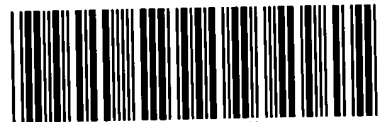


**Strategic Report, Report of the Directors and
Audited Financial Statements
for the Year Ended 31 December 2016
for
ABS Consulting Limited**

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for the Year Ended 31 December 2016**

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ABS Consulting Limited
Company Information
for the Year Ended 31 December 2016

DIRECTORS:	M W Goodwin Ms S Barton D A Walker G Graham T Grove Dr B J Eccles
SECRETARIES:	M Mannix Ms S Barton
REGISTERED OFFICE:	EQE House, The Beacons Warrington Road Birchwood Warrington Cheshire WA3 6WJ
REGISTERED NUMBER:	02201553 (England and Wales)
AUDITORS:	Ernst & Young LLP, Statutory Auditor Leeds
BANKERS:	Citibank Canada Square Canary Wharf London E14 5LB

**Strategic Report
for the Year Ended 31 December 2016**

The Directors present their strategic report for the year ended 31 December 2016.

REVIEW OF BUSINESS

This year (2016) was the twenty seventh year of operations and the Company continued to focus on the strategic direction implemented in previous years. The trading conditions within the target markets of the company are challenging. However the Directors are confident that the focus on effective sales and business development activities during 2017 will ensure that the business remains in profit during difficult market conditions.

The key performance indicators during the year were as follows:

	2016	2015	Change %
Value of proposals won (£'000)	5,454	9,825	-44.49
Training (hours)	1,011	1,624	-37.75

In 2016 the Company won proposals of £5.5m which represents a decrease on the level of 2015 successful bids. During 2016 the proposals won in the nuclear related business were lower than those in previous years due to timing with a number of awards being held over until 2017.

The 1,011 training hours in the year represents the continued commitment of the business to invest in training initiatives which ensure the development and retention of key staff.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risk is that it is operating in a market place where the demand for suitably qualified engineers exceeds the supply. The Company continues to mitigate this risk by ensuring salaries remain above market rates. The business operates primarily in the UK energy market, it is therefore exposed to downturns in the UK economy. The business has a very low credit risk profile as it has a long standing relationship with its client base which is primarily made up of well established blue chip companies. If events that challenge the business of American Bureau of Shipping arise and the intercompany balances become payable, this may effect the liquidity risk profile of the business of ABS Consulting Ltd.

ON BEHALF OF THE BOARD:



M Mannix - Secretary

Date: 26 September 2017

**Report of the Directors
for the Year Ended 31 December 2016**

The Directors present their report with the financial statements of the Company for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company in the year under review was that of providing consulting services in specialised engineering, safety and risk management to a broad range of clients in the energy, process, transportation, insurance and defence sectors.

DIVIDENDS

The Company delivered turnover to the value of £8.2m in 2016 and made a profit before taxation of £291k (2015: £371k profit). The Company delivered a 3.6% pre-tax profit compared to a pre-tax profit of 4.1% in 2015. The directors do not recommend payment of a dividend (2015: £nil). The retained profit has been transferred to reserves together with the unrealised exchange differences.

FUTURE DEVELOPMENTS

Marketing Conditions in the Energy sector will continue to be challenging in 2017 and possibly beyond. There will be limited opportunities to grow revenue in the short term. The focus of the directors will be to control operating expenses during the forthcoming year.

DIRECTORS

The Directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

M W Goodwin
Ms S Barton
D A Walker
G Graham
T Grove

Other changes in directors holding office are as follows:

Dr M P Wong ceased to be a director on 30 June 2016.

Dr B J Eccles was appointed as a director on 28 July 2016.

GOING CONCERN

After making reasonable enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and financial statements.

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 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

Ernst & Young LLP are deemed to be reappointed in accordance with an elective resolution made under section 386 of The Companies Act 1985 which continues in force under the Companies Act 2006.

ON BEHALF OF THE BOARD:


.....
M Mannix - Secretary

Date: 26 September 2017

**Statement of Directors' Responsibilities
for the Year Ended 31 December 2016**

The Directors are responsible for preparing the Strategic Report, Report of the Directors and 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 Financial Reporting Standard 102 - The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland (FRS 102). Under company law the Directors must not approve the 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 the 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, being FRS 102 have been followed, subject to any material departure; disclosed and explained in the financial statements; and
- 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 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 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.

**Report of the Independent Auditors to the Members of
ABS Consulting Limited (Registered number: 02201553)**

We have audited the financial statements of ABS Consulting Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting standard applicable in the UK and Republic of Ireland'.

