

SIEM SHIPPING UK LIMITED
REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Rothmans Audit LLP
Statutory Auditors
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

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FOR THE YEAR ENDED 31 DECEMBER 2020

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SIEM SHIPPING UK LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:	Mr C S S Bondi Mr K Ross
SECRETARY:	Mr C S S Bondi
REGISTERED OFFICE:	40 Brighton Road Sutton SM2 5BN
REGISTERED NUMBER:	02857005 (England and Wales)
SENIOR STATUTORY AUDITOR:	Robin Lloyd
AUDITORS:	Rothmans Audit LLP Statutory Auditors Chartered Accountants Fryern House 125 Winchester Road Chandlers Ford Hampshire SO53 2DR

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

Mr C S S Bondi

Mr K Ross

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). 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.

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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Rothmans Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr C S S Bondi - Director

27 September 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SIEM SHIPPING UK LIMITED

Opinion

We have audited the financial statements of Siem Shipping UK Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SIEM SHIPPING UK LIMITED

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- o Obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework and in relation to the company's shipping activities.
- o Understanding how the company is complying with those regulations by making enquiries of management and those responsible for legal and compliance procedures, including discussions on risk of litigation and known incidences of non-compliance. We corroborated our enquiries through our review of board minutes and relevant correspondence.
- o Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential risk areas as estimates and judgements used by management in accounting for long-term contracts and related balances. The risk was addressed by ensuring audit procedures assessed reasonableness of estimates used by obtaining corroborative evidence, as well as considering what could be non-corroborative.
- o Assessing the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by discussing with management susceptibility to fraud, considering performance targets and how this may influence results, and assessing the internal control environment. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included assessing the appropriateness of presentation of separately disclosed items and testing manual journals. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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.

Robin Lloyd (Senior Statutory Auditor)
for and on behalf of Rothmans Audit LLP
Statutory Auditors
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

28 September 2021

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Notes	\$	\$
TURNOVER	3	9,707,275	9,238,313
Cost of sales		<u>2,203,092</u>	<u>2,361,995</u>
GROSS PROFIT		7,504,183	6,876,318
Administrative expenses		<u>6,416,965</u>	<u>6,185,698</u>
OPERATING PROFIT	6	1,087,218	690,620
Net exchange gain/(loss)	7	<u>(85,681)</u>	<u>9,596</u>
		1,001,537	700,216
Interest receivable and similar income	8	<u>408,315</u>	<u>646,559</u>
		1,409,852	1,346,775
Interest payable and similar expenses	9	<u>745,952</u>	<u>898,110</u>
PROFIT BEFORE TAXATION		663,900	448,665
Tax on profit	10	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		663,900	448,665

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 \$	2019 \$
PROFIT FOR THE YEAR		663,900	448,665
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>663,900</u>	<u>448,665</u>

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2020

		2020		2019	
	Notes	\$	\$	\$	\$
FIXED ASSETS					
Intangible assets	11		25,670		44,968
Tangible assets	12		1,098,740		1,372,131
Investments	13		15,962		15,717
			1,140,372		1,432,816
CURRENT ASSETS					
Stocks	14	38,621		37,750	
Debtors	15	19,305,856		17,728,431	
Cash at bank		452,870		856,088	
		19,797,347		18,622,269	
CREDITORS					
Amounts falling due within one year	16	13,750,700		13,531,966	
NET CURRENT ASSETS			6,046,647		5,090,303
TOTAL ASSETS LESS CURRENT LIABILITIES			7,187,019		6,523,119
CAPITAL AND RESERVES					
Called up share capital	18		2,813,603		2,813,603
Share premium	19		28,413,768		28,413,768
Retained earnings	19		(24,040,352)		(24,704,252)
SHAREHOLDERS' FUNDS			7,187,019		6,523,119

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2021 and were signed on its behalf by:

Mr C S S Bondi - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital \$	Retained earnings \$	Share premium \$	Total equity \$
Balance at 1 January 2019	2,813,603	(25,152,917)	28,413,768	6,074,454
Changes in equity				
Total comprehensive income	-	448,665	-	448,665
Balance at 31 December 2019	2,813,603	(24,704,252)	28,413,768	6,523,119
Changes in equity				
Total comprehensive income	-	663,900	-	663,900
Balance at 31 December 2020	2,813,603	(24,040,352)	28,413,768	7,187,019

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. COMPANY INFORMATION

Siem Shipping UK Limited was incorporated on 27 September 1993 under the Companies Act 1985, as a private limited company and is registered in England and Wales. The principal activity of Siem Shipping UK Limited is that of sea and coastal freight water transport. The address of its registered office is 40 Brighton Road, Sutton, SM2 5BN.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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 historic cost convention.

