

# Admiralty Holdings Limited

## FINANCIAL STATEMENTS

for the year ended

31 March 2009

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COMPANIES HOUSE

Company Registration No. 04561727

# Admiralty Holdings Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

R L Brooks  
M L Cauter  
I C Johnson  
P R Langsdale  
D P Loosley  
Rear Admiral I Moncrieff  
D E P Palmer  
J J Peart  
M S Robinson  
S Rogers  
Captain R G Stewart RN  
B E Wootton

### SECRETARY

M L Cauter

### COMPANY NUMBER

04561727 (England and Wales)

### REGISTERED OFFICE

The United Kingdom Hydrographic Office  
Admiralty Way  
Taunton  
Somerset  
TA1 2DN

### AUDITOR

Baker Tilly UK Audit LLP  
The Clock House  
140 London Road  
Guildford  
Surrey  
GU1 1UW

# Admiralty Holdings Limited

## DIRECTORS' REPORT

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The directors present their report and financial statements of Admiralty Holdings Limited for the year ended 31 March 2009.

### PRINCIPAL ACTIVITIES

The company has been set up as a vehicle to enter into joint ventures and other similar arrangements on behalf of The United Kingdom Hydrographic Office.

### DIRECTORS

The following directors have held office since 1 April 2008:

|                          |  |
|--------------------------|--|
| R L Brooks               |  |
| M L Cauter               |  |
| J E Humphrey             | (Resigned 2 May 2008)                                |
| I C Johnson              | (Appointed 1 July 2008)                              |
| P R Langsdale            |  |
| D P Loosley              |  |
| Rear Admiral I Moncrieff |  |
| D E P Palmer             |  |
| J J Peart                | (Appointed 1 April 2009)                             |
| M S Robinson             |  |
| S Rogers                 |  |
| Captain R G Stewart RN   |  |
| H Walters                | (Appointed 24 April 2008 and resigned 31 March 2009) |
| B E Wootton              |  |

The directors have no beneficial interests in the shares of the company, or in the equity of any of its subsidiaries or other participating interests.

### AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors at the date of approval of this directors' report confirm that so far as each of them is aware, there is no relevant audit information of which the company's auditor is unaware, and all the directors have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the directors on 22 July 2009, and is signed on their behalf by



M S Robinson  
Director

Date: 5/8/2009

# Admiralty Holdings Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Annual Report 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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ADMIRALTY HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 13.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the auditor**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK & Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*Baker Tilly UK Audit LLP*  
BAKER TILLY UK AUDIT LLP

Registered Auditor and Chartered Accountants

The Clock House

140 London Road

Guildford

Surrey

GU1 1UW

6 November 2009

# Admiralty Holdings Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2009

| Company registration number: 04561727       |    |       | 2009        | 2008      |
|---|----|-------|-------------|-----------|
|   |    | Notes | £           | £         |
| Other operating expenses (net)              | 1  |       | 33,718      | 96,510    |
| OPERATING LOSS                              |    |       | (33,718)    | (96,510)  |
| Investment income                           | 2  |       | 37,579      | 49,026    |
| Amounts written off investments             | 3  |       | (4,076,982) | (6,844)   |
| Interest payable                            | 4  |       | (258,482)   | (259,191) |
| LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION | 5  |       | (4,331,603) | (313,519) |
| Taxation                                    | 6  |       | -           | -         |
| LOSS ON ORDINARY ACTIVITIES AFTER TAXATION  | 12 |       | (4,331,603) | (313,519) |

