	16	20
Total tax charge for the company	**28**	121

6. Intangible assets

	2014 £000	2013 £000
Cost		
At 1 January	75	75
At 31 December	**75**	75
Accumulated amortisation		
At 1 January	(68)	(63)
Charge for the year	(5)	(5)
At 31 December	**(73)**	(68)
Net book value		
At 1 January	7	12
At 31 December	2	7

All intangible assets above relate to purchased computer software. They have finite lives and are being amortised over periods of between 3 years and 5 years on a straight-line basis.

Notes to the financial statements

7. Property, plant and equipment

	2014 £000	2013 £000
Cost		
At 1 January	**1,757**	1,724
Additions	**30**	47
Disposals	**-**	(14)
At 31 December	**1,787**	1,757
Accumulated depreciation		
At 1 January	**(1,612)**	(1,568)
Charged in the year	**(53)**	(58)
Disposals	**-**	14
At 31 December	**(1,665)**	(1,612)
Net book amount		
At 1 January	**145**	156
At 31 December	**122**	145

8. Trade and other receivables

	2014 £000	2013 £000
Trade debtors	**364**	677
Provision for doubtful receivables	**(1)**	-
Net trade receivables	**363**	677
Amounts due from group undertaking	**1,427**	734
Other debtors	**-**	8
Prepayments & accrued income	**419**	734
Total current trade and other receivables	**2,209**	2,153

Amounts due from group undertaking are non-interest bearing and have no fixed terms of repayment. The amounts are not overdue for repayment and are not considered to be impaired. Further details on the amounts due from group undertaking are disclosed in note 14.

All trade and other receivables are non-interest bearing and their carrying amount approximates to their fair value.

The company does not hold any collateral as security. There are no significant receivables of the company that are denominated in foreign currencies.

As at 31 December 2014 the company held trade receivables that were past due but not impaired as set out in the table below. These relate to a number of independent customers for whom there is no recent history of default and terms and amounts have not been renegotiated in the last year. The ageing of these trade receivables is as follows:

Notes to the financial statements

8. Trade and other receivables (continued)

	2014 £000	2013 £000
Up to 3 months	**363**	114
3 to 6 months	**-**	18
Total past due but not impaired receivables	**363**	132

The company has provided for known credit risks as part of its normal provision for doubtful receivables. The provision for doubtful receivables is made when there is objective evidence that the company may not be able to collect all amounts recorded within the balance sheet. The impaired receivables provision relates to customers who have found themselves in unexpectedly difficult financial situations or where amounts do not appear to be collectable. Costs for doubtful receivables are recorded within administrative expenses.

Movements on the company's provision for doubtful receivables are as follows:

	2014 £000	2013 £000
At 1 January	**-**	11
Charged to the income statement during the year	**1**	-
Receivables written off as uncollectable	**-**	(11)
At 31 December	**1**	-

Customer credit risk is managed locally in line with a group policy which is designed to ensure that the company's exposure to concentration of credit risk is appropriately managed through implementation of credit checks and limits. Based on the quality and diversity of its customer base, management considers the company's exposure to concentration of credit risk not to be material. The company uses external credit rating agencies to assess and monitor its trade receivables. Management considers the company's exposure to exchange rate risk to be minimal.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable shown above.

9. Trade and other payables

	2014 £000	2013 £000
Trade payables	**28**	44
Accruals	**135**	82
Taxation	**2**	-
Other creditors	**32**	91
Total current trade and other payables	**197**	217

The carrying amount of trade and other payables approximates to their fair value.

The company's payables are denominated in sterling.

Notes to the financial statements

10. Deferred tax

The change in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and then from 21% to 20% (effective 1 April 2015) was substantively enacted on 2 July 2013. Accordingly, the deferred tax balances are remeasured at 20%. Deferred tax is calculated in full on temporary differences under the liability method.

The movement on the company's deferred tax account is shown below:

	2013 £000	Charge to income statement £000	2014 £000
Accelerated capital allowances	58	(19)	39
Deferred tax asset	**58**	(19)	**39**

	2012 £000	Charge to income statement £000	2013 £000
Accelerated capital allowances	86	(28)	58
Deferred tax asset	**86**	**(28)**	**58**

The company had no unrecognised deferred tax assets (2013: none) that can be carried forward against future taxable income.