The company's functional and presentation currency is US Dollars.

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 paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Siem Shipping UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Siem Shipowning Inc, STAR Reefers AS, Jerpefaret 12, 0788 Oslo, Norway.

Turnover

Turnover consists of management services and freight revenue on a time-charter basis from voyage charters and time charters. Turnover is derived from ordinary activities, and is stated after trade discounts, other sales taxes and net of VAT.

Income and expenses related to voyages of vessels have been accrued on the basis of the number of days the voyage lasted in the fiscal year. A voyage is defined as starting after unloading from the previous voyage. Expenses in connection with freight-seeking days are expensed as incurred. Income and expenses relating to the pool are included in the accounts on a net basis (T/C).

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are being amortised evenly over their useful lives of 5 years.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued**Tangible fixed assets**

All fixed assets are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of fixed assets initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in a manner intended by management.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	5 years (straight-line method)
Computer equipment	3-5 years (straight-line method)
Deferred drydocking	5 years (straight-line method)
Vessel	25 years (straight-line method)

The vessels are required to be drydocked for inspection and re-licensing, at which point major repaired and maintenance are performed. The company capitalises the costs associated with drydocking as they occur by adding them to the cost of the vessel and amortising them over the period until the next scheduled drydocking.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the income statement.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Lubricating oil and bunkers inventories are valued at the lower of historical cost and market value applying the FIFO (first in first out) principle.

Income tax

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 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 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. All gains or losses on translation are included in other comprehensive income. All gains or losses arising from normal trading activities are in the Income Statement.

Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risk of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the Income Statement.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Income Statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Finance income and costs

Finance income and costs are charged to the Income Statement over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date, and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- Determining whether a provision for cargo claims or hull and machinery damage claims are still required.
- Determining whether to revalue vessels during the year depending on changes to the condition of the asset and/or the market.

Other key sources of estimation uncertainty;

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as market conditions, the remaining life of the asset and projected disposal values.
- Establishing the criteria and assumptions to be used in the impairment review of vessels.
- Determining the amount to be accrued that relates to cargo damage claims, crew accidents and vessel incidents.

3. TURNOVER

The turnover and profit before taxation are attributable to the principal activities of the company.

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

	2020	2019
	\$	\$
Freight revenue	3,137,194	2,992,401
Management services	6,570,081	6,245,912
	<u>9,707,275</u>	<u>9,238,313</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

4. EMPLOYEES AND DIRECTORS

	2020	2019
	\$	\$
Wages and salaries	2,158,210	2,212,460
Social security costs	264,550	293,494
Other pension costs	187,824	169,470
	<u>2,610,584</u>	<u>2,675,424</u>

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

	2020	2019
Administration	<u>24</u>	<u>25</u>

5. DIRECTORS' EMOLUMENTS

	2020	2019
	\$	\$
Directors' remuneration	115,080	110,552
Directors' pension contributions to money purchase schemes	<u>6,672</u>	<u>5,729</u>

6. OPERATING PROFIT

	2020	2019
	\$	\$
Amortisation - intangible assets	19,298	20,072
Amortisation - deferred drydocking	273,391	273,389
Auditors' remuneration	10,000	10,000
Amounts paid under operating leases - land and buildings	<u>154,674</u>	<u>167,726</u>

7. EXCEPTIONAL ITEMS

	2020	2019
	\$	\$
Net exchange gain/(loss)	<u>(85,681)</u>	<u>9,596</u>

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020	2019
	\$	\$
Bank interest receivable	153	723
Other interest received	408,162	645,836
	<u>408,315</u>	<u>646,559</u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	\$	\$
Group interest payable	727,687	882,708
Bank charges	17,998	15,402
Other finance costs	267	-
	<u>745,952</u>	<u>898,110</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. TAXATION**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

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:

	2020	2019
	\$	\$
Profit before tax	<u>663,900</u>	<u>448,665</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	<u>126,141</u>	85,246
Effects of:		
Utilisation of tax losses	<u>(126,141)</u>	<u>(85,246)</u>
Total tax charge	<u>-</u>	<u>-</u>

