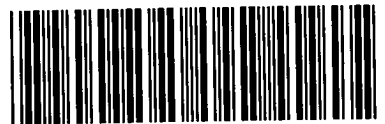


“K” Line (Europe) Limited

Report and Financial Statements

31 March 2015

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Company Information

Directors

D Arai
T Suzuki
G King

Secretary

B Y Ramlalsing

Independent Auditor

PricewaterhouseCoopers LLP
1 Embankment Place
London WC2N 6RH

Bankers

National Westminster Bank Plc
135 Bishopsgate
London EC2M 3UR

The Bank of Tokyo Mitsubishi UFJ Limited
Ropemaker Place
25 Ropemaker Street
London EC2Y 9AN

Sumitomo Mitsui Banking Corporation Europe Limited
99 Queen Victoria Street
London EC4N 4TA

Mizuho Corporate Bank Limited
Bracken House
One Friday Street
London EC4M 9JA

Registered Office

6th Floor
200 Aldersgate Street
London EC1A 4HD

Registered No. 05639474

Strategic report

The Directors present their Strategic report of "K" Line (Europe) Limited (the "Company") for the year ended 31 March 2015.

Results

The profit for the year after taxation amounted to £535,057 (year ended 31 March 2014 – £539,701).

Principal activities and review of the business

The principal activity of the Company during the year was that of general shipping agents for containerships and car carriers throughout Europe. The Company's key financial performance indicators during the year were as follows:

	<i>Year ended 31 March 2015 £000</i>	<i>Year ended 31 March 2014 £000</i>	<i>Change %</i>
Turnover	16,544	16,674	(1%)
Profit after tax	535	540	(1%)
Shareholders' funds	4,484	4,048	1%
Cash at bank and in hand	4,778	4,473	7%

Turnover is attributed to agency activities which attract a percentage of commission. The commission for the current year reduced slightly as a result of some cost savings which resulted in a similar impact on the profit for the year. Cash at bank and in hand has increased by 7% from prior year and is mainly attributable to more efficient working capital management.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are broadly grouped as:

Competitive risks

In the UK, the Company is not subject to any major competitor risk as the main income is supported by a service fee agreement with its ultimate parent undertaking located in Japan.

Legislative risks

In the UK and Europe, the main legislative risks are EU competition law, employment law, UK Bribery Act and tax law. These standards are subject to continuous revision; however, they are not expected to have a material impact on the ability of the Company to generate a profit.

Strategic report(continued)

Principal risks and uncertainties (continued)

Treasury operations and financial instruments

The Company operates a treasury function which is responsible for managing the liquidity, credit and market/price risks associated with the Company's activities.

The Company has established a risk and financial management framework whose primary objectives are to mitigate the exposure of the Company to risks that hinder the achievement of the Company's performance objectives. The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages its cash flow in order to maximise interest income and minimise interest expense, whilst ensuring the Company has sufficient liquid resources to meet the operating needs of the business.

Foreign currency risk

The Company has no significant exposure to foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are reviewed on a regular basis and provision is made for doubtful debts where necessary. The Company does not suffer from significant bad debt expense.

On behalf of the Board



B Y Ramlalsing
Company Secretary

15 May 2015

Registered No. 05639474

Directors' report

The Directors present their Directors' Report and audited financial statements of "K" Line (Europe) Limited (the "Company") for the financial year ended 31 March 2015.

Directors

The Directors who served the Company during the year and as at the date of this report are as follows:

D Arai (appointed on 1 April 2014)
K Terashima (resigned 31 March 2014)
T Suzuki (appointed on 1 April 2014)
E Murakami (resigned 31 March 2014)
G King

Dividends

On 30th September 2014, an amount of £100,000 was paid to "K" Line Holding (Europe) Ltd in respect of a final dividend (year ended 31 March 2014 – £100,000).

Future developments

The Directors aim to maintain the management policies which have resulted in the Company's growth in recent years. They consider that 2016 will show a similar pattern.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out above.

The Company has adequate financial resources together with existing contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Disclosure of information to the auditor

So far as each person who was 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 fellow Directors and the Company's auditor, each Director has taken all the steps that he/she is obliged to take as a Director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent Auditor

Ernst & Young LLP resigned as auditor on 10th February 2015 under Section 516 of Company Act 2006. The Directors have then appointed PricewaterhouseCoopers LLP as the Company's auditor.

PricewaterhouseCoopers LLP have expressed their willingness to be re-appointed for another term and appropriate arrangements have been put in place for them to be re-appointed as auditor in the absence of an Annual General Meeting.



D Arai

Director and Chief Executive Officer

Date: 15 May 2015

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic report, the Directors' 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). 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 year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of "K" Line (Europe) Limited

Report on the financial statements

Our opinion

In our opinion, "K" Line (Europe) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 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.