11. Pensions

The company is a member of the Associated British Ports Group Pension Scheme, which is a group-wide scheme with defined benefit and defined contribution sections. The directors have received confirmation that the company does not need to contribute to any deficit payments nor have the right to share in any surpluses.

The pension charge for the year for the company was £228,000 (2013: £208,000).

12. Share capital

	2014 £000	2013 £000
Authorised		
50,000 (2013: 50,000) ordinary shares of £1	**50**	50
Issued and fully paid		
2 (2013: 2) ordinary shares of £1	-	-

Notes to the financial statements

13. Cash (absorbed)/generated by operations

Reconciliation of profit before taxation to cash (absorbed)/generated by operations:	2014 £000	2013 £000
Profit before taxation	**54**	198
Depreciation of property, plant and equipment	**53**	58
Amortisation of intangible assets	**5**	5
Profit on sale of property, plant and equipment	**-**	(2)
Operating cash flows before movement in working capital	**112**	259
Increase in trade and other receivables	**(65)**	(177)
Decrease in trade and other payables	**(50)**	(28)
Cash (absorbed)/generated by operations	**(3)**	54

14. Related party transactions

The company has entered into related party transactions and/or holds balances with the following related parties:

Name	**Relationship**
Associated British Ports	Fellow group undertaking

The company carries out various marine environmental research projects for Associated British Ports, a fellow subsidiary of Associated British Ports Holdings Limited.

The following transactions were carried out with related parties:

Associated British Ports	**2014 £000**	**2013 £000**
Revenue	**720**	527
Expenses	**(220)**	(246)

Associated British Ports also makes payments and receives funds on the company's behalf.

The following table shows the transactions that have been entered into by the company with related parties, together with period end balances, for the relevant financial year:

Associated British Ports	**2014 £000**	**2013 £000**
Intercompany receivable at start of the year	**734**	567
Increase in receivable	**702**	260
Group relief utilised	**(9)**	(93)
Intercompany receivable at end of the year	**1,427**	734

Notes to the financial statements

15. Financial commitments

Operating leases

The company leases a vehicle under a non-cancellable operating lease arrangement, which expires in 2018.

Total future minimum lease instalments expected to be paid under non-cancellable operating leases are as follows:	2014 £000	2013 £000
Not more than one year	6	-
More than one year but not more than five years	11	-
More than five years	-	-
Total to be paid	**17**	-

16. Ultimate parent undertaking and controlling parties

The company is a limited liability company registered in England and Wales. Its immediate parent undertaking is Associated British Ports Holdings Limited ("ABPH"), which produces IFRS financial statements that are available from its registered office at Aldwych House, 71-91 Aldwych, London, WC2B 4HN. The consolidated financial statements of ABPH are the smallest group in which the company is included.

The ultimate parent undertaking and controlling party is ABP (Jersey) Limited, which produces consolidated financial statements that comply with IFRS and are available from 44 Esplanade, St Helier, Jersey, JE4 9WG. The consolidated financial statements of ABP (Jersey) Limited are the largest group in which the company is included.

ABP (Jersey) Limited is a limited liability company registered in Jersey. The company is owned by a consortium of investors as shown below:

	% of Ordinary shares	% of Preference shares
Infracapital ABP SLP LP[1] (owned by Infracapital Partners LP, itself managed by M&G Investment Management Limited)	10.000	10.000
Cheyne Walk Investment Pte Limited (owned by GIC Ventures Pte)	33.333	33.333
Borealis (Luxembourg) S.C.A. (owned by OMERS Administration Corporation)	16.667	33.333
Borealis International Investments Corporation (owned by OMERS Administration Corporation)	16.667	-
Admiral Global & International S.à.r.l. (owned by GS Global Infrastructure Partners I, LP and GS International Infrastructure Partners I, LP)	23.000	22.701
Admiral Institutional S.à.r.l. (owned by GS Institutional Infrastructure Partners I, LP)	0.333	0.633
	100.000	**100.000**

[1] During the year Infracapital Nominees Limited transferred its shares in ABP (Jersey) Limited to Infracapital ABP SLP LP