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Company Registration No. SC153841 (Scotland)

ANGLO-EASTERN (UK) LIMITED
ANNUAL REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020



ANGLO-EASTERN (UK) LIMITED

COMPANY INFORMATION

Directors	J B Hojgaard F M Wilson
Secretary	H E Bancewicz
Company number	SC153841
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

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the strategic report for the year ended 31 December 2020.

Fair review of the business

For Anglo-Eastern (UK) Limited and its two subsidiaries, Anglo-Eastern (Germany) GmbH and Anglo-Eastern (Antwerp) nv, 2020 it was another challenging year. The principal activities, technical ship management, marine consultancy and the strategic development of manning activities, faced additional challenges managing the impact of Covid 19.

Despite the challenges faced technical and crew management fees were significantly higher than 2019 however this was offset by a reduction in technical services fees and superintendency. Anglo-Eastern (UK) also opened a new office in London to add to our global reach and service of our clients.

There is an increase in both cost of sales and administration costs in the year in line with client contracts and business requirements.

The net result is a decrease in gross profit and the overall profitability worsened in comparison to 2019.

With respect to the impact of COVID-19, within the Group. The two key areas which have impacted our results, were higher payroll costs as clients require more resource dedicated to them and talent is required to be relocated from other offices which has a premium cost attached. In addition, superintendence income has reduced as we were unable to travel to visit vessels and this was done remotely. There were no additional impacts to the management fees or costs and all additional costs were re-charged to clients.

Results

The group's loss for the financial year was £589,253 (2019: profit of £535,946). The group is in a net asset position of £832,879 at the end of the year (2019: £1,966,428).

The decrease in the overall profitability of the group in 2020 has resulted from a significant increase in personnel costs as a result of changing business requirements.

Principal risks and uncertainties

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

The key business risks and uncertainties which the group has some control over 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 group.

The risks within our control are actively managed primarily through close consultation between our clients and senior staff. Any potential issues arising are attempted to be resolved in an efficient and transparent way through clear communication. The group has a dedicated resource to manage the changing international regulations.

Key performance indicators

The directors of the group and the company assess performance based on a range of factors including measurement of results against the business projections, client satisfaction and employee retainment. During the year the directors were satisfied with the groups and company's performance in these areas given the challenging market conditions.

Future outlook

2021 was also a challenging year for the marine industry as our clients faced the continued impact of COVID-19 and travel was restricted for both our crew and our technical team, a 5 year contract also came to an end. However, the group continues to attract new business and the directors will continue to focus on margin and costs to maximise the company's results going forward while managing increasing personnel costs.

Management has assessed the future trading position of the company and group for a period covering 12 months to May 2023. This assessment included considerations of future cashflow requirements, secured revenue streams and obligations which may arise over the going concern review period.

ANGLO-EASTERN (UK) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors have no reason to believe that any material uncertainty exists that may cast doubt on the ability of the company to continue as a going concern. Accordingly the company and group financial statements have been prepared on a going concern basis.

On behalf of the board



.....
F M Wilson
Director

Date: 06/06/22
.....

ANGLO-EASTERN (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and audited consolidated financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company and group continued to be that of technical ship management, marine consultancy and the strategic development of manning activities.

Results and dividends

The results for the year are set out on page 10.

The directors recommended a dividend of £587,257 in 2020 (2019: £198,626).

The retained loss for the financial year of £589,253 (2019: profit of £535,946) was taken to reserves and contributed to the decrease in net assets from £1,966,428 in 2019 to £832,879 as at 31 December 2020.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J B Hojgaard

D W Lang

A S MacDiarmid

D A Brookes

F M Wilson

(Resigned 6 May 2022)

(Resigned 26 January 2022)

(Resigned 21 April 2021)

(Appointed 26 January 2022)

Qualifying third party indemnity provisions

Every director of the group is indemnified by a group indemnity 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 group also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Financial risk management

Financial risk factors

The group'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 group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group'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 group. 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.

Liquidity risk

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

ANGLO-EASTERN (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Cash flow interest rate risk

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

Foreign exchange risk

The group 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 group's functional currency. The group 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.

