

**REDCAR BULK TERMINAL LIMITED**

**Report and Financial Statements**

**For the year ended 31 December 2013**

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# **REDCAR BULK TERMINAL LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2013**

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# **REDCAR BULK TERMINAL LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2013**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

	Appointment date	Resignation date
J M Bolton	24/03/2011	-
N R K Clarke	24/03/2011	23/10/2013
P W Dryden	28/04/2011	10/01/2013
A J Hodgkinson	13/09/2011	01/06/2013
C J Louwrens	21/10/2011	-
D Nicol	24/03/2011	-
S Putz	10/01/2013	-
P Rowson	01/06/2013	-
S Mason	23/10/2013	-

#### **SECRETARY**

David Venus & Company LLP	Resignation date
ThamesHouse	-
Portsmouth Road	11/06/2014
Esher	
Surrey	
KT10 9AD	

Chipchase Manners Nominees Limited	Appointment date
384 Linthorpe Road	11/06/2014
Middlesbrough	
TS5 6HA	

#### **REGISTERED OFFICE**

Redcar Bulk Terminal Limited  
Steel House  
Trunk Road  
Redcar  
TS10 5QW

#### **AUDITOR**

KPMG LLP  
1 The Embankment  
Neville Street  
Leeds  
LS1 4 DW

# **REDCAR BULK TERMINAL LIMITED**

## **REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2013**

### **STRATEGIC REPORT**

#### **PRINCIPAL ACTIVITIES**

The principal activities of Redcar Bulk Terminal Limited is to provide Sahaviriya Steel Industries UK Limited and Tata Steel UK Limited with port operations facilities.

The company is a joint venture between Tata Steel UK Limited and Sahaviriya Steel Industries UK Limited (SSI). The company operates an ore terminal and port services business in the North East of England. The profit and loss account is set out on page 8 and the directors' consider the result for the year ended 31 December 2013 and the financial position at the balance sheet date to be satisfactory.

#### **BUSINESS MODEL**

The Directors are pleased to report that Redcar Bulk Terminal Limited achieved an increased profit during 2013, with a profit before tax Of £9,780,000 (2012: £343,000). This was due to a sharp rise in the tonnes handled particularly with third party customers which alone exceeded 3m tonnes. Imports of coking coal and iron ore for one of its shareholders SSI (UK) Limited also increased as steel making at Redcar which restarted in Q2 of 2012, reached near full production during 2013. Raw material imports will increase further in 2014 as SSI (UK) Limited increase steel production. In addition a further 3 million tonnes of surplus capacity has again been taken up by third party coal importers, enabling RBT to maintain its turnover and margins at 2013 levels.

#### **BUSINESS REVIEW AND RESULTS**

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company relate to the predictability of the usage of the Redcar Bulk Terminal by the two joint venture partners, which is in turn linked to global, economic and steel market conditions. A port services agreement is in place between the company and its two joint venture partners/shareholders whereby they guarantee to cover the fixed costs of the business.

In addition, to mitigate further risk, the directors continue to examine options to further develop third party business. Current EU and UK government policies risk leading to a dramatic reduction in the coal market. The escalating carbon price floor, combined with the need to invest to meet obligations under the Industrial Emissions Directive (IED) means many of the existing power stations are likely to close. As some of these coal fired power stations close demand for coal, and therefore imports, will also decrease. As carbon taxes increase coal importers will look to consolidate their ports of entry, however RBT's deep water port will remain attractive as importers attempt to benefit from the economies of scale by shipping in Large Cape Size vessels.

The company manages the risk by capitalising on its deep water facility, offering a cost effective service and maintaining a close working relationship with the main coal traders in order to retain its market share.

#### **KEY PERFORMANCE INDICATORS**

	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	28,739	17,468
Profit before tax	9,780	343

The profit for the year, after taxation, amounted to £8,633,000 (2012: £154,000). A dividend of £8,633,000 has been proposed for the year.

# REDCAR BULK TERMINAL LIMITED

## REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2013

### STRATEGIC REPORT (CONTINUED)

#### FUTURE DEVELOPMENTS

The directors continue to authorise investment and upgrade of the existing plant and equipment to maximise efficiency and improve the asset base.

Approved by the Board of Directors  
and signed on behalf of the Board

P. Rowson  
Director



S. Mason  
Director



16 September 2014

# REDCAR BULK TERMINAL LIMITED

## DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31 December 2013.

### GOING CONCERN

The directors have reviewed the financial condition of the company and the latest trading cash flow forecast and consideration of the uncertainties arising in the difficult economic environment and the consequent impact of this upon the trading and finances of the company. Based upon these forecasts, the directors consider the company will continue to operate with satisfactory funding. For these reasons, the directors continue to adopt the going concern basis in preparing these financial statements.

