

Anglo-Eastern (UK) Limited

Annual report and financial statements
for the year ended 31 December 2013

Registered Number SC153841

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Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Contents

Page

Directors and advisers	1
Strategic Report	2
Directors' Report	3
Independent auditors' report to the members of Anglo-Eastern (UK) Limited	6
Profit and loss account	8
Balance sheet	9
Cash flow statement	10
Accounting policies	11
Notes to the financial statements	13

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Directors and advisers

Directors

P Cremers
D W Lang
A S MacDiarmid
M C Stevenson (resigned 26 July 2013)

Company secretary

H Bancewicz (appointed 26 July 2013)
M C Stevenson (resigned 26 July 2013)

Registered office

144 Elliot Street
Glasgow
G3 8EX

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
141 Bothwell Street
Glasgow
G2 7EQ

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Strategic Report

The directors present their strategic report on the company for the year ended 31 December 2013.

Review of Business

It was anticipated that 2013 would be a challenging year for ship management, however new business won in the latter part of the year resulted in an increase in vessel management fees.

Crew management and technical services fees decreased in the year, but our other business segments continued to perform well, and the overseas branch based in Riga, Latvia traded satisfactorily.

A decrease in payroll costs contributed to an overall increase in gross profit for 2013 and, with increased dividends received, the overall profitability improved in comparison to 2012.

Profit after tax for the year was £394,704 compared to £173,780 in 2012. The retained profit for the year of £394,704 (2012: £173,780) was taken to reserves and contributed to the increase in net assets from £276,332 in 2012 to £671,036 as at 31 December 2013.

No dividends were paid or proposed in the year (2012:nil).

Principal risks and uncertainties

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 are the retention of existing clients and senior staff, together with increasingly demanding international regulation. The cyclical nature of international shipping, coupled with global economic development, are risks out with the control of the company.

The risks within our control are actively managed primarily through close consultation between our client's and senior staff. Any potential issues arising are attempted to be resolved in an efficient and transparent way through clear communication.

Key performance indicators (KPIs)

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

By order of the Board


D W Lang

Director

13 May 2014

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Directors' Report

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

Principal activities

The company's principal activities during the year were technical ship management, marine consultancy and the strategic development of manning activities.

Future outlook

2014 will continue to be a challenging year for the marine industry, however the company continues to attract new business and additional vessels are scheduled to be brought into management throughout the year. The directors will continue to focus on margin and costs to maximise the company's profits going forward.

Research and development

The company's key assets are its staff and its use of information technology. The company continues to invest in both of these areas to maintain its competitiveness.

Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks; market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Group Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Company. The group board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity.

Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Group Management has set up a policy to require group companies to manage foreign exchange risk against the Company's functional currency. The Company uses forward exchange contracts entered into by the Group Treasury function to manage its foreign exchange risk. Foreign exchange risk arises when future commercial transactions are denominated in a currency that is not the entity's functional currency.

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Directors' Report (continued)

Cash flow interest rate risk

The Company is exposed to cash flow interest rate risk arising from bank balances. Other than these, the Company has no significant interest bearing assets or liabilities, its income and operating cash flows are substantially independent of changes in market interest rates.

Credit risk

The Group is exposed to credit risk in relation to its trade and other receivables, prepayment and deposits, cash deposits with banks. The carrying amounts of trade and other receivables, prepayments and deposits and bank balances represent the Company's maximum exposure to credit risk in relation to financial assets.

To manage this risk, deposits are mainly placed with banks which are all high-credit-quality financial institutions. The Company has policies in place to ensure that transactions are made to parties with an appropriate financial strength. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Company reviews regularly the recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts.

Liquidity risk

Management of the Company aims to maintain sufficient cash and cash equivalents or have available funding through loans from Group to meet its commitments.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares if required.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements are listed on page 1.

Directors' Indemnity

Every director of the Company is indemnified by a group indemnity insurance policy held by Anglo Eastern Ship Management in Hong Kong, which provides cover for any loss or liability incurred in their capacity as directors. This indemnity is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Directors' Report (continued)

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 prepared 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

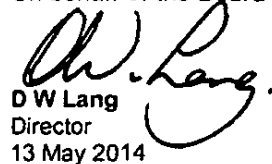
The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors and disclosure of information to auditors

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

On behalf of the Board


D W Lang
Director
13 May 2014

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Independent auditors' report to the members of Anglo-Eastern (UK) Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit and cash flows 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Anglo-Eastern (UK) Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the cash flow statement for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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

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.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements (the "Annual Report") 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.