The operating loss for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

# Admiralty Holdings Limited


## BALANCE SHEET

31 March 2009

|   | Notes | 2009<br>£                 | 2008<br>£               |
|---|-------|---------------------------|-------------------------|
| <b>FIXED ASSETS</b>                                     |       |                           |                         |
| Investments   | 7     | <u>1,045,369</u>          | <u>5,122,351</u>        |
| <b>CURRENT ASSETS</b>                                   |       |                           |                         |
| Debtors   | 8     | 136,393                   | 101,718                 |
| Cash at bank and in hand                                |       | <u>74,336</u>             | <u>185,852</u>          |
|   |       | 210,729                   | 287,570                 |
| CREDITORS: Amounts falling due within one year          | 9     | <u>(13,659)</u>           | <u>(94,360)</u>         |
| NET CURRENT ASSETS                                      |       | <u>197,070</u>            | <u>193,210</u>          |
| TOTAL ASSETS LESS CURRENT LIABILITIES                   |       | 1,242,439                 | 5,315,561               |
| CREDITORS: Amounts falling due after more than one year | 10    | <u>(4,046,106)</u>        | <u>(3,787,625)</u>      |
| NET (LIABILITIES)/ASSETS                                |       | <u><u>(2,803,667)</u></u> | <u><u>1,527,936</u></u> |
| <b>CAPITAL AND RESERVES</b>                             |       |                           |                         |
| Called up share capital                                 | 11    | 5,210,048                 | 5,210,048               |
| Profit and loss account                                 | 12    | <u>(8,013,715)</u>        | <u>(3,682,112)</u>      |
| SHAREHOLDERS' (DEFICIT)/FUNDS                           | 13    | <u><u>(2,803,667)</u></u> | <u><u>1,527,936</u></u> |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 5 to 13 were approved by the directors and authorised for issue on 22 July 2009, and are signed on their behalf by

  
 ..... Director  
 M S Robinson

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# Admiralty Holdings Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, and in accordance with United Kingdom Generally Accepted Accounting Practice.

The company is exempt by virtue of Section 228A of the Companies Act 1985 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group. The company does not produce consolidated financial statements as these are produced by its ultimate parent undertaking, The United Kingdom Hydrographic Office.

### GOING CONCERN

The company is dependent upon its parent undertaking, The United Kingdom Hydrographic Office, for on going financial support. In the opinion of the directors this support will continue to be provided for a period of at least twelve months following the adoption of these financial statements and in view of this the directors consider that the company will continue to meet all of its financial obligations as they fall due.

### INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.



# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2009

|   |                  |                |
|---|------------------|----------------|
| 1. OTHER OPERATING EXPENSES (NET)   | 2009<br>£        | 2008<br>£      |
| Administrative expenses   | 54,952           | 96,510         |
| Other operating income  | (21,234)         | -              |
|   | <u>33,718</u>    | <u>96,510</u>  |
| 2. INVESTMENT INCOME  | 2009<br>£        | 2008<br>£      |
| Income from subsidiary undertakings   | 34,674           | 34,865         |
| Income from participating interests   | -                | 6,844          |
| Bank interest   | 2,905            | 7,317          |
|   | <u>37,579</u>    | <u>49,026</u>  |
| 3. AMOUNTS WRITTEN OFF INVESTMENTS  | 2009<br>£        | 2008<br>£      |
| Amounts provided or written-off in respect of investments                         | <u>4,076,982</u> | <u>6,844</u>   |
| 4. INTEREST PAYABLE   | 2009<br>£        | 2008<br>£      |
| On amounts due to The United Kingdom Hydrographic Office                          | <u>258,482</u>   | <u>259,191</u> |
| 5. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION                                    | 2009<br>£        | 2008<br>£      |
| Loss on ordinary activities before taxation is stated after charging/(crediting): |                  |                |
| Loss/(profit) on foreign exchange transactions                                    | 923              | (406)          |
| Auditor's remuneration  | <u>6,075</u>     | <u>5,750</u>   |

In the current and previous year, the company incurred no staff costs directly. All such costs were incurred and paid for on behalf of the company by The United Kingdom Hydrographic Office.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2009

| 6. TAXATION  | 2009        | 2008      |
|--|-------------|-----------|
|  | £           | £         |
| Domestic current year tax:   |             |           |
| Current tax charge   | -           | -         |
| Factors affecting the tax charge for the year:   |             |           |
| Loss on ordinary activities before taxation  | (4,331,603) | (313,519) |
| Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax for small companies of 21.00% (2008: 20.00%) | (909,637)   | (62,704)  |
| Effects of:  |             |           |
| Non deductible expenses  | 863,853     | 15,095    |
| Movement in unrecognised deferred tax asset arising in respect of tax losses   | 45,784      | 47,609    |
|  | 909,637     | 62,704    |
| Current tax charge   | -           | -         |

The company has estimated losses of £3,417,381 (2008: £3,199,359) available for carry forward against future trading profits.

The company has a deferred tax asset in respect of tax losses available to carry forward to be off set against future taxable profits. This deferred tax asset has not been recognised on the grounds of uncertainty with regard to recoverability.

