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**Report of the Directors and  
Audited Financial Statements  
for the Year Ended 31 December 2016  
for  
ABS Marine Services Limited**



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for the Year Ended 31 December 2016**

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**ABS Marine Services Limited**  
**Company Information**  
**for the Year Ended 31 December 2016**

<b>DIRECTORS:</b>	G P Kelly T Grove
<b>SECRETARIES:</b>	M Mannix Ms S Barton
<b>REGISTERED OFFICE:</b>	ABS House 1 Frying Pan Alley London E1 7HR
<b>REGISTERED NUMBER:</b>	02562242 (England and Wales)
<b>AUDITORS:</b>	Ernst & Young LLP, Statutory Auditor Leeds
<b>BANKERS:</b>	Citibank Canada Square Canary Wharf London E14 5LB

**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 ACTIVITIES**

The Company provides marine consultation, third party inspection and other technical services to the marine industry.

**DIRECTORS**

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

G P Kelly  
T Grove

**GOING CONCERN**

The financial statements have been prepared on a going concern basis, as in the general interests of the Company, the parent company ABSG Consulting Inc. has undertaken to continue to provide financial and other support to ABS Marine Services Limited for the next 12 months from the date of signing of these financial statements and thereafter for the foreseeable future to enable it to continue to trade.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these 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.

**DISCLOSURE OF INFORMATION TO THE AUDITORS**

So far as each person who is a Director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of the Company's auditor, the Director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

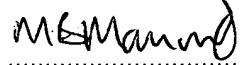
**AUDITORS**

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.

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

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



.....  
M Mannix - Secretary

Date: 26 September 2017

**Report of the Independent Auditors to the Members of  
ABS Marine Services Limited (Registered number: 02562242)**

We have audited the financial statements of ABS Marine Services Limited for the year ended 31 December 2016 which comprise the Income Statement, Statement of Other Comprehensive Income, the Balance Sheet and the related notes 1 to 17. 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 2, 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 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 ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
ABS Marine Services Limited (Registered number: 02562242)**

**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 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.

*Giles Watson*

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

Date: .....

*21 September 2017*

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

	Notes	2016 £	2015 £
<b>TURNOVER</b>	4	1,555,144	1,300,985
Cost of sales		<u>(1,411,937)</u>	<u>(1,164,758)</u>
<b>GROSS PROFIT</b>		143,207	136,227
Administrative expenses		<u>(116,174)</u>	<u>(225,812)</u>
<b>OPERATING PROFIT/(LOSS)</b>	6	27,033	(89,585)
Interest payable and similar expenses		<u>(19)</u>	<u>-</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		27,014	(89,585)
Tax on profit/(loss)	8	<u>34,395</u>	<u>18,200</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u><u>61,409</u></u>	<u><u>(71,385)</u></u>



**ABS Marine Services Limited (Registered number: 02562242)**

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

Notes	2016 £	2015 £
<b>PROFIT/(LOSS) FOR THE YEAR</b>	61,409	(71,385)
<b>OTHER COMPREHENSIVE INCOME</b>		
Currency translation adjustments	34,865	34,361
Income tax relating to other comprehensive income	-	-
	<u>          </u>	<u>          </u>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	<u>34,865</u>	<u>34,361</u>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>	<u><u>96,274</u></u>	<u><u>(37,024)</u></u>

The notes form part of these financial statements

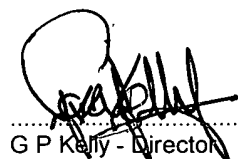
**ABS Marine Services Limited (Registered number: 02562242)**

**Balance Sheet  
31 December 2016**

	Notes	2016	2015
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	10	2,316	-
<b>CURRENT ASSETS</b>			
Debtors	11	7,816,541	6,842,783
Cash at bank		407,865	177,262
		<u>8,224,406</u>	<u>7,020,045</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	7,496,485	6,386,082
		<u>7,496,485</u>	<u>6,386,082</u>
<b>NET CURRENT ASSETS</b>		<u>727,921</u>	<u>633,963</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>730,237</u></u>	<u><u>633,963</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	1,471,318	1,471,318
Retained earnings	14	(741,081)	(837,355)
		<u>730,237</u>	<u>633,963</u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u>730,237</u></u>	<u><u>633,963</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 September 17 and were signed on its behalf by:

  
.....  
G P Kelly - Director

The notes form part of these financial statements

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

**1. GOING CONCERN**

The financial statements have been prepared on a going concern basis, as in the general interests of the Company, the parent company ABSG Consulting Inc. has undertaken to continue to provide financial and other support to ABS Marine Services Limited for the next 12 months from the date of signing of these financial statements and thereafter for the foreseeable future to enable it to continue to trade.

**2. STATUTORY INFORMATION**

ABS Marine Services 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.

**3. ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of 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 are presented in sterling (£).

**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.

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 16.

**Turnover**

Turnover, which is stated net of value added tax, represents the value of services provided to clients during the year, after provision for contingencies and anticipated future losses on contracts, including amounts not invoiced. The turnover and pre-tax loss is attributable to the provision of marine consulting, third party inspection and other technical services to the marine industry.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Computer equipment	-	Over lower of 3 to 5 years or the lease term
Fixtures and fittings	-	10% straight line

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

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

**3. ACCOUNTING POLICIES - continued**

**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.

**Foreign currencies**

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

Monetary assets and liabilities denominated in foreign currencies are translated using 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.