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 amount of trade and other receivables, prepayments and deposits and bank balances represent the group's maximum exposure to credit risk in relation to financial assets.

To manage the risk, deposits are mainly placed in banks which are all high-credit-quality financial institutions. The group 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 group reviews regularly the recoverable amount of each individual trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts.

Capital risk management

The group's objectives when managing capital are to safeguard the group'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 group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares if required.

Research and development

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

Independent auditors

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

Statement of disclosure to 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 of which the group's and company's auditors are unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the group's and company's auditors are aware of that information.

ANGLO-EASTERN (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

On behalf of the board



.....
F M Wilson
Director

Date: 06/06/22
.....

ANGLO-EASTERN (UK) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of the group 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 group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLO-EASTERN (UK) LIMITED

Opinion

In our opinion, Anglo-Eastern (UK) Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2020 and of the group's loss, the company's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the consolidated and company statements of financial position as at 31 December 2020; the consolidated statement of comprehensive income, the consolidated and company statements of changes in equity and the consolidated statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLO-EASTERN (UK) LIMITED (CONTINUED)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLO-EASTERN (UK) LIMITED (CONTINUED)

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of the distributable reserves available to shareholders, through posting inappropriate journal entries for example to increase revenue. Audit procedures performed by the engagement team included:

- Enquiries of management around known or suspected instances of non-compliance with laws and regulations, claims and litigation, and instances of fraud;
- Understanding of management's controls designed to prevent and detect irregularities;
- Review of board minutes; and
- Identifying and testing journal entries to assess whether any of the journals appeared unusual, for example impacting revenue and distributable reserves.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Other matter

The group financial statements for the year ended 31 December 2019, forming the corresponding figures of the group financial statements for the year ended 31 December 2020, are unaudited.



Matthew Kaye (Senior Statutory Auditor)
for and on behalf of Pricewaterhousecoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

6 June 2022

ANGLO-EASTERN (UK) LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	(unaudited) 2019 £
Turnover	3	18,716,687	16,240,789
Cost of sales		(17,564,889)	(13,947,933)
Gross profit		1,151,798	2,292,856
Administrative expenses		(1,647,347)	(1,386,739)
Operating (loss)/profit	6	(495,549)	906,117
Interest receivable and similar income	8	39,336	70,954
Interest payable and similar expenses	9	(3,919)	(2,918)
(Loss)/profit before taxation		(460,132)	974,153
Tax on (loss)/profit	10	(129,121)	(438,207)
(Loss)/profit for the financial year		(589,253)	535,946
Other comprehensive income/(expense) net of taxation			
Currency translation differences		42,961	(59,490)
Total comprehensive (expense)/income for the year		(546,292)	476,456

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive (expense)/income for the year is all attributable to the owners of the parent company.

ANGLO-EASTERN (UK) LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Notes	2020 £	£	(unaudited) 2019 £	£
Fixed assets					
Intangible assets	12		87,766		43,507
Tangible assets	13		667,559		167,302
			<u>755,325</u>		<u>210,809</u>
Current assets					
Stocks	16	14,343		8,575	
Debtors	17	2,569,667		3,559,857	
Cash at bank and in hand	18	9,125,538		14,691,637	
			<u>11,709,548</u>	<u>18,260,069</u>	
Creditors: amounts falling due within one year	19	(11,631,994)		(16,504,450)	
Net current assets			<u>77,554</u>		<u>1,755,619</u>
Total assets less current liabilities			<u>832,879</u>		<u>1,966,428</u>
Capital and reserves					
Called up share capital	21		2		2
Profit and loss reserves	22		832,877		1,966,426
Total equity			<u>832,879</u>		<u>1,966,428</u>

The financial statements were approved by the board of directors and authorised for issue on 06/06/22
and are signed on its behalf by:




F M Wilson
Director

ANGLO-EASTERN (UK) LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	12		59,507		17,919
Tangible assets	13		362,007		51,205
Investments	14		41,923		41,923
			<u>463,437</u>		<u>111,047</u>
Current assets					
Stocks	16	100		622	
Debtors	17	1,574,703		2,824,938	
Cash at bank and in hand	18	2,521,998		4,067,527	
		<u>4,096,801</u>		<u>6,893,087</u>	
Creditors: amounts falling due within one year	19	(4,403,630)		(6,491,916)	
Net current (liabilities)/assets			<u>(306,829)</u>		<u>401,171</u>
Total assets less current liabilities			<u>156,608</u>		<u>512,218</u>
Capital and reserves					
Called up share capital	21		2		2
Profit and loss reserves	22		156,606		512,216
Total equity			<u>156,608</u>		<u>512,218</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £231,647 (2019 - £117,583 loss).