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2009

### 7. FIXED ASSET INVESTMENTS

|                                     | <i>Shares in group<br/>undertakings</i> | <i>Loans to group<br/>undertakings</i> | <i>Total</i> |
|-------------------------------------|---|--|--------------|
|                                     | £                                       | £                                      | £            |
| Cost:                               |   |  |              |
| 1 April 2008 and 31 March 2009      | 5,122,351                               | 386,327                                | 5,508,678    |
| Provisions for diminution in value: |   |  |              |
| 1 April 2008                        | -                                       | 386,327                                | 386,327      |
| Charge in the year                  | 4,076,982                               | -                                      | 4,076,982    |
| 31 March 2009                       | 4,076,982                               | 386,327                                | 4,463,309    |
| Net book value:                     |   |  |              |
| 31 March 2009                       | 1,045,369                               | -                                      | 1,045,369    |
| 31 March 2008                       | 5,122,351                               | -                                      | 5,122,351    |

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

| <i>Company</i>                | <i>Country of registration or<br/>incorporation</i> | <i>Shares held</i> |          |
|-------------------------------|---|--------------------|----------|
|                               |   | <i>Class</i>       | <i>%</i> |
| Subsidiary undertakings       |   |                    |          |
| Admiralty Limited             | England   | Ordinary           | 100      |
| Admiralty Charts Limited      | England   | Ordinary           | 100      |
| Admiralty Consultancy Limited | England   | Ordinary           | 100      |
| Admiralty Digital Limited     | England   | Ordinary           | 100      |
| Admiralty Marine Limited      | England   | Ordinary           | 100      |
| Admiralty Overseas Limited    | England   | Ordinary           | 100      |
| Admiralty Sea Law Limited     | England   | Ordinary           | 100      |
| Admiralty Services Limited    | England   | Ordinary           | 100      |
| Admiralty Ventures Limited    | England   | Ordinary           | 100      |
| SeaZone Solutions Limited     | England   | Ordinary           | 100      |
| Admiralty Deutschland GmbH    | Germany   | Free capital       | 100      |
| Seven Cs GmbH                 | Germany   | Free capital       | 100      |
| ChartWorld GmbH               | Germany   | Free capital       | 100      |

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2009

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

|                               | <i>Capital and<br/>reserves</i><br>£ | <i>Profit/(loss)<br/>for the year</i><br>£ |
|-------------------------------|--------------------------------------|--|
| Admiralty Limited             | 1                                    | -  |
| Admiralty Charts Limited      | 1                                    | -  |
| Admiralty Consultancy Limited | 1                                    | -  |
| Admiralty Digital Limited     | 1                                    | -  |
| Admiralty Marine Limited      | 1                                    | -  |
| Admiralty Overseas Limited    | 1                                    | -  |
| Admiralty Sea Law Limited     | 1                                    | -  |
| Admiralty Services Limited    | 1                                    | -  |
| Admiralty Ventures Limited    | 1                                    | -  |
| SeaZone Solutions Limited     | (425,157)                            | (14,939)                                   |
| Admiralty Deutschland GmbH    | 7,051,140                            | (51,890)                                   |
| Seven Cs GmbH                 | 1,399,043                            | (333,522)                                  |
| ChartWorld GmbH               | 266,831                              | 114,463                                    |

The company has nine non-trading subsidiary undertakings, which were acquired upon incorporation.

The company has provided loan finance to SeaZone Solutions Limited which is unsecured and bears interest at a rate of 9% per annum. Interest receivable of £34,674 (2008: £34,865) has been recognised in the profit and loss account for the year, and £118,767 (2008: £84,093) is included in debtors at the balance sheet date.

The company owns 100% of the share capital of Admiralty Deutschland GmbH which has two 100% owned subsidiaries, Seven C's GmbH and ChartWorld GmbH. During the previous year the company restructured the German group. Following a strategic review, in the current year, the directors considered that the value of these companies to Admiralty Holdings Limited had been impaired and the carrying value has been written down to £1,000,000. The accounting reference date for all of the entities in the German group is 31 December of each year, but the information disclosed above has been extracted from specially prepared and externally reviewed sets of accounts for the year ended 31 March 2009. Included in debtors at the balance sheet date is £17,625 due from Admiralty Deutschland GmbH.

| 8. DEBTORS                         | 2009<br>£ | 2008<br>£ |
|------------------------------------|-----------|-----------|
| Due within one year:               |           |           |
| Amounts owed by group undertakings | 136,393   | 101,718   |