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 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

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 Strategic Report, Directors' Report and Financial Statements 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 apparent 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
ABS Consulting Limited (Registered number: 02201553)**

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 identified no material misstatements in the Strategic Report or Directors' Report.

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.

Ernst & Young LLP.

Giles Watson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds

Date: *19 September 2017*

**Statement of Comprehensive Income
for the Year Ended 31 December 2016**

	Notes	2016 £	2015 £
TURNOVER	3	8,162,649	9,063,586
Cost of sales		(6,705,868)	(7,593,882)
GROSS PROFIT		1,456,781	1,469,704
Administrative expenses		(1,200,892)	(1,105,444)
OPERATING PROFIT	6	255,889	364,260
Interest receivable and similar income	8	35,096	7,463
		290,985	371,723
Interest payable and similar expenses	9	-	(991)
PROFIT BEFORE TAXATION		290,985	370,732
Tax on profit	10	(53,528)	(72,532)
PROFIT FOR THE FINANCIAL YEAR		237,457	298,200
OTHER COMPREHENSIVE LOSS			
Cumulative translation adjustment		(60,070)	(19,910)
Income tax relating to other comprehensive loss		-	-
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF INCOME TAX		(60,070)	(19,910)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		177,387	278,290

The notes form part of these financial statements

ABS Consulting Limited (Registered number: 02201553)

**Balance Sheet
31 December 2016**

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	11	31,798	49,526
Investments	12	48,000	48,000
		<u>79,798</u>	<u>97,526</u>
CURRENT ASSETS			
Deferred tax	13	18,826	17,098
Debtors	14	16,853,211	14,668,502
Cash at bank		1,821,513	737,442
		<u>18,693,550</u>	<u>15,423,042</u>
CREDITORS			
Amounts falling due within one year	15	16,845,141	13,769,748
NET CURRENT ASSETS		<u>1,848,409</u>	<u>1,653,294</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,928,207</u>	<u>1,750,820</u>
CREDITORS			
Amounts falling due after more than one year	16	48,000	48,000
NET ASSETS		<u><u>1,880,207</u></u>	<u><u>1,702,820</u></u>
CAPITAL AND RESERVES			
Called up share capital	18	118,415	118,415
Share premium	19	205,292	205,292
Retained earnings	19	1,556,500	1,379,113
SHAREHOLDER FUNDS		<u><u>1,880,207</u></u>	<u><u>1,702,820</u></u>

The financial statements were approved by the Board of Directors on 26 September 2017 and were signed on its behalf by:


.....
Dr B J Eccles - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the Year Ended 31 December 2016**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2015	118,415	1,100,823	205,292	1,424,530
Changes in equity				
Total comprehensive income	-	278,290	-	278,290
Balance at 31 December 2015	<u>118,415</u>	<u>1,379,113</u>	<u>205,292</u>	<u>1,702,820</u>
Changes in equity				
Total comprehensive income	-	177,387	-	177,387
Balance at 31 December 2016	<u><u>118,415</u></u>	<u><u>1,556,500</u></u>	<u><u>205,292</u></u>	<u><u>1,880,207</u></u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2016**

1. STATUTORY INFORMATION

ABS Consulting Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis as the Company is in a strong net asset position and has historically been profit-making.

The financial statements are presented in sterling (£).

Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 9 to present Consolidated Financial Statements;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

The consolidated financial statements of the American Bureau of Shipping, within which this Company is included, can be obtained from the address given in note 21.

Exemption from preparing consolidated financial statements

The financial statements contain information about ABS Consulting Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, The American Bureau of Shipping.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the Company's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

The key source of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Recognised revenue

Revenue is estimated using agreed bill rates, approve time cards and expenses.

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:

Improvements to leasehold buildings - over the lease term
Fixtures and fittings - lower of 3 to 5 years or the lease term

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

There have been no impairments of tangible fixed assets in the current or prior year.

Investments in subsidiaries

Investment in subsidiary undertakings are recognised at cost less impairment.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

2. ACCOUNTING POLICIES - continued

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Intercompany balances are treated as monetary assets or liabilities and in accordance with Financial Reporting Standard 102 section 30: 'Foreign Currency Translation', the revaluation of prior year balances is included in other comprehensive income.

Pensions

The Company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Investments

Investments are valued at the lower of cost and net realisable value.

Leasing commitments

The rental charges for operating leases are charged to the profit and loss account on a straight line basis over the life of the lease.

Financial assets and liabilities

Financial assets or liabilities are recognised initially at its fair value.

Cash at bank

This comprises of cash at bank, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

2. ACCOUNTING POLICIES - continued

Long-term contracts and turnover

Turnover, which is stated net of value added tax, represents the value of services provided to clients (including other group companies) during the year, after provision for contingencies and anticipated future losses on contracts, including amounts not invoiced.