The financial statements were approved by the board of directors and authorised for issue on 06/06/22 and are signed on its behalf by:



 F M Wilson
 Director

ANGLO-EASTERN (UK) LIMITED

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

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2019 (unaudited)		2	1,688,596	1,688,598
Year ended 31 December 2019 (unaudited):				
Profit for the year		-	535,946	535,946
Other comprehensive income net of taxation:				
Currency translation differences		-	(59,490)	(59,490)
Total comprehensive income for the year		-	476,456	476,456
Dividends	11	-	(198,626)	(198,626)
Balance as at 31 December 2019 (unaudited):		2	1,966,426	1,966,428
Year ended 31 December 2020:				
Loss for the year		-	(589,253)	(589,253)
Other comprehensive income net of taxation:				
Currency translation differences		-	42,961	42,961
Total comprehensive expense for the year		-	(546,292)	(546,292)
Dividends	11	-	(587,257)	(587,257)
Balance at 31 December 2020		2	832,877	832,879

ANGLO-EASTERN (UK) LIMITED

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

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2019		2	828,425	828,427
Year ended 31 December 2019:				
Loss and total comprehensive expense for the year		-	(117,583)	(117,583)
Dividends	11	-	(198,626)	(198,626)
Balance at 31 December 2019		2	512,216	512,218
Year ended 31 December 2020:				
Profit and total comprehensive income for the year		-	231,647	231,647
Dividends	11	-	(587,257)	(587,257)
Balance at 31 December 2020		2	156,606	156,608

ANGLO-EASTERN (UK) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	(unaudited) 2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		1,291,952		(506,450)
Interest paid			(3,919)		(2,918)
Income taxes paid			(321,189)		(400,317)
Net cash inflow/(outflow) from operating activities			966,844		(909,685)
Investing activities					
Purchase of intangible assets		(74,997)		(28,036)	
Purchase of tangible fixed assets		(676,007)		(17,947)	
Proceeds on disposal of tangible fixed assets		1,655		65,284	
Interest received		39,336		70,954	
Net cash (used in)/generated from investing activities			(710,013)		90,255
Financing activities					
Dividends paid to equity shareholders		(587,257)		(198,626)	
Net cash used in financing activities			(587,257)		(198,626)
Net decrease in cash and cash equivalents			(330,426)		(1,018,056)
Cash and cash equivalents at beginning of year			1,558,378		2,627,397
Effect of foreign exchange rate translation			33,358		(50,963)
Cash and cash equivalents at end of year			1,261,310		1,558,378

ANGLO-EASTERN (UK) LIMITED

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

1 Accounting policies

Company information

Anglo-Eastern (UK) Limited ("the company") is a private company limited by shares and is registered and incorporated in Scotland, United Kingdom. The registered office is 144 Elliot Street, Glasgow, G3 8EX.

The group consists of Anglo-Eastern (UK) Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below and has been applied consistently, other than where new policies have been adopted.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where they are the parent of that group which prepares publicly available consolidated financial statements, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Basis of consolidation

In the prior year, Anglo-Eastern (UK) Limited took the Section 401 exemption included in Companies Act 2006 ("Section 401 exemption"), which exempts the company from preparing consolidated financial statements subject to certain requirements including that the company must deliver to the registrar, within the period for filing its accounts and reports for the financial year in question, copies of the ultimate parent company's consolidated annual report and financial statements, together with the auditor's report on them.

The ultimate parent company, Anglo-Eastern Univan Group Limited, is a private company and does not consent for its financial statements to be delivered to the registrar, and therefore, Anglo-Eastern (UK) Limited does not meet the criteria to take the Section 401 exemption. The company therefore should not have taken this exemption in the prior year. The company has presented consolidated financial statements in the current year and included prior year unaudited consolidated comparatives to correct this prior year error.