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2009

|   |               |               |
|---|---------------|---------------|
| 9. CREDITORS: Amounts falling due within one year | 2009          | 2008          |
|   | £             | £             |
| Amounts owed to group undertakings                | 9             | 9             |
| Other creditors                                   | 13,650        | 94,351        |
|   | <u>13,659</u> | <u>94,360</u> |

|  |                  |                  |
|--|------------------|------------------|
| 10. CREDITORS: Amounts falling due in more than one year | 2009             | 2008             |
|  | £                | £                |
| Amounts due to The United Kingdom Hydrographic Office    | <u>4,046,106</u> | <u>3,787,625</u> |

Amounts due to The United Kingdom Hydrographic Office are loans provided to the company to enable it to invest in subsidiary undertakings and other participating interests, and also to cover the costs of its operating activities. These loans have repayment terms that are linked to the performance of the company's fixed asset investments, they are unsecured, and bear interest at a rate of 9% per annum. The total amount of interest due on these loans for the year was £258,482 (2008: £259,191), which at the balance sheet date was recognised as an expense in the profit and loss account, and was added to the balance of amounts due to The United Kingdom Hydrographic Office.

|                                       |                   |                   |
|---------------------------------------|-------------------|-------------------|
| 11. SHARE CAPITAL                     | 2009              | 2008              |
|                                       | £                 | £                 |
| Authorised:                           |                   |                   |
| 10,000,000 Ordinary shares of £1 each | <u>10,000,000</u> | <u>10,000,000</u> |
| Allotted, issued and fully paid:      |                   |                   |
| 5,210,048 Ordinary shares of £1 each  | <u>5,210,048</u>  | <u>5,210,048</u>  |

## 12. STATEMENT OF MOVEMENT ON RESERVES

|                            |                                    |
|----------------------------|------------------------------------|
|                            | <i>Profit and loss<br/>account</i> |
|                            | £                                  |
| 1 April 2008               | (3,682,112)                        |
| Retained loss for the year | <u>(4,331,603)</u>                 |
| 31 March 2009              | <u>(8,013,715)</u>                 |

# Admiralty Holdings Limited

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 March 2009

| 13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' (DEFICIT)/FUNDS | 2009               | 2008              |
|--|--------------------|-------------------|
|  | £                  | £                 |
| Loss for the financial year                                      | (4,331,603)        | (313,519)         |
| Proceeds from issue of shares                                    | -                  | 25,731            |
|  | <u>          </u>  | <u>          </u> |
| Net depletion in shareholders' funds                             | (4,331,603)        | (287,788)         |
| Opening shareholders' funds                                      | 1,527,936          | 1,815,724         |
|  | <u>          </u>  | <u>          </u> |
| Closing shareholders' (deficit)/funds                            | <u>(2,803,667)</u> | <u>1,527,936</u>  |

### 14. CONTROL

The whole of the ordinary share capital in issue is owned in the name of the office of the Secretary of State for Defence. The Secretary of State for Defence has delegated authority over this share capital to the Accounting Officer and Chief Executive of The United Kingdom Hydrographic Office. The United Kingdom Hydrographic Office is a trading fund within the Ministry of Defence established under the Government Trading Funds Act 1973 in the United Kingdom. The directors consider the ultimate controlling party to be The United Kingdom Hydrographic Office.

In view of the fact that The United Kingdom Hydrographic Office is reported as a part of the Ministry of Defence, which in turn is a part of the whole of government in the United Kingdom, the largest group of undertakings of which the company is a member, and for which group accounts are drawn up is the whole of government accounts for the United Kingdom. The smallest group of undertakings of which the company is a member, and for which group accounts are drawn up is at the level of The United Kingdom Hydrographic Office. Copies of the group accounts can be obtained on application to the directors at the company's registered office address.

### 15. RELATED PARTY TRANSACTIONS

The company has continued to operate various loan accounts with The United Kingdom Hydrographic Office. Interest charged is detailed in note 10 to these financial statements.

Upon the incorporation of each of its nine non-trading subsidiary undertakings, one £1 ordinary share was issued at par to Admiralty Holdings Limited. At the balance sheet date, £1 was due from Admiralty Holdings Limited to each of its nine non-trading subsidiary undertakings.