### DIRECTORS

The directors who served during the period were as follows:

	Appointment date	Resignation date
J M Bolton	24/03/2011	-
N R K Clarke	24/03/2011	23/10/2013
P W Dryden	28/04/2011	10/01/2013
A J Hodgkinson	13/09/2011	01/06/2013
C J Louwrens	21/10/2011	-
D Nicol	24/03/2011	-
S Putz	10/01/2013	-
P Rowson	01/06/2013	-
S Mason	23/10/2013	-

### DISCLOSURE OF RELEVANT INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

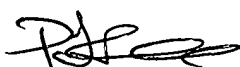
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

### AUDITOR

The auditor, KPMG LLP, will be proposed for reappointment in line with s485 of the Companies Act 2006.

Approved by the Board of Directors  
and signed on behalf of the Board

P. Rowson  
Director



S. Mason  
Director



16 September 2014

## **REDCAR BULK TERMINAL LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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 UK Accounting Standards and applicable law with (UK Generally Accepted Accounting Practice). 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 judgments and accounting 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

## **Independent auditor's report to the members of Redcar Bulk Terminal Limited**

We have audited the financial statements of Redcar Bulk Terminal Limited for the year ended 31 December 2013 set out on pages 8 to 18. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely on the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 5 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion, on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

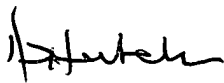


## **Independent auditor's report to the members of Redcar Bulk Terminal Limited (continued)**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**David Hutchinson (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

16 September 2014

# REDCAR BULK TERMINAL LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 2013

		Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
	Note		
<b>TURNOVER</b>		<b>28,739</b>	17,468
External charges		(6,016)	(5,681)
Staff costs	2	(4,246)	(3,909)
Depreciation and amortisation	3	(2,180)	(2,188)
Other operating charges		(6,486)	(5,202)
<b>Operating profit</b>		<b>9,811</b>	488
Interest payable	4	(36)	(147)
Interest receivable and similar income		5	2
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>9,780</b>	343
Tax on profit on ordinary activities	5	(1,147)	(189)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	13	<b>8,633</b>	154

All items dealt with in arriving at profit on ordinary activities relate to continuing activities.

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before tax and the retained profit for the year stated above and the historical cost equivalent.

# REDCAR BULK TERMINAL LIMITED

## BALANCE SHEET

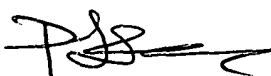
As at 31 December 2013

	Note	2013 £'000	2012 £'000
<b>FIXED ASSETS</b>			
Tangible assets	6	20,724	22,904
Spares inventory	6	2,573	3,093
		<u>23,297</u>	<u>25,997</u>
<b>CURRENT ASSETS</b>			
Stock	7	65	34
Debtors	8	13,925	8,180
Cash at bank and in hand		5,755	3,182
		<u>19,745</u>	<u>11,396</u>
<b>CREDITORS: amounts falling due within one year</b>	9	<u>(7,650)</u>	<u>(10,535)</u>
<b>NET CURRENT ASSETS</b>		<u>12,095</u>	<u>861</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>35,392</b>	<b>26,858</b>
 Provisions for liabilities	10	<u>(158)</u>	<u>(257)</u>
<b>NET ASSETS</b>		<u><b>35,234</b></u>	<u><b>26,601</b></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	26,503	26,503
Profit and loss account	12	8,731	98
<b>EQUITY SHAREHOLDERS' FUNDS</b>	13	<u><b>35,234</b></u>	<u><b>26,601</b></u>

The financial statements of Redcar Bulk Terminal Limited, registered number 07402297, were approved by the board of directors and authorised for issue on 16 September 2014.

Signed on behalf of the Board of Directors

P. Rowson  
Director



S Mason  
Director



The accompanying notes are an integral part of this balance sheet.

# REDCAR BULK TERMINAL LIMITED

## CASH FLOW STATEMENT

For the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
<b>Net cash inflow from operating activities</b>	14	7,573	2,188
Interest received		5	2
Interest paid		(293)	-
Corporation tax paid		(115)	-
<b>Investing</b>			
Purchase of fixed assets		(1,271)	(2,163)
<b>Financing</b>			
Inter-company loan repaid		(3,326)	-
<b>Movement in cash in the year</b>		<u>2,573</u>	<u>27</u>
Cash and cash equivalents at beginning of year		3,182	3,155
Cash and cash equivalents at end of the year		<u>5,755</u>	<u>3,182</u>
Net cash inflow		<u>2,573</u>	<u>27</u>

# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

### 1. ACCOUNTING POLICIES

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the United Kingdom Companies Act 2006 and applicable accounting standards. The principal accounting policies of the company, which have been applied consistently throughout the year, are set out below.

