

REGISTERED NUMBER: 02201553 (England and Wales)

**Strategic Report, Report of the Directors and
Audited Financial Statements
for the Year Ended 31 December 2014
for
ABS Consulting Limited**

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for the Year Ended 31 December 2014**

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ABS Consulting Limited
Company Information
for the Year Ended 31 December 2014

DIRECTORS:

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

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
1 More London Place
London
SE1 2AF

BANKERS:

National Westminster Bank plc
5 Ormskirk St.
St. Helens
Merseyside
WA10 1DR

**Strategic Report
for the Year Ended 31 December 2014**

The Directors present their strategic report for the year ended 31 December 2014.

REVIEW OF BUSINESS

This year (2014) was the twenty fifth year of operations and the Company continued to focus on the strategic direction implemented in previous years. The Company remains well positioned in all its target markets. The Directors are confident that the focus on effective sales and business development activities during 2015 will ensure that the business returns to profit.

The key performance indicators during the year were as follows:

	2014	2013	Change %
Value of proposals won (£'000)	10,404	11,544	-10
Training (hours)	2,254	2,741	-18

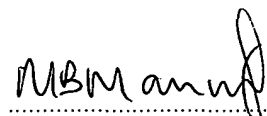
During 2014 the Company won proposals of £10.4m which represents a small decrease on the level of 2013 successful bids. During 2014 the proposals won in the nuclear related business are slightly higher than those recorded in 2013. However in the oil & gas sector, capital projects or operating expenses on existing facilities as originally planned by oil majors were delayed or even cancelled due to a significant oil price drop during the second half of 2014, resulting in an overall reduction of business sales by about 10% for the full year. Most of the proposals were indeed won in the second half of 2014, generating a higher year-end backlog as compared to that in 2013.

The 2,254 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.

ON BEHALF OF THE BOARD:



M Mannix - Secretary

Date: 8 July 2015

**Report of the Directors
for the Year Ended 31 December 2014**

The Directors present their report with the financial statements of the Company for the year ended 31 December 2014.

DIVIDENDS

The Company delivered turnover to the value of £8.7m in 2014 and made a loss before taxation of £62k (2013: £802k profit). The Company delivered a 0.72% pre-tax loss compared to a pre-tax rate of profit of 7.5% in 2013. The Directors do not recommend payment of a dividend (2013: £nil). The retained loss has been transferred to reserves together with the unrealised exchange differences.

DIRECTORS

The Directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

M W Goodwin
Ms S Barton
Dr M P Wong
D A Walker

Other changes in directors holding office are as follows:

G Graham was appointed as a director on 6 May 2014.

T Grove was appointed as a director on 1 May 2015.

D R Weinstein ceased to be a director on 10 April 2015.

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 OF DIRECTORS' RESPONSIBILITIES

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- 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.

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.

ABS Consulting Limited (Registered number: 02201553)

**Report of the Directors
for the Year Ended 31 December 2014**

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: 8 July 2015

**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 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 24. 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).

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 auditors

As explained more fully in the Directors' Responsibilities Statement 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 Strategic Report and Report of the Directors 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 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

**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

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

Denise Larnder (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
1 More London Place
London
SE1 2AF

Date: *9 July 2015*

ABS Consulting Limited (Registered number: 02201553)

**Profit and Loss Account
for the Year Ended 31 December 2014**

	Notes	2014 £	2013 £
TURNOVER	2	8,710,178	10,721,002
Cost of sales		<u>7,475,578</u>	<u>9,086,435</u>
GROSS PROFIT		1,234,600	1,634,567
Administrative expenses		<u>1,243,514</u>	<u>1,400,446</u>
OPERATING (LOSS)/PROFIT	5	(8,914)	234,121
Profit/(loss) on disposal of fixed asset investment	7	<u>-</u>	<u>542,434</u>
		(8,914)	776,555
Interest receivable and similar income	8	<u>42,145</u>	<u>80,293</u>
		33,231	856,848
Interest payable and similar charges	9	<u>95,497</u>	<u>54,365</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(62,266)	802,483
Tax on (loss)/profit on ordinary activities	10	<u>(19,712)</u>	<u>53,391</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u><u>(42,554)</u></u>	<u><u>749,092</u></u>