Anglo-Eastern (UK) Limited

Directors' report and financial statements for the year ended 31 December 2013

Independent auditors' report to the members of Anglo-Eastern (UK) Limited (continued)

Opinion on other matter 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.

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 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 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.

Kenneth A Wilson

Kenneth Wilson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
13 May 2014

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Profit and loss account

	Note	2013 £	2012 £
Turnover	1	7,129,262	7,316,955
Cost of Sales		(5,360,052)	(5,986,249)
Gross profit		1,769,210	1,330,706
Administrative expenses		(1,459,037)	(1,234,091)
Other operating charges	6	(89,389)	(2,173)
Operating profit	2	220,784	94,442
Income from shares in group undertakings		256,606	81,750
Net interest payable	7	(9,247)	(7,594)
Profit on ordinary activities before taxation		468,143	168,598
Tax on profit on ordinary activities	8	(73,439)	5,182
Profit for the financial year	17	394,704	173,780

All items dealt with in arriving at the operating profit above relate to continuing operations.

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 material difference between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents.

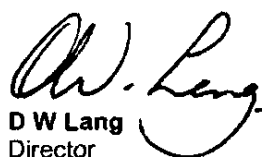
Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Balance sheet

	Note	2013 £	2012 £
Fixed assets			
Tangible assets	9	588,830	782,822
Investments	10	41,923	41,923
		630,753	824,745
Current assets			
Stocks	11	26,397	30,081
Debtors	12	517,205	749,383
Ships' cash balances	13	3,958,244	4,981,455
Cash at bank and in hand	20	857,484	849,049
		5,359,330	6,609,968
Creditors - amounts falling due within one year	14	(5,319,047)	(7,158,381)
Net current assets / (liabilities)		40,283	(548,413)
Total assets less current liabilities		671,036	276,332
Capital and reserves			
Called up share capital	15	2	2
Profit and loss account	16	671,034	276,330
Total shareholders' funds	17	671,036	276,332

The financial statements on pages 8 to 22 were approved by the board of directors on 13 May 2014 and were signed on its behalf by:


D W Lang
Director

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Cash flow statement

	Note	2013 £	2012 £
Net cash (outflow) / inflow from operating activities	19	(91,269)	650,773
Returns on investment and servicing of finance			
Interest received		119	15
Interest paid		(9,366)	(7,609)
Net cash outflow from returns on investments and servicing of finance		(9,247)	(7,594)
Tax received / (paid)		7,337	(89,059)
Capital expenditure and financial investment			
Payments to acquire fixed assets		(168,192)	(147,934)
Receipts from sale of fixed assets		13,200	13,280
Net cash outflow from capital expenditure and financial investment		(154,992)	(134,654)
Dividends received		256,606	81,750
Increase in net cash	20	8,435	501,216

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006. A summary of the more important accounting policies which have been applied consistently is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention and on the going concern basis.

Foreign currencies

Assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date or at the agreed contractual rate. Transactions in foreign currency are translated at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.

Leases

Rentals in respect of operating leases are charged to the profit and loss account on a straight-line basis over the lease term. Incentives received are spread over the shorter period of the length of the lease and the period to the first rent review to market rates on a straight line basis.

Stock and work-in-progress

Stock is valued at the lower of cost on a first in first out basis and net realisable value.

Work-in-progress represents third party costs incurred in bringing each project to its current stage of completion.

Pensions

The company operates a defined contribution pension scheme, the assets of which are held in a separate trust fund. Contributions are determined with due regard to industry norms and local practice, and are charged to the profit and loss account as incurred.

Turnover

Turnover represents the invoiced value in respect of marketing, management and other fees, at the point the service is provided, excluding value added tax. If these services are not invoiced at the end of the year the income is accrued and included within debtors.

Taxation

The Company records a tax charge or credit in the profit and loss account calculated at the tax rate prevailing in the year for tax payable to HM Revenue and Customs, or for group relief to surrender to or to be received from other Group undertakings, and for which payment may be requested. The charge for ordinary taxation is based on the profit for the year and takes into account full provision for deferred tax, using the approach set out in Financial Reporting Standard (FRS) 19 "Deferred Tax" in respect of timing differences on a non-discounted basis. Such timing differences arise primarily from the differing treatment for taxation and accounting purposes of provisions and depreciation of fixed assets.

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Accounting policies (continued)

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.