**Pension costs**

One employee of the Company participates in a defined benefit pension scheme operated by its immediate parent company, providing benefits based on final pensionable pay. The required disclosures for the scheme can be found in the financial statements of ABS Europe Limited. The assets of the scheme are held separately from those of the Company. The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Profit and Loss Account represents the contribution payable to the scheme in respect of the accounting period.

In addition to this 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.

**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 in excess of turnover recognised are included in creditors within accruals and deferred income.

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

**4. TURNOVER**

The turnover and profit (2015 - loss) before taxation are attributable to the principal activities of the Company.

An analysis of turnover by geographical market is given below:

	2016	2015
UK	0.39%	0.87%
Europe	91.30%	92.01%
Rest of World	8.31%	7.12%
	<u>100.00%</u>	<u>100.00%</u>

**5. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 3.

**6. OPERATING PROFIT/(LOSS)**

The operating profit (2015 - operating loss) is stated after charging:

	2016 £	2015 £
Depreciation - owned assets	673	230
Pension costs	<u>33,244</u>	<u>32,374</u>

**7. AUDITORS' REMUNERATION**

	2016 £	2015 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	<u>13,560</u>	<u>14,805</u>

**8. TAXATION**

**Analysis of the tax credit**

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

	2016 £	2015 £
Current tax:		
Group relief	-	(18,200)
Adjustments in respect of previous periods	<u>(34,395)</u>	<u>-</u>
Tax on profit/(loss)	<u>(34,395)</u>	<u>(18,200)</u>

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

8. TAXATION - continued

**Reconciliation of total tax credit 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/(loss) before tax	<u>27,014</u>	<u>(89,585)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.250%)	5,403	(18,141)
Effects of:		
Expenses not deductible for tax purposes	(8)	(25)
Capital allowances in excess of depreciation	(653)	(188)
Utilisation of tax losses	(4,742)	-
Adjustments to tax charge in respect of previous periods	(34,395)	-
Movement in other timing differences	-	(67)
Lower tax rate for group relief	-	221
Total tax credit	<u>(34,395)</u>	<u>(18,200)</u>

**Tax effects relating to effects of other comprehensive income**

	Gross £	2016 Tax £	Net £
Currency translation adjustments	<u>34,865</u>	<u>-</u>	<u>34,865</u>
	Gross £	2015 Tax £	Net £
Currency translation adjustments	<u>34,361</u>	<u>-</u>	<u>34,361</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 Company has an unrecognised deferred tax asset in relation to gross tax losses carried forward of £545,789.

9. REMUNERATION OF DIRECTORS

	2016 £	2015 £
Aggregate emoluments in respect of qualifying services	<u>106,018</u>	<u>107,385</u>
Company contributions to money purchase pension schemes	<u>28,139</u>	<u>28,911</u>
Number of directors accruing benefits under money purchase pension schemes	<u>1</u>	<u>1</u>

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

10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2016	38,146	26,618	64,764
Additions	-	2,989	2,989
At 31 December 2016	38,146	29,607	67,753
<b>DEPRECIATION</b>			
At 1 January 2016	38,146	26,618	64,764
Charge for year	-	673	673
At 31 December 2016	38,146	27,291	65,437
<b>NET BOOK VALUE</b>			
At 31 December 2016	-	2,316	2,316
At 31 December 2015	-	-	-

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	180,207	334,165
Amounts owed by group undertakings	7,585,604	6,499,323
Amounts recoverable on contract	6,205	884
Other debtors	33,349	4,721
Prepayments and accrued income	11,176	3,690
	<u>7,816,541</u>	<u>6,842,783</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	51,989	33,848
Amounts owed to group undertakings	7,362,481	6,318,025
Accruals and deferred income	82,015	34,209
	<u>7,496,485</u>	<u>6,386,082</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016 £	2015 £
Number:	Class:	Nominal value:		
1,471,318	Ordinary	£1	<u>1,471,318</u>	<u>1,471,318</u>

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

**14. RESERVES**

	Retained earnings £
At 1 January 2016	(837,355)
Profit for the year	61,409
Exchange adjustments	34,865
	<hr/>
At 31 December 2016	(741,081)
	<hr/>

**15. PENSION COMMITMENTS**

The Company operates 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 £33,244 (2015: £32,374). Contributions unpaid but accrued at the balance sheet date were £nil (2015: £nil).

One employee of the Company is a member of a defined benefit pension scheme providing benefits based on final pensionable pay operated by the Company's immediate parent company, ABS Europe Limited. The employer pension costs have been paid by ABS Marine Services Limited to ABS Europe Limited. The appropriate disclosures regarding these costs are included in the financial statements of ABS Europe Limited.

**16. 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.

ABS Europe Limited is the Company's controlling party by virtue of its direct holding of 99.99% of the Company's issued share capital. Voting rights follow the shareholdings.

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 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 ABS Europe Limited, a company incorporated in the United Kingdom. The consolidated financial statements are available from the following address:

ABS Europe Limited  
No.1 Frying Pan Alley  
London  
E1 7HR  
United Kingdom



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

**17. FIRST YEAR ADOPTION**

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 section 1a (FRS 102 section 1a) issued by the Financial Reporting Council.

The last financial statements under previous UK GAAP were for the year ended 31 December 2015 and the date of transition to FRS 102 section 1a was therefore 1 January 2015. There were no accounting policy changes to comply with that standard as a consequence of adopting FRS 102 section 1a.