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Payments on account made in excess of turnover recognised are included in creditors within accruals and deferred income.

The turnover and pre-tax profit or loss is attributable to the provision of consulting services in specialised engineering, safety and risk management to a broad range of clients in the energy, process, transportation, insurance and defence sectors.

Disposal of fixed assets

The profit or loss on the disposal of a fixed asset; including tangible fixed assets, intangible fixed assets and fixed asset investments; is calculated as the difference between the net sale proceeds and the net carrying amount of the asset at the time of disposal, whether carried at historical cost (less any provisions made) or at a valuation in line with Financial Reporting Standard 102 (FRS 102).

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by class of business is given below:

	2016 £	2015 £
Commercial Risk	798,580	771,014
Process	526,168	686,709
Energy	6,837,901	7,605,863
	<u>8,162,649</u>	<u>9,063,586</u>

An analysis of turnover by geographical market is given below:

	2016 £	2015 £
United Kingdom	6,817,453	7,749,409
Europe	293,624	319,657
Rest of World	1,051,572	994,520
	<u>8,162,649</u>	<u>9,063,586</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

4. EMPLOYEES AND DIRECTORS

	2016 £	2015 £
Wages and salaries	1,661,683	2,326,338
Social security costs	229,031	292,033
Other pension costs	221,643	137,991
	<u>2,112,357</u>	<u>2,756,362</u>

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

	2016	2015
Rechargeable staff	34	40
Administration	8	15
	<u>42</u>	<u>55</u>

5. DIRECTORS' REMUNERATION

	2016 £	2015 £
Aggregate remuneration in respect of qualifying services	<u>243,248</u>	<u>214,027</u>
Company contributions to money purchase pension schemes	<u>19,661</u>	<u>18,282</u>
Number of directors accruing benefits under money purchase pension schemes	<u>3</u>	<u>2</u>

The emoluments of the highest paid director in the year are as follows:

	2016 £	2015 £
Aggregate remuneration in respect of qualifying services	<u>85,817</u>	<u>130,198</u>
Company contributions to money purchase pension schemes	<u>9,242</u>	<u>10,868</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2016 £	2015 £
Depreciation - owned assets	24,429	29,001
Foreign exchange differences	(161,656)	2,929
Operating lease expenses	<u>222,093</u>	<u>252,260</u>

7. AUDITORS' REMUNERATION

	2016 £	2015 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	<u>66,757</u>	<u>77,104</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016 £	2015 £
Interest receivable and other income	35,096	7,463

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2016 £	2015 £
Bank interest	-	991

10. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2016 £	2015 £
Current tax:		
Group relief	56,000	67,200
Adjustments in respect of previous periods	(744)	(23,649)
Total current tax	55,256	43,551
Deferred tax:		
Origination and reversal of timing differences	(1,728)	8,635
Adjustments in respect of previous periods	-	20,346
Total deferred tax	(1,728)	28,981
Tax on profit	53,528	72,532

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit before tax	290,985	370,732
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.250%)	58,197	75,073
Effects of:		
Expenses not deductible for tax purposes	2,404	3,125
Income not taxable for tax purposes	(7,019)	(1,511)
Adjustments to tax charge in respect of previous periods	(744)	(3,303)
Other tax adjustments	690	(852)
Total tax charge	53,528	72,532

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

10. TAXATION - continued

Tax effects relating to effects of other comprehensive income

	Gross £	2016 Tax £	Net £
Cumulative translation adjustment	(60,070)	-	(60,070)
	<u>(60,070)</u>	<u>-</u>	<u>(60,070)</u>
	Gross £	2015 Tax £	Net £
Cumulative translation adjustment	(19,910)	-	(19,910)
	<u>(19,910)</u>	<u>-</u>	<u>(19,910)</u>

The tax rate for the period was 20%, with reductions to 19% and 17% on 1 April 2017 and 1 April 2020 respectively enacted into legislation. The recognised deferred tax assets have been calculated with reference to these rates. It is uncertain how much of the recognised deferred tax assets will unwind in the following 12 month period.