#### Going concern

The directors have reviewed the financial condition of the company and the latest trading cash flow forecast and consideration of the uncertainties arising in the difficult economic environment and the consequent impact of this upon the trading and finances of the company. The directors have formed the view that the position of the company is strong. For these reasons, the directors continue to adopt the going concern basis in preparing these financial statements.

#### Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost less residual value of tangible fixed assets on a straight-line basis over the expected useful economic lives of the assets concerned. Provision is made for any impairment. The expected useful economic lives are:

Land and buildings:	25 years
Plant and machinery:	10 years

Spares: The valuation of spares should follow the general principle for inventories, with actual cost based on a first in, first out methodology. Obsolescence provisions are made for Spares on the following basis:

No issues for two years	25% minimum
No issues for three years	50% minimum
No issues for four years	75% minimum
No issues for five years or more	100%

#### Turnover

Turnover, which excludes value added tax, represents the value of services supplied. Turnover from the supply of services represent value of service provide under contract.

#### Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially 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 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 that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

### 1. ACCOUNTING POLICIES (CONTINUED)

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

#### Pensions

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable and the contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### Dividends

Dividends are recognised in accordance with FRS 21 'Events after the balance sheet date'.

#### Turnover

Turnover, which relates to the company's principal activity originates entirely in the UK.

### 2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The average monthly number of persons employed by the company during the period was

	2013 £000	2012 £000
<b>Staff costs</b>		
Wages and salaries	3,657	3,380
Social security costs	379	370
Pension costs	210	159
	<u>4,246</u>	<u>3,909</u>
	2013 £000	2012 £000
Management	4	4
Operations	36	36
Engineering	52	49
	<u>92</u>	<u>89</u>

None of the directors received any remuneration for their services to the company during the period.

C J Louwrens, A J Hodgkinson, S Putz and P Rowson were remunerated as employees of Sahaviriya Steel Industries UK Limited and received no remuneration from that company for acting as directors of Redcar Bulk Terminal Limited.

J M Bolton, N R K Clarke, D Nicol and S Mason were remunerated as employees of Tata Steel UK Limited and received no remuneration from that company for acting as directors of Redcar Bulk Terminal Limited.

# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2013

### 3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is after charging:

	2013 £000	2012 £000
Depreciation of owned tangible fixed assets	2,180	2,188

The services provided by the company's auditor were:

	2013 £000	2012 £000
Audit of these financial statements	11	10
Other services related to taxation	2	15
	13	25

### 4. INTEREST PAYABLE

	2013 £000	2012 £000
Interest payable on inter-company loan	(32)	(147)
Interest On VAT payment	(4)	-
	(36)	(147)

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises:

	2013 £000	2012 £000
UK corporation tax	1,257	73
Adjustments in respect of prior years	(11)	-
	1,246	73
Deferred tax	(99)	116
Tax on profit on ordinary activities	1,147	189

# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2013

### 5. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

The current tax charge is lower than the standard rate of corporation tax in the UK (23.25%). The differences are explained below:

	Year ended 31 <sup>st</sup> December 2013 £000	Year ended 31 <sup>st</sup> December 2012 £000
Profit on ordinary activities before tax	9,780	343
Current tax at 2013 – 23.25% (2012: 24.50%)	2,274	84
<i>Effects of:</i>		
Expenses not deductible for tax purposes	154	3
Group Relief (50%)	(1,257)	
Adjustments in respect of previous periods	(11)	(43)
Capital Allowances in excess of depreciation	86	75
Utilisation of tax losses and other deductions	-	(46)
<b>Total current tax charge</b>	<b>1,246</b>	<b>73</b>

### 6. TANGIBLE FIXED ASSETS

	Spares Inventory £'000	Land and buildings £'000	Plant and machinery £'000	Total £'000
<b>Cost</b>				
At beginning of year	3,093	8,062	18,659	29,814
Additions	1,271	-	-	1,271
Disposals	(1,134)	-	-	(1,134)
At 31 December 2013	3,230	8,062	18,659	29,951
<b>Accumulated depreciation</b>				
At beginning of year	-	556	3,261	3,817
Impairment	657	-	-	657
Charge for period	-	317	1,863	2,180
At 31 December 2013	657	873	5,124	6,654
<b>Net book amount</b>				
At 31 December 2013	2,573	7,189	13,535	23,297
At 31 December 2012	3,093	7,506	15,398	25,997

Impairments in the year relate to obsolescence provisions against spares stock held as fixed assets.



# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2013

### 7. STOCKS

	2013 £'000	2012 £'000
Stores inventory	65	34

There is no material difference between the balance sheet value of stock and their replacement cost.