CONTINUING OPERATIONS

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

The notes form part of these financial statements

ABS Consulting Limited (Registered number: 02201553)

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2014**

	2014 £	2013 £
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(42,554)	749,092
Cumulative translation adjustment	(13,788)	16,975
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(56,342)</u>	<u>766,067</u>

The notes form part of these financial statements

Balance Sheet
31 December 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	11	46,895	59,451
Investments	12	48,000	48,000
		<u>94,895</u>	<u>107,451</u>
CURRENT ASSETS			
Deferred tax	13	46,079	36,809
Debtors	14	14,823,556	17,329,258
Cash at bank		647,003	406,984
		<u>15,516,638</u>	<u>17,773,051</u>
CREDITORS			
Amounts falling due within one year	15	14,139,003	16,258,314
NET CURRENT ASSETS		<u>1,377,635</u>	<u>1,514,737</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,472,530</u>	<u>1,622,188</u>
CREDITORS			
Amounts falling due after more than one year	16	(48,000)	(48,000)
PROVISIONS FOR LIABILITIES	18	-	(93,316)
NET ASSETS		<u><u>1,424,530</u></u>	<u><u>1,480,872</u></u>
CAPITAL AND RESERVES			
Called up share capital	19	118,415	118,415
Share premium	20	205,292	205,292
Profit and loss account	20	1,100,823	1,157,165
SHAREHOLDERS' FUNDS	24	<u><u>1,424,530</u></u>	<u><u>1,480,872</u></u>

The financial statements were approved by the Board of Directors on 8th July 2015 and were signed on its behalf by:



M W Goodwin - Director

**Notes to the Financial Statements
for the Year Ended 31 December 2014**

1. ACCOUNTING POLICIES

Basis of preparation

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.

Under Financial Reporting Standard (FRS) 1: 'Cash Flow Statements (revised 1996)' the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As the Company is a wholly owned subsidiary of The American Bureau of Shipping, the Company has taken advantage of the exemption contained in Financial Reporting Standard (FRS) 8: 'Related Party Disclosures' and has therefore not disclosed transactions or balances with other group companies or investees of the group qualifying as related parties. The American Bureau of Shipping produces consolidated financial statements, the address of the company can be found within note 22.

Accounting convention

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

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

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 Sections 402 and 405 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as the inclusion of subsidiary undertakings are not material for the purpose of giving a true and fair view.

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 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.

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.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

1. ACCOUNTING POLICIES - continued

Deferred tax

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of temporary timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

A deferred tax asset is recognised when there is a reasonable certainty that at least some of the brought forward losses will be offset by future profits.

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 Statement of Standard Accounting Practice (SSAP) 20: 'Foreign Currency Translation', the revaluation of prior year balances is included in the Statement of Total Recognised Gains and Losses.

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.

Long-term contracts

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.

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 (FRS) 3: 'Reporting Financial Performance'.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

2. TURNOVER

The turnover and loss (2013 - profit) before taxation are attributable to the one principal activity of the Company.

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

	2014 £	2013 £
Commercial Risk	797,742	1,003,000
Process	1,134,199	3,703,000
Energy	6,778,237	6,015,002
	<u>8,710,178</u>	<u>10,721,002</u>

An analysis of turnover by geographical market is given below:

	2014 £	2013 £
United Kingdom	7,080,150	9,174,000
Europe	423,478	424,000
Rest of World	1,206,550	1,123,002
	<u>8,710,178</u>	<u>10,721,002</u>

3. STAFF COSTS

	2014 £	2013 £
Wages and salaries	2,787,886	2,443,316
Social security costs	343,635	295,988
Other pension costs	154,596	133,008
	<u>3,286,117</u>	<u>2,872,312</u>

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

	2014	2013
Rechargeable staff	50	50
Administration	14	14
	<u>64</u>	<u>64</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2014**