A net deferred tax asset is recognised 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 against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted. Deferred tax is measured at the average tax 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.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are recorded at cost. Depreciation is calculated on a straight line basis to write off the cost, less estimated residual value, of tangible fixed assets over their anticipated useful lives as follows:

Fixtures and fittings	-	over 5 years
Computer software	-	over 3 years
Computer equipment	-	over 3 years
Motor vehicles	-	over 4 years
Leasehold Improvements	-	over 5 years

Consolidated financial statements

The company is exempt under section s401 of the Companies Act 2006 from preparing, and delivering to the registrar of companies, consolidated financial statements.

Fixed asset investments

This comprises investments in shares that the Company intends to hold on a continuing basis. The investments are stated at cost, less provisions for impairment. The Company carries out a review for the potential impairment of an investment if events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. Such impairment reviews are performed in accordance with Financial Reporting Standard ("FRS") 11. Any impairment is recorded in the profit and loss account.

Provisions

Provisions are recognised for potential future costs which will be payable when specific events occur. These provisions are estimates and the actual cost and timing of future cash flows are dependent on future events. The provisions are reassessed at each balance sheet date to ensure that they are measured at the current best estimate required to settle the obligation at the balance sheet date.

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements

1 Turnover

The company's turnover and operating profit relate entirely to its principal activity.

The geographical analysis is commercially sensitive and has therefore been excluded.

2 Operating profit

	2013 £	2012 £
Operating profit is stated after charging/(crediting):		
Depreciation of tangible fixed assets - owned	355,644	340,344
Operating lease rentals		
- land and buildings	373,937	288,629
Auditors' remuneration		
- audit services	27,494	24,224
- non-audit services – corporate tax compliance and other tax advice	16,083	16,164
Profit on sale of fixed assets	(6,660)	(9,349)
Foreign exchange loss	89,389	2,173

3 Directors' emoluments

	2013 £	2012 £
Aggregate emoluments	326,647	421,507
Pension contributions	36,653	49,824
	363,300	471,331

Retirement benefits are accruing to 2 directors under a defined contribution scheme (2012: 3).

Highest paid director	2013 £	2012 £
The above amounts for remuneration include the following:-		
Aggregate emoluments	146,054	141,828
Pension contributions	15,659	15,275

The emoluments of P Cremers are paid by a non UK group company. His services to this company (and to a number of fellow subsidiaries) are of a non executive nature and his emoluments are deemed to be wholly attributable to his services to the non UK group company. Accordingly, the above details include no emoluments in respect of P Cremers.

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

4 Employee costs

Employee costs include executive directors.

	2013 £	2012 £
Wages and salaries	4,140,932	4,568,522
Social security costs	464,505	521,834
Other pensions costs (note 22)	260,181	283,212
	4,865,618	5,373,568

5 Employee information

The average monthly number of persons (including executive directors) employed by the company during the year was:

By activity	2013 Number	2012 Number
Management	4	4
Administrative	111	122
	115	126

6 Other operating charges

	2013 £	2012 £
Foreign exchange loss	89,389	2,173

7 Net interest payable

	2013 £	2012 £
Interest receivable	119	15
Interest on late supplier payment	-	(11)
Interest payable on loan	(9,366)	(7,598)
	(9,247)	(7,594)

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

8 Tax on profit on ordinary activities

	2013	2012
	£	£
Current tax:		
UK corporation tax on profit for the year	68,804	55,050
Adjustment in respect of previous years	4,635	(60,232)
Total UK corporation tax	73,439	(5,182)
Tax on profit on ordinary activities	73,439	(5,182)

The tax assessed for the year is lower (2012: lower) than the standard rate of corporation tax in the UK (23.25%) (2012: 24.5%). The differences are explained below:

	2013	2012
	£	£
Profit on ordinary activities before taxation	468,143	168,598
Profit on ordinary activities multiplied by the standard rate of tax in the UK 23.25% (2012: 24.5%)	108,843	41,307
Effects of:		
Non-taxable income	(59,661)	(20,029)
Expenses not deductible for tax purposes and other permanent differences	15,362	15,946
Accelerated capital allowances	8,200	14,261
Other timing differences	(3,940)	3,565
Adjustment in respect of previous years	4,635	(60,232)
Current UK tax charge / (credit) for the year	73,439	(5,182)

Deferred tax

The company has an unprovided deferred tax asset of £70,416 arising as a result of timing differences between capital allowances and depreciation (2012: £42,608). This has not been recognised as there is insufficient evidence to show 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.