11. INTANGIBLE FIXED ASSETS

Software
\$

COST

At 1 January 2020
and 31 December 2020

112,104

AMORTISATION

At 1 January 2020
Amortisation for year
At 31 December 2020

67,136

19,298

86,434

NET BOOK VALUE

At 31 December 2020
At 31 December 2019

25,670

44,968

12. TANGIBLE FIXED ASSETS

	Vessel	Fixtures and fittings	Deferred Drydocking	Computer equipment	Totals
	\$	\$	\$	\$	\$
COST					
At 1 January 2020 and 31 December 2020	<u>14,750,000</u>	<u>32,169</u>	<u>837,947</u>	<u>75,633</u>	<u>15,695,749</u>
DEPRECIATION					
At 1 January 2020	13,651,260	32,169	564,556	75,633	14,323,618
Charge for year	-	-	273,391	-	273,391
At 31 December 2020	<u>13,651,260</u>	<u>32,169</u>	<u>837,947</u>	<u>75,633</u>	<u>14,597,009</u>
NET BOOK VALUE					
At 31 December 2020	<u>1,098,740</u>	-	-	-	<u>1,098,740</u>
At 31 December 2019	<u>1,098,740</u>	-	273,391	-	<u>1,372,131</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

12. TANGIBLE FIXED ASSETS - continued

13. FIXED ASSET INVESTMENTS

Shares in
group
undertakings
\$**COST**

At 1 January 2020

15,717

Additions

346

Disposals

(101)

At 31 December 2020

15,962

NET BOOK VALUE

At 31 December 2020

15,962

At 31 December 2019

15,717

14. STOCKS

2020

2019

\$

\$

Stocks

38,621

37,750

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2020

2019

\$

\$

Trade debtors

698,347

326,666

Amounts owed by group undertakings

18,014,281

15,758,989

Other debtors

172,630

202,339

VAT

-

35,629

Prepayments and accrued income

420,598

1,404,808

19,305,856

17,728,431

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2020

2019

\$

\$

Trade creditors

299,280

183,683

Amounts owed to group undertakings

12,444,428

12,603,719

VAT

4,415

-

Other creditors

361,787

349,848

Accruals and deferred income

640,790

394,716

13,750,700

13,531,966

17. LEASING AGREEMENTS

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

2020

2019

\$

\$

Within one year

204,206

223,920

Between one and five years

168,811

-

373,017

223,920

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			\$	\$
2,000,002	Ordinary shares	£1	<u>2,813,603</u>	<u>2,813,603</u>

Each share is entitled to one vote in any circumstances. Each share is entitled pari passu to dividend payments or any other distribution. Each share is entitled pari passu to participate in a distribution arising from a winding up of the company.

19. RESERVES

	Retained earnings \$	Share premium \$	Totals \$
At 1 January 2020	(24,704,252)	28,413,768	3,709,516
Profit for the year	663,900		663,900
At 31 December 2020	<u>(24,040,352)</u>	<u>28,413,768</u>	<u>4,373,416</u>

Retained earnings includes all current and prior period retained profits and losses.

The share premium account includes any premiums received on issue of share capital, net of any transaction costs associated with the issuing of the shares.

20. PENSION COMMITMENTS

The Company has a defined contribution plan for its employees. Under this contribution plan, the company contributes a fixed percentage of the employees' base salary. The percentage varies with the number of years employed and the level of position in the Company. Yearly contributions are expensed as incurred.

The amount expensed for 2020 was \$187,824 (2019: \$169,470). The number of directors accruing pension benefits in the year amounted to 1 (2019: 1).

21. RELATED PARTY DISCLOSURES

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.

During the year, Siem Shipping UK Limited made sales totalling \$1,140,441 (2019: \$1,020,000) to a related company. The balance outstanding at the year end was \$22,206 (2019: \$36,561) and is included in amounts owed by group undertakings.

22. ULTIMATE PARENT COMPANY

The immediate parent Company is Siem Shipowning Inc. (a company incorporated in the Cayman Islands). Copies of the consolidated financial statements can be obtained from STAR Reefers AS, Jerpefaret 12, 0788 Oslo, Norway.

Siem Industries Inc. is the majority shareholder of Siem Shipping Inc. and is controlled by trusts where certain members of Kristian Siem's family are potential beneficiaries.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.