4. DIRECTORS' EMOLUMENTS

	2014 £	2013 £
Aggregate emoluments in respect of qualifying services	<u>214,061</u>	<u>174,498</u>
Company contributions to money purchase pension schemes	<u>17,842</u>	<u>17,204</u>
Number of directors accruing benefits under money purchase pension schemes	<u>2</u>	<u>2</u>

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

	2014 £	2013 £
Aggregate emoluments in respect of qualifying services	<u>133,034</u>	<u>116,744</u>
Company contributions to money purchase pension schemes	<u>10,659</u>	<u>10,298</u>

5. OPERATING (LOSS)/PROFIT

The operating loss (2013 - operating profit) is stated after charging/(crediting):

	2014 £	2013 £
Depreciation - owned assets	32,492	31,577
Profit on disposal of fixed assets	<u>(71)</u>	<u>-</u>

6. AUDITORS' REMUNERATION

	2014 £	2013 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	<u>66,300</u>	<u>68,800</u>

7. PROFIT ON DISPOSAL OF FIXED ASSET INVESTMENT

The profit on the disposal of fixed asset investments in 2013 relates to the sale of EQE International SARL, one of the Company's subsidiaries.

The profit on disposal of the subsidiary was calculated as the difference between the net sale proceeds and the net carrying amount of the investment at the date of disposal.

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2014 £	2013 £
Interest receivable and other income	<u>42,145</u>	<u>80,293</u>

9. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £	2013 £
Exchange adjustment	<u>95,497</u>	<u>54,365</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

10. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	2014 £	2013 £
Current tax:		
UK corporation tax	-	40,000
Adjustments in respect of previous periods	(10,442)	1,236
Total current tax	(10,442)	41,236
Deferred tax:		
Deferred tax	(15,347)	12,155
Adjustments in respect of previous periods	6,077	-
Total deferred tax	(9,270)	12,155
Tax on (loss)/profit on ordinary activities	(19,712)	53,391

Factors affecting the tax (credit)/charge

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

	2014 £	2013 £
(Loss)/profit on ordinary activities before tax	(62,266)	802,483
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.500% (2013 - 23.250%)	(13,387)	186,577
Effects of:		
Expenses not deductible for tax purposes	4,377	4,960
Income not taxable for tax purposes	(9,061)	(144,774)
Depreciation in excess of capital allowances	(4,338)	(3,249)
Other timing differences	536	(5,494)
Adjustments to tax charge in respect of previous periods	(10,442)	1,236
Other tax adjustments	-	1,980
Unrelieved tax losses carried forward	21,873	-
Current tax (credit)/charge	(10,442)	41,236

Factors that may affect future tax charges

The company has recognised a deferred tax asset of £46,079 (2013: £36,809) in respect of accelerated capital allowances and other timing differences. Legislation was introduced in Finance Act 2013 to reduce the main rate of corporation tax from 23% to 21% with effect from 1 April 2014.

Finance Act 2014 confirmed the reduction in the main rate of corporation tax to a uniform rate of 20% with effect from 1 April 2015. The effect of this reduction is reflected in the unrecognised deferred tax asset of £46,079.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

11. TANGIBLE FIXED ASSETS

	Improvements to leasehold buildings £	Fixtures and fittings £	Totals £
COST			
At 1 January 2014	182,436	773,891	956,327
Additions	-	19,936	19,936
Disposals	-	(39,934)	(39,934)
At 31 December 2014	182,436	753,893	936,329
DEPRECIATION			
At 1 January 2014	167,325	729,551	896,876
Charge for year	9,994	22,498	32,492
Eliminated on disposal	-	(39,934)	(39,934)
At 31 December 2014	177,319	712,115	889,434
NET BOOK VALUE			
At 31 December 2014	5,117	41,778	46,895
At 31 December 2013	15,111	44,340	59,451

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2014 and 31 December 2014	48,000
NET BOOK VALUE	
At 31 December 2014	48,000
At 31 December 2013	48,000

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

Subsidiaries

EQE-ISS Limited

Nature of business: Dormant

	% holding	2014 £	2013 £
Class of shares: Ordinary	100.00		
Aggregate capital and reserves		48,000	48,000

The voting rights follow the shareholdings.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

12. FIXED ASSET INVESTMENTS - continued

Prosoft Resources Limited

Nature of business: Dormant

	% holding	2014 £	2013 £
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) Limited

Country of incorporation: South Africa

Nature of business: Dormant

	% holding
Class of shares:	
Ordinary	49.00

The voting rights follow the shareholdings.