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

8 Tax on profit on ordinary activities (continued)

Factors affecting current and future tax charges

The UK Corporation tax rate of 23% took effect from 1 April 2013.

Further changes to the UK Corporation tax rates were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These include changes to reduce the main rate to 21% from 1 April 2014 and to 20% from 1 April 2015. As these changes have been substantively enacted at the balance sheet date their effects have been included in these financial statements.

9 Tangible assets

	Leasehold improvements	Fixtures and fittings	Computer software	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2013	644,962	268,964	289,844	471,228	107,388	1,782,386
Additions	-	8,805	103,691	18,035	37,661	168,192
Disposals	-	(1,500)	(17,404)	(32,250)	(35,600)	(86,754)
At 31 December 2013	644,962	276,269	376,131	457,013	109,449	1,863,824
Accumulated depreciation						
At 1 January 2013	225,564	132,405	240,447	367,700	33,448	999,564
Charge for the year	128,993	43,558	66,095	86,013	30,985	355,644
Disposals	-	(1,500)	(17,404)	(31,643)	(29,667)	(80,214)
At 31 December 2013	354,557	174,463	289,138	422,070	34,766	1,274,994
Net book value						
At 31 December 2013	290,405	101,806	86,993	34,943	74,683	588,830
At 31 December 2012	419,398	136,559	49,397	103,528	73,940	782,822

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

10 Investments

	Interest in group undertakings
	£
Cost	
At 1 January 2013 and 31 December 2013	60,999
Amounts provided	
At 1 January 2013 and 31 December 2013	(19,076)
Net Book Value	
At 1 January 2013 and 31 December 2013	41,923

Name of subsidiary	Country of incorporation	Description of shares held	Proportion of shares held	Principal activities
Anglo-Eastern (Antwerp) NV	Belgium	Ordinary	100%	Ship Management
Anglo-Eastern (Germany) GmbH	Germany	Ordinary	100%	Ship Management

The directors believe that the carrying value of the investments is supported by their underlying net assets.

11 Stocks

	2013	2012
	£	£
Work-in-progress	6,958	3,637
Stock	19,439	26,444
	26,397	30,081

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

12 Debtors

	2013	2012
	£	£
Amounts falling due within one year		
Trade debtors	45,427	203,619
Amounts owed by group undertakings	201,436	182,170
Corporation tax	-	29,927
Other debtors	119,751	149,589
Prepayments and accrued income	150,591	184,078
	517,205	749,383

Included in amounts owed by group undertakings is a loan balance with Anglo-Eastern (Germany) GmbH of £191,851 (2012: £147,271).

Balances with related companies were unsecured, interest free and had no fixed repayment terms with the exception of the balance owed from Anglo-Eastern (Germany) GmbH, which has a repayment date of 31st December 2014. The value of the original loan was £712,174 and management provided £558,773 in 2009 against this loan as a result of the uncertainty in the ability of Anglo-Eastern (Germany) GmbH to repay.

13 Ships' cash balances

At 31 December 2013 £3,958,244 (2012: £4,981,455) was held in bank accounts on behalf of clients. £3,958,244 (2012: £4,981,455) is included within Ships' cash balances within creditors (note 14).

14 Creditors – amounts falling due within one year

	2013	2012
	£	£
Trade creditors	17,266	161,811
Payments on account received on long term contracts	-	3,874
Amounts owed to group undertakings	739,811	1,305,032
Ships' cash balances (note 13)	3,958,244	4,981,455
Corporation tax	50,849	-
Other creditors	193,498	150,486
Accruals and deferred income	359,379	555,723
	5,319,047	7,158,381

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

14 Creditors – amounts falling due within one year (continued)

Included in amounts owed to group undertakings are loans from Anglo-Eastern Management Group Limited of £606,320 (2012: £864,037) and Anglo-Eastern (Antwerp) NV of £108,438 (2012: £283,641). Balances with related companies were unsecured, interest free and had no fixed repayment terms with the exception of the balance owed to Anglo-Eastern (Antwerp) NV which has charged interest at an average EURO Libor rate of 1.1886% plus 5% (2012: 1.126% plus 5%).