What we have audited

"K" Line (Europe) Limited's financial statements comprise:

- the Balance sheet as at 31 March 2015;
- the Profit and loss account for the year then ended; and
- the Notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report (continued)

to the members of "K" Line (Europe) Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' responsibilities set out on page 6, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the Directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Strategic report, Directors' report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Timothy McAllister (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 15 May 2015

Profit and loss account

for the year ended 31 March 2015

		<i>Year ended 31 March 2015</i>	<i>Year ended 31 March 2014</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Turnover	2	16,543,870	16,674,283
Administrative expenses		<u>(15,750,351)</u>	<u>(15,874,555)</u>
Operating profit	3	793,519	799,728
Interest receivable and similar income	7	<u>10,259</u>	<u>9,762</u>
Profit on ordinary activities before taxation		803,778	809,490
Tax	8	<u>(268,721)</u>	<u>(269,789)</u>
Profit for the financial year	14	<u>535,057</u>	<u>539,701</u>

All amounts relate to continuing activities.

The notes on pages 11 to 20 form an integral part of these financial statements.

There are no recognised gains or losses other than the profit attributable to the shareholder of the Company of £535,057 for the year ended 31 March 2015 (year ended 31 March 2014 – £539,701). Consequently, no Statement of total recognised gains and losses has been prepared.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents. Consequently, a note on historical cost profits and losses has not been included in these Financial Statements.


Balance sheet

at 31 March 2015

		31 March 2015	31 March 2014
	Notes	£	£
Fixed assets			
Tangible assets	10	876,703	1,243,491
Current assets			
Debtors	11	8,727,800	8,004,495
Cash at bank and in hand		4,778,180	4,473,439
		13,505,980	12,477,934
Creditors: amounts falling due within one year	12	(9,768,760)	(9,610,473)
Total assets less current liabilities		4,613,923	4,110,952
Provisions for liabilities			
Other provisions	17	(130,419)	(62,505)
Net assets		4,483,504	4,048,447
Capital and reserves			
Called up share capital	13	10,001	10,001
Profit and loss account	14	4,473,503	4,038,446
Shareholder's funds	14	4,483,504	4,048,447

The notes on pages 11 to 20 form an integral part of these financial statements

The financial statements on pages 9 to 20 were approved by the Board of Directors and signed on their behalf by:



D Arai

Director and Chief Executive Officer

Date: 15 MAY 2015

Notes to the financial statements

at 31 March 2015

1. Accounting policies

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

Basis of preparation

The financial statements are prepared in accordance with the Companies Act 2006 and Applicable Accounting Standards in the United Kingdom under the historical cost convention.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of cash flows

The Directors have taken advantage of the exemption in FRS 1 (revised) from including a statement of cash flows in the financial statements on the grounds that the Company is wholly owned and its ultimate parent undertaking publishes group financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation commences from the point when the assets are available for use.

The cost of tangible fixed assets includes expenditure that is incurred during construction, delivery, modification and capitalised finance costs. The commencement date for capitalisation of costs occurs when the company first incurs expenditure for the qualifying assets and undertakes the required activities to prepare the assets for their intended use.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Leasehold property	–	20% per annum
Furniture and equipment	–	15%-33% per annum

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

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Revenue recognition

Turnover is based on the recharge of costs for services provided to group companies with a 5% mark up. Revenue is recognised on an accruals basis following the provision of the related goods or services.

Notes to the financial statements

at 31 March 2015

1. Accounting policies (continued)

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Gains and losses on exchange are dealt with in the Profit and loss account.

Operating leases

Rental payments under operating leases are charged to the Profit and loss account on a straight-line basis over the lease term.

Debtors

Debtors are stated at nominal value as reduced by the appropriate allowances for estimated irrecoverable amounts. Allowance for doubtful debts is made based on possible losses which may arise from non-collection of certain amounts.

Dividends

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

Provision for liabilities

A provision is recognised when the group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

2. Turnover

Turnover, which arises on continuing activities, represents the amounts receivable for services provided during the year, exclusive of VAT.

An analysis of turnover by geographical market is given below:

	<i>Year ended 31 March 2015 £</i>	<i>Year ended 31 March 2014 £</i>
United Kingdom	794,706	961,564
Rest of the World	15,749,164	15,712,719
	<u>16,543,870</u>	<u>16,674,283</u>

Turnover of £16.5m (2014: £16.7m) is derived from fellow group undertakings and is based on arm's length prices.