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

The consolidated financial statements incorporate those of Anglo-Eastern (UK) Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries are consolidated using the purchase method and their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Going concern

Management has assessed the future trading position of the company and group for a period covering 12 months to May 2023. This assessment included considerations of future cashflow requirements, secured revenue streams and obligations which may arise over the going concern review period.

The directors have no reason to believe that any material uncertainty exists that may cast doubt on the ability of the company to continue as a going concern. Accordingly the company and group financial statements have been prepared on a going concern basis.

Turnover

Turnover represents the invoiced value in respect of marketing, management and other fees, at the point the services 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.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	3 years straight line
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	5 years straight line
Fixtures and fittings	5 years straight line
Computers	3 years straight line
Motor vehicles	4 years straight line

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

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

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Retirement benefits

The group 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. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The company recognises a liability for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The liability is measured at the salary cost payable for the period of absence.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange 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. Exchange differences are taken into account in arriving at the operating profit.

Balances within overseas subsidiary undertakings are re-translated at the rate of exchange ruling at the balance sheet date. All differences arising on these balances are recognised in other comprehensive income and accumulated in equity.

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

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

Lease incentives

The group has operating lease incentives relating to the rental of the building. The group makes use of the exemption under FRS 102 section 35 and continues to recognise the residual benefit associated with these lease incentives on the same basis as that applied at the date of transition. The group continues to spread incentives received 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.

Key sources of estimation uncertainty

The group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Useful economic lives of intangible assets

The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates. See note 12 for the carrying amount of computer software.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates. See note 13 for the carrying amount of tangible assets and the accounting policies on pages 16 - 20 for the useful economic lives for each class of assets.

Impairment of inventory

The group makes an estimate of the recoverable value of inventory. When assessing impairment of inventory, management considers factors including the ageing profile of the inventory and historical experience. See note 16 for the carrying amount of inventory.

Impairment of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 17 for the carrying amount of the debtors.

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Turnover

The group's turnover relates entirely to its principal activity. The geographical analysis is commercially sensitive and has therefore been excluded.

4 Employees

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

	Group	(unaudited)	Company	
	2020	2019	2020	2019
	Number	Number	Number	Number
Management	4	3	3	2
Administration	181	177	71	71
Total	185	180	74	73

Their aggregate remuneration comprised:

	Group	(unaudited)	Company	
	2020	2019	2020	2019
	£	£	£	£
Wages and salaries	9,141,880	7,845,924	3,123,918	2,774,741
Social security costs	1,652,185	1,456,099	386,823	368,191
Pension costs	346,683	335,602	206,379	200,745
Total	11,140,748	9,637,625	3,717,120	3,343,677

5 Directors' remuneration

	(unaudited)	
	2020	2019
	£	£
Remuneration for qualifying services	375,261	378,045
Company pension contributions to defined contribution schemes	9,488	11,629
Total	384,749	389,674

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2019 - 3).

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Directors' remuneration (Continued)

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	(unaudited)	
	2020	2019
	£	£
Remuneration for qualifying services	163,358	162,662

6 Operating (loss)/profit

	(unaudited)	
	2020	2019
	£	£

Operating (loss)/profit for the year is stated after charging/(crediting):

Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	184,931	169,852
Depreciation of owned tangible fixed assets	183,465	175,262
Profit on disposal of tangible fixed assets	(1,256)	(26,159)
Amortisation of intangible assets	32,227	28,730
Operating lease charges	759,142	725,767

Amortisation and depreciation charges are recognised in administrative expenses.