15 Called up share capital

	2013 £	2012 £
Authorised		
100 (2012: 100) ordinary shares of £1 each	100	100
Issued and fully paid		
2 (2012: 2) ordinary shares of £1 each	2	2

16 Profit and loss account

	2013 £	2012 £
Balance brought forward at 1 January	276,330	102,550
Retained profit for the financial year	394,704	173,780
Balance at 31 December	671,034	276,330

17 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Profit for the financial year	394,704	173,780
Retained profit for the financial year	394,704	173,780
Net increase to shareholders' funds	394,704	173,780
Opening shareholders' surplus	276,332	102,552
Closing shareholders' funds	671,036	276,332

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

18 Financial commitments

At 31 December the company had annual commitments under non-cancellable operating leases expiring as follows:

	Land and buildings	
	2013	2012
	£	£
Within one year	-	-
Between two and five years	373,937	362,582
Greater than five years	-	-

19 Reconciliation of operating profit to net cash (outflow) / inflow from operating activities

	2013	2012
	£	£
Operating profit	220,784	94,442
Profit from sale of fixed assets	(6,660)	(9,349)
Depreciation charge	355,644	340,344
Decrease in stock and work in progress	3,684	10,810
Decrease / (Increase) in debtors	202,251	(209,342)
(Decrease) / Increase in creditors	(866,972)	423,868
Net cash (outflow) / inflow from operating activities	(91,269)	650,773

20 Analysis of net funds

	At 1 January 2013	Cash flow	At 31 December 2013
	£	£	£
Cash at bank and in hand	849,049	8,435	857,484

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

21 Related party transactions

- a) During the year the company recharged fees and expenses on an arm's length basis to related companies. These transactions and the outstanding balances are as follows:

	2013	2013	2012	2012
	Transaction value	Year-end balance	Transaction value	Year-end balance
	£	£	£	£
Anglo-Eastern Ship Management Ltd	539,015	-	1,589,117	-
Anglo-Eastern Crew Management (Asia) Limited	249,313	9,376	40,189	34,788
Anglo-Eastern Crew Management (Singapore) Ltd	904,332	-	830,039	-
Anglo-Eastern (Antwerp) NV	108,693	-	90,778	-
Anglo-Eastern (Germany) GmbH	49,884	-	45,080	-
Anglo-Eastern Ship Management (S)	-	-	-	-
Anglo-Eastern Maritime Services (S)	-	209	-	111
Oceanair Travel (UK) Limited	84,861	-	57,727	-
Denholm Line Steamers Ltd	80,302	-	75,324	-
Teekay Marine (Glasgow) Limited	88,128	2,549	35,157	1,727
	2,104,528	12,134	2,763,411	36,626

These companies are all group companies of the ultimate parent undertaking, Anglo-Eastern Management Group Limited, except for Denholm Line Steamers, whose parent company, J & J Denholm Ltd is a shareholder in the ultimate parent undertaking; and Teekay Marine (Glasgow) Limited, which is a joint venture between a third party and the ultimate parent undertaking.

Transactions with Denholm Line Steamers relate to fees for the provision of technical management services and with Teekay Marine (Glasgow) Limited, for the provision of office and Human Resources services.

Anglo-Eastern (UK) Limited

Annual report and financial statements for the year ended 31 December 2013

Notes to the financial statements (continued)

21 Related party transactions (continued)

- b) During the year the company incurred management recharges and other service recharges at arm's length from related companies. These transactions and the outstanding balances are as follows:

	2013 Transaction value £	2013 Year-end balance £	2012 Transaction value £	2012 Year-end balance £
Anglo-Eastern Ship Management Ltd	7,305	24,485		129,917
Anglo-Eastern (Antwerp) NV	9,366	-	7,688	-
Oceanair Travel (UK) Limited	39,414	568	34,188	9,776
Anglo-Eastern Crew Management (Singapore) Ltd	-	-	-	17,661
J & J Denholm Ltd	19,133	-	19,213	-
	75,218	25,053	61,089	157,354

These companies are all group companies of the ultimate parent undertaking, Anglo-Eastern Management Group Limited, except for J & J Denholm Ltd which is a shareholder in the ultimate parent undertaking. The transactions with J & J Denholm Limited relate to the provision of payroll processing services.

22 Pension commitment

The company contributes to a defined contribution pension scheme on behalf of certain directors and employees.

The contributions amounted to £260,181 (2012: £283,212). There were no contributions outstanding at the year end (2012: nil).

23 Capital commitments

The capital commitments contracted for but not provided as at 31 December 2013 was £3,702 (2012: £1,400).

24 Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party is Anglo-Eastern Management Group Limited, a company registered in the British Virgin Islands, which is the smallest and largest group to consolidate these financial statements.