Notes to the financial statements

at 31 March 2015

3. Operating profit

This is stated after charging:

	<i>Year ended 31 March 2015 £</i>	<i>Year ended 31 March 2014 £</i>
Auditors' remuneration (note 4)	<u>12,000</u>	<u>52,278</u>
Depreciation of owned fixed assets (note 10)	<u>458,375</u>	<u>485,001</u>
Operating lease rentals – land and buildings	867,836	1,143,120
– plant and machinery	<u>136,973</u>	<u>157,549</u>
Foreign exchange loss	<u>18,011</u>	<u>29,475</u>
Profit on disposal of fixed assets	<u>3,209</u>	<u>6,935</u>

4. Auditors' remuneration

	<i>Year ended 31 March 2015 £</i>	<i>Year ended 31 March 2014 £</i>
Audit of the financial statements for the current year	12,000	15,070
Other fees to auditor for taxation services	–	37,208
	<u>12,000</u>	<u>52,278</u>

Notes to the financial statements

at 31 March 2015

5. Directors' remuneration

	<i>Year ended, 31 March 2015 £000</i>	<i>Year ended 31 March 2014 £000</i>
Remuneration	1,405	733
Company contributions paid to personal money purchase pension schemes	—	—

Number of Directors in respect of whom contributions were made in the year:

	<i>No.</i>	<i>No.</i>
Pension contributions	—	—

The amounts in respect of the highest paid Director are as follows:

	<i>Year ended 31 March 2015 £000</i>	<i>Year ended 31 March 2014 £000</i>
Remuneration	1,227	614
Company contributions paid to personal money purchase pension schemes	—	—

6. Staff costs

	<i>Year ended 31 March 2015 £</i>	<i>Year ended 31 March 2014 £</i>
Wages and salaries	9,974,826	9,827,028
Social security costs	798,428	683,764
Other pension costs (note 15)	673,862	754,662
	<u>11,447,116</u>	<u>11,265,454</u>

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

	<i>No.</i>	<i>No.</i>
Administrative staff	186	196

Notes to the financial statements

at 31 March 2015

7. Interest receivable and similar income

	<i>Year ended 31 March 2015 £</i>	<i>Year ended 31 March 2014 £</i>
Bank interest receivable	10,259	6,705
Other interest receivable	–	3,057
	<u>10,259</u>	<u>9,762</u>

8. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	<i>Year ended 31 March 2015 £</i>	<i>Year ended 31 March 2014 £</i>
Current tax:		
UK corporation tax on profit for the year	–	71,959
Group relief payable	227,561	138,739
Adjustments in respect of previous years	20,242	(6,645)
Total current tax (note 8(b))	<u>247,803</u>	<u>204,053</u>
Deferred tax:		
Origination and reversal of timing differences	27,502	39,408
Effect of changes in tax rate on opening liability	(6,710)	20,419
Adjustments in respect of previous years	126	5,909
Total deferred tax (note 8(c))	<u>20,918</u>	<u>65,736</u>
Tax on ordinary activities	<u>268,721</u>	<u>269,789</u>

Notes to the financial statements

at 31 March 2015

8. Tax (continued)

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 21% (year ended 31 March 2014 – 23%). The differences are explained below:

	<i>Year ended 31 March 2015 £</i>	<i>Year ended 31 March 2014 £</i>
Profit on ordinary activities before tax	803,777	809,490
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (year ended 31 March 2014 – 23%)	168,793	186,183
<i>Effects of:</i>		
Disallowed expenses and non taxable income	80,600	63,922
Capital allowances in arrears of depreciation	(21,831)	(39,408)
Other timing differences	–	–
Adjustments in respect of previous years	20,242	(6,644)
Current tax for the year (note 8(a))	247,803	204,053

(c) Deferred tax

The deferred tax asset included in the balance sheet is as follows:

	<i>31 March 2015 £</i>	<i>31 March 2014 £</i>
Included in debtors (note 11)	113,410	134,328
	<i>31 March 2015 £</i>	<i>31 March 2014 £</i>
Decelerated capital allowances	113,410	134,328
Other timing differences	–	–
	113,410	134,328
At 1 April	134,328	200,064
Profit and loss account movement arising during the year (note 8(a))	(20,918)	(65,736)
At 31 March	113,410	134,328

Notes to the financial statements

at 31 March 2015

9. Dividends

<i>Equity dividend</i>	<i>31 March 2015</i>	<i>31 March 2014</i>
	<i>£</i>	<i>£</i>