### 8. DEBTORS - RECEIVABLES

	2013 £'000	2012 £'000
Amounts owed by Tata Steel UK Limited for trade sales	115	778
Amounts owed by Sahaviriya Steel Industries UK Limited	11,171	5,524
Amounts owed by Third Parties	2,515	1,547
VAT to be settled	92	305
Prepayments	32	26
	<u>13,925</u>	<u>8,180</u>

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Trade creditors	1,599	2,448
Corporation tax	1,246	115
Other amounts owed to Sahaviriya Steel Industries UK Limited	2,082	3,029
Other amounts owed to Tata Steel UK Limited	99	341
Payroll Provisions	467	78
Other creditors and accruals	2,157	941
Provision for interest payments for inter-company loan	-	257
Inter group company loan	-	3,326
	<u>7,650</u>	<u>10,535</u>

The total loan amount from Tata and SSI was £3,326,000. The purpose of the loan was to acquire the stores and spares required for the operation of the Joint Venture from Tata Steel and was repaid on 25 March 2013.

# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2013

### 10. DEFERRED TAXATION

	2013 £'000	2012 £'000
<i>At beginning of year</i>	257	141
Charge for the period	(99)	116
<i>At end of year</i>	<u>158</u>	<u>257</u>

The elements of deferred taxation are as follows:

	2013 £'000	2012 £'000
Difference between capital allowances and depreciation	<u>158</u>	<u>257</u>

### 11. CALLED UP SHARE CAPITAL

	2013 £'000	2012 £'000
<b>Authorised, allotted, called up and fully paid</b>		
13,251,358 'A' ordinary shares of £1 each	13,251	13,251
13,251,358 'B' ordinary shares of £1 each	13,251	13,251
1 £1 voting share allocated to Tata Steel UK Limited	-	-
1 £1 voting share allocated to Sahaviriya Steel Industries UK Limited	-	-
	<u>26,503</u>	<u>26,503</u>

The 'A' ordinary shares and 'B' ordinary shares rank pari passu in all respects except as regards to election or removal of directors, each share is entitled to dividend payments or any other distribution. The voting shares allocated to Tata Steel UK Limited and Sahaviriya Steel Industries UK Limited give them voting rights within the company.

### 12. RESERVES

	Profit and loss account £'000
<i>At beginning of year</i>	98
Retained profit for the year	8,633
<i>At 31 December 2013</i>	<u>8,731</u>

# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2013

### 13. RECONCILIATION OF MOVEMENTS IN EQUITY SHAREHOLDERS' FUNDS

	2013 £'000	2012 £'000
Profit for the year	8,633	154
Increase in share capital	-	-
Net increase to shareholders' funds	8,633	154
Opening shareholders' funds	26,601	26,447
Closing shareholders' funds	35,234	26,601

### 14. RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOWS

	2013 £'000	2012 £'000
Operating Profit	9,811	488
Depreciation and amortisation	2,180	2,188
Impairment of spares stock	657	-
Usage of spare parts	1,134	2,182
Increase in stocks	(31)	(13)
Increase in debtors	(5,745)	(4,479)
(Decrease)/Increase in creditors	(433)	1,822
	7,573	2,188

### 15. PENSIONS

The company participates in a defined contribution pension scheme. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounts to £210,000 (2012: £159,000).

# REDCAR BULK TERMINAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2013

### 16. RELATED PARTY TRANSACTIONS

Tata Steel UK Limited and Sahaviriya Steel Industries UK Limited, both of which are incorporated in the United Kingdom, jointly control the company.

Tata Steel UK Limited provides the company with accounting services. The company provides Tata Steel UK Limited with bulk material handling services and with hire services.

Sahaviriya Steel Industries UK Limited provides the company with infrastructure services. The company provides Sahaviriya Steel Industries UK Limited with bulk material handling services and with stores and miscellaneous services.

Transactions in the 12 months ending 31 December 2013 were:

	2013 £'000	2012 £'000
<i>Payments to Related Parties</i>		
Tata Steel UK Limited for accounting, telephone & Procurement services	249	118
Sahaviriya Steel Industries UK Limited for the provision of infrastructure services	4,707	3,811
Interest accrual on loans from Sahaviriya Steel Industries UK Limited and Tata Steel UK Limited	32	147
<i>Receipts from Related Parties</i>		
Tata Steel UK Limited for bulk handling services	349	1,781
Tata Steel UK Limited for extra hire charges	329	136
Sahaviriya Steel Industries UK Limited for bulk handling services	11,886	11,097
Sahaviriya Steel Industries UK Limited for Stores and miscellaneous services	3	3

There were no other related party transactions.

The balances outstanding at the year end are shown in notes 8 and 9.