11. TANGIBLE FIXED ASSETS

	Improvements to leasehold buildings £	Fixtures and fittings £	Totals £
COST			
At 1 January 2016	198,312	769,649	967,961
Additions	-	6,701	6,701
	<u>198,312</u>	<u>776,350</u>	<u>974,662</u>
At 31 December 2016	198,312	776,350	974,662
DEPRECIATION			
At 1 January 2016	181,313	737,122	918,435
Charge for year	3,790	20,639	24,429
	<u>185,103</u>	<u>757,761</u>	<u>942,864</u>
At 31 December 2016	185,103	757,761	942,864
NET BOOK VALUE			
At 31 December 2016	<u>13,209</u>	<u>18,589</u>	<u>31,798</u>
At 31 December 2015	<u>16,999</u>	<u>32,527</u>	<u>49,526</u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2016 and 31 December 2016	48,000
	<u>48,000</u>
NET BOOK VALUE	
At 31 December 2016	<u>48,000</u>
At 31 December 2015	<u>48,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

12. **FIXED ASSET INVESTMENTS - continued**

The Company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

EQE-ISS Limited

Registered office: Ege House The Beacons, Warrington Road, Birchwood Warrington, Cheshire, WA3 6WJ

Nature of business: Dormant

	% holding	2016 £	2015 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>48,000</u>	<u>48,000</u>

The voting rights follow the shareholdings.

Prosoft Resources Limited

Registered office: Ege House The Beacons, Warrington Road, Birchwood Warrington, Cheshire, WA3 6WJ

Nature of business: Dormant

	% holding	2016 £	2015 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>(27,517)</u>	<u>(27,517)</u>

The voting rights follow the shareholdings.

Associated company

EQE Consultants South Africa (PTY) Ltd

Registered office: PO 6591, Vanderbijlpark, 1900, South Africa

Nature of business: Dormant

	% holding
Class of shares:	
Ordinary	49.00

The value of the investment is £nil and the aggregate capital and reserves for 2015 and 2016 is £nil.

The voting rights follow the shareholdings.

Except for EQE-ISS, these investments are fully impaired.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

13. DEFERRED TAX

	2016 £	2015 £
Deferred tax	<u>18,826</u>	<u>17,098</u>
Balance as at 1 January 2016		17,098
Credit/(charge) to profit and loss during the year		<u>1,728</u>
Balance as at 31 December 2016		<u>18,826</u>

The recognised deferred tax asset of £18,826 (2015: £17,098) comprises:

	2016 £	2015 £
Accelerated capital allowances	15,518	17,098
Other short term timing differences	3,308	-
Unrelieved trading losses	-	-
	<u>18,826</u>	<u>17,098</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	830,823	622,503
Amounts owed by group undertakings	14,165,211	11,863,785
Amounts recoverable on contracts	1,107,429	1,476,696
Other debtors	365,473	364,962
Corporation tax	-	23,649
Prepayments and accrued income	384,275	316,907
	<u>16,853,211</u>	<u>14,668,502</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	405,868	80,055
Amounts owed to group undertakings	15,395,273	12,539,662
Social security and other taxes	95,432	178,173
Other creditors	186,771	211,771
Accruals and deferred income	761,797	760,087
	<u>16,845,141</u>	<u>13,769,748</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Amounts owed to group undertakings	<u>48,000</u>	<u>48,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016 £	2015 £
Within one year	195,489	214,513
Between one and five years	300,451	465,434
	<u>495,940</u>	<u>679,947</u>

There are no lease commitments greater than 5 years.

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
54,152	Ordinary A	50p	27,076	27,076
182,678	Ordinary B	50p	91,339	91,339
			<u>118,415</u>	<u>118,415</u>

Class A and B shares carry equal voting rights.

19. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 January 2016	1,379,113	205,292	1,584,405
Profit for the year	237,457		237,457
Exchange adjustment	(60,070)	-	(60,070)
At 31 December 2016	<u>1,556,500</u>	<u>205,292</u>	<u>1,761,792</u>

20. PENSION COMMITMENTS

The Company operated a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The total pension cost for the year was £104,516 (2015: £137,991). Contributions unpaid but accrued at the balance sheet date were £25,462 (2015: £24,919).

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

21. ULTIMATE PARENT COMPANY

The Company is a subsidiary undertaking of The American Bureau of Shipping, an entity incorporated by special statute in the United States of America.

The largest group in which the results of the Company are consolidated is that headed by The American Bureau of Shipping. The consolidated financial statements of this group are available from the following address:

ABS Plaza
16855 North Chase Drive
Houston
TX 77060
USA

The smallest group in which they are consolidated is that headed by ABSG Consulting Inc, a company incorporated by special statute in the United States of America. The consolidated financial statements of this group are available from the following address:

ABSG Consulting Inc.
16855 North Chase Drive
Houston
TX 77060
USA

22. ULTIMATE CONTROLLING PARTY

The American Bureau of Shipping is the Company's ultimate controlling party by virtue of its indirect holding of 100% of the Company's issued share capital.

ABSG Consulting Inc. is the Company's controlling party by virtue of its direct holding of 100% of the Company's issued share capital. Voting rights follow the shareholdings.