Declared and paid during the year:
Equity dividend on ordinary shares

<u>100,000</u>	<u>100,000</u>
----------------	----------------

10. Tangible fixed assets

	<i>Furniture and equipment £</i>	<i>Leasehold property £</i>	<i>Total £</i>
Cost:			
At 1 April 2014	4,978,393	1,001,507	5,979,900
Additions	91,587	–	91,587
Disposals	(10,513)	–	(10,513)
At 31 March 2015	<u>5,059,467</u>	<u>1,001,507</u>	<u>6,060,974</u>
Depreciation:			
At 1 April 2014	4,550,223	186,186	4,736,409
Provided during the year	234,950	223,425	458,375
Disposals	(10,513)	–	(10,513)
At 31 March 2015	<u>4,774,660</u>	<u>409,611</u>	<u>5,184,271</u>
Net book value:			
At 31 March 2015	<u>284,807</u>	<u>591,896</u>	<u>876,703</u>
At 1 April 2014	<u>428,170</u>	<u>815,321</u>	<u>1,243,491</u>

11. Debtors

	<i>31 March 2015</i>	<i>31 March 2014</i>
	<i>£</i>	<i>£</i>
Trade debtors	6,997,660	5,805,151
Amounts owing from group undertakings	238,410	120,730
Amounts owing from related party undertakings	1,393	627
Other debtors	550,142	1,076,914
Prepayments and accrued income	744,389	846,503
Corporation tax receivable	82,396	20,242
Deferred taxation (note 8(c))	113,410	134,328
	<u>8,727,800</u>	<u>8,004,495</u>

Amounts owed from group undertakings are unsecured, with no interest and no fixed repayment date.

Notes to the financial statements

at 31 March 2015

12. Creditors: amounts falling due within one year

	31 March 2015 £	31 March 2014 £
Bank overdraft	986,079	341,028
Trade creditors	3,194,329	4,242,368
Other taxation and social security costs	296,920	480,768
Accruals and deferred income	819,343	1,115,685
Other creditors	454,205	338,443
Amounts owing to group undertakings	4,017,884	3,092,181
	<u>9,768,760</u>	<u>9,610,473</u>

Amounts owed to group undertakings are unsecured, with no interest and no fixed repayment date.

13. Issued share capital

	No.	31 March 2015 £	No.	31 March 2014 £
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	10,001	<u>10,001</u>	10,001	<u>10,001</u>

14. Reconciliation of shareholders' funds and movements on reserves

	Share capital £	Profit and loss account £	Total share- holder's funds £
At 1 April 2013	10,001	3,598,745	3,608,746
Profit for the year	–	539,701	539,701
Dividends paid	–	(100,000)	(100,000)
At 1 April 2014	10,001	4,038,446	4,048,447
Profit for the year	–	535,057	535,057
Dividends paid	–	(100,000)	(100,000)
At 31 March 2015	<u>10,001</u>	<u>4,473,503</u>	<u>4,483,504</u>

15. Pensions

The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £673,862 (2014 – £754,662). The amount of outstanding contributions at the year end was £nil (2014 – £nil).

Notes to the financial statements

at 31 March 2015

16. Other financial commitments

At 31 March 2015 the Company had annual commitments under non-cancellable operating leases as set out below:

	31 March 2015		31 March 2014	
	<i>Land and buildings</i>	<i>Other</i>	<i>Land and buildings</i>	<i>Other</i>
	£	£	£	£
Operating leases which expire:				
Within one year	–	22,024	–	45,406
In two to five years	1,097,630	120,240	922,249	100,279
Over five years	–	–	–	–
	<u>1,097,630</u>	<u>142,264</u>	<u>922,249</u>	<u>145,685</u>

17. Other provisions

	31 March 2015 £
<i>Dilapidations provision</i>	
1 April 2014	62,505
Movement in the year	<u>67,914</u>
At 31 March 2015	<u>130,419</u>

The dilapidations provision covers a period of 5 years from the start of the office lease; the annual charge of dilapidation is £67,914.

18. Related party transactions

The Company has taken advantage of the exemption available in FRS 8 from disclosing transactions with related parties, 100% of whose voting rights are controlled within the Kawasaki Kisen Kaisha Limited group.

During the year the Company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 March 2015 are as follows:

	<i>Income from related party</i>	<i>Purchases from related party</i>	<i>Amounts owed from related party</i>	<i>Amounts owed to related party</i>
	£	£	£	£
Polar LNG Shipping (UK) Limited				
2015	–	–	1,393	–
2014	–	–	627	–

"K" Line Holding (Europe) Limited owns 42.5% of the ordinary shares in Polar LNG Shipping (UK) Limited.

Notes to the financial statements

at 31 March 2015

19. Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party is Kawasaki Kisen Kaisha Limited, which is incorporated in Japan.

The financial statements of Kawasaki Kisen Kaisha Limited, which represent the smallest and largest group in which the Company is consolidated, are available from Kawasaki Kisen Kaisha Limited, Iino Building, 1-1, Uchisaiwaicho 2-Chome, Chiyoda-ku, Tokyo 100-8540, Japan.