On 20 December 2013 the Company disposed of its shares in EQE International SARL, a subsidiary incorporated in France, for proceeds of £540,311. After disposing of the cost of the investment (£34,371) and settling an intercompany liability (£36,482), a profit on disposal of £542,422 was recognised.

13. DEFERRED TAX

	2014 £	2013 £
Deferred tax	<u>46,079</u>	<u>36,809</u>
Balance as at 1 January 2014		36,809
Credit/(charge) to profit and loss during the year		<u>9,270</u>
Balance as at 31 December 2014		<u>46,079</u>

The recognised deferred tax asset of £48,018 (2013: £36,809) comprises:

	2014 £	2013 £
Accelerated capital allowances	22,805	34,259
Other short term timing differences	2,928	2,550
Unrelieved trading losses	<u>20,347</u>	<u>-</u>
	<u>46,079</u>	<u>36,809</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade debtors	1,454,117	1,212,139
Amounts owed by group undertakings	11,992,337	14,887,106
Amounts recoverable on contracts	854,003	754,456
Other debtors	364,701	309,522
Prepayments and accrued income	158,398	166,035
	<u>14,823,556</u>	<u>17,329,258</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	51,799	75,809
Amounts owed to group undertakings	12,666,244	14,877,194
UK corporation tax	14,370	24,812
Social security and other taxes	363,284	214,642
Other creditors	221,699	221,699
Accruals and deferred income	821,607	844,158
	<u>14,139,003</u>	<u>16,258,314</u>

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

	2014	2013
	£	£
Amounts owed to group undertakings	<u>48,000</u>	<u>48,000</u>

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	2014	2013	2014	2013
	£	£	£	£
Expiring:				
Within one year	-	-	39,029	18,853
Between one and five years	37,600	189,400	20,322	50,975
In more than five years	115,000	-	-	-
	<u>152,600</u>	<u>189,400</u>	<u>59,351</u>	<u>69,828</u>

18. PROVISIONS FOR LIABILITIES

	2014	2013
	£	£
Other provisions		
Dilapidation provision	<u>-</u>	<u>93,316</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

18. PROVISIONS FOR LIABILITIES - continued

	Other provisions £
Balance at 1 January 2014	93,316
Unused amounts reversed during year	(93,316)
Balance at 31 December 2014	-

The dilapidation provision related to the lease of EQE House (the Company's registered office) and the break clause within the lease that was expected to be exercised whereby the Company was due to move out of the premises in March 2015.

The liability provided for was in respect of the costs that would have been needed to be incurred in order to restore the property back to its original condition prior to the Company residing at the property.

The lease was eventually renewed, with the Company's operating lease commitments in this respect being reflected in note 17. The Directors concluded that the provision is no longer appropriate and the costs to be incurred at the end of the new lease period (March 2023) are too uncertain to be reliably quantified at this time.

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014 £	2013 £
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.

20. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 January 2014	1,157,165	205,292	1,362,457
Deficit for the year	(42,554)		(42,554)
Exchange adjustment	(13,788)	-	(13,788)
At 31 December 2014	<u>1,100,823</u>	<u>205,292</u>	<u>1,306,115</u>

21. 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 £154,596 (2013: £133,008). Contributions unpaid but accrued at the balance sheet date were £22,095 (2013: £18,665).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2014

22. **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

23. **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.

24. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2014	2013
	£	£
(Loss)/profit for the financial year	(42,554)	749,092
Other recognised gains and losses relating to the year (net)	(13,788)	16,975
Net (reduction)/addition to shareholders' funds	(56,342)	766,067
Opening shareholders' funds	1,480,872	714,805
Closing shareholders' funds	1,424,530	1,480,872