7 Auditor's remuneration

	(unaudited)	
	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	29,253	32,803
Audit of the financial statements of the company's subsidiaries	37,082	31,761
	66,335	64,564

8 Interest receivable and similar income

	(unaudited)	
	2020	2019
	£	£
Interest income		
Interest on bank deposits	39,336	70,954

9 Interest payable and similar expenses

	(unaudited)	
	2020	2019
	£	£
Interest on bank overdrafts and loans	3,919	2,918

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Taxation

	(unaudited)	
	2020	2019
	£	£
Current tax		
Adjustments in respect of prior periods	(13)	(3,118)
Foreign current tax on profits for the current period	129,134	441,325
Total current tax	129,121	438,207

The total tax charge for the year included in the income statement can be reconciled to the (loss)/profit before tax multiplied by the standard rate of tax as follows:

	(unaudited)	
	2020	2019
	£	£
(Loss)/profit before taxation	(460,132)	974,153
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(87,425)	185,089
Tax effect of expenses that are not deductible in determining taxable profit	57,489	2,802
Adjustments in respect of prior years	(13)	(3,118)
Effect of overseas tax rates	91,515	195,478
Deferred tax not recognised	67,555	57,956
Taxation charge	129,121	438,207

Deferred tax

The group has an un-provided deferred tax asset of £81,119 (2019 (unaudited): £81,119) arising as a result of timing differences between capital allowances and depreciation. 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.

Factors affecting current and future tax charges

In the March 2021 budget it was proposed that the UK Corporation tax rate be increased from 19% to 25% from fiscal year 2023 onwards. This change had not been substantively enacted at the balance sheet date and therefore is not recognised in these financial statements.

11 Dividends

Group and Company	2020	2019
	£	£
Recognised as distributions to equity holders:		
Final paid	587,257	198,626

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Intangible fixed assets

Group	Software £
Cost	
At 1 January 2020 (unaudited)	410,888
Additions	74,997
Disposals	(38,599)
Exchange adjustments	10,365
At 31 December 2020	457,651
Amortisation and impairment	
At 1 January 2020 (unaudited)	367,381
Amortisation charged for the year	32,227
Disposals	(38,599)
Exchange adjustments	8,876
At 31 December 2020	369,885
Carrying amount	
At 31 December 2020	87,766
At 31 December 2019 (unaudited)	43,507
Company	Software £
Cost	
At 1 January 2020	234,145
Additions	56,811
Disposals	(38,599)
At 31 December 2020	252,357
Amortisation and impairment	
At 1 January 2020	216,226
Amortisation charged for the year	15,223
Disposals	(38,599)
At 31 December 2020	192,850
Carrying amount	
At 31 December 2020	59,507
At 31 December 2019	17,919

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Tangible fixed assets

Group	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020 (unaudited)	644,962	528,326	902,356	59,547	2,135,191
Additions	208,686	73,609	391,472	2,240	676,007
Disposals	-	(63,741)	(162,945)	-	(226,686)
Exchange adjustments	-	15,324	28,597	1,735	45,656
At 31 December 2020	853,648	553,518	1,159,480	63,522	2,630,168
Depreciation and impairment					
At 1 January 2020 (unaudited)	644,962	473,165	797,055	52,707	1,967,889
Depreciation charged in the year	12,349	27,009	135,027	9,080	183,465
Eliminated in respect of disposals	-	(63,342)	(162,945)	-	(226,287)
Exchange adjustments	-	12,282	23,525	1,735	37,542
At 31 December 2020	657,311	449,114	792,662	63,522	1,962,609
Carrying amount					
At 31 December 2020	196,337	104,404	366,818	-	667,559
At 31 December 2019 (unaudited)	-	55,161	105,301	6,840	167,302
Company					
	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	644,962	265,533	444,239	29,855	1,384,589
Additions	208,686	57,969	119,777	-	386,432
Disposals	-	(63,741)	(162,945)	-	(226,686)
At 31 December 2020	853,648	259,761	401,071	29,855	1,544,335
Depreciation and impairment					
At 1 January 2020	644,962	264,263	401,144	23,015	1,333,384
Depreciation charged in the year	12,349	1,538	54,504	6,840	75,231
Eliminated in respect of disposals	-	(63,342)	(162,945)	-	(226,287)
At 31 December 2020	657,311	202,459	292,703	29,855	1,182,328
Carrying amount					
At 31 December 2020	196,337	57,302	108,368	-	362,007
At 31 December 2019	-	1,270	43,095	6,840	51,205

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14 Fixed asset investments

Notes	Group		Company	
	2020	(unaudited) 2019	2020	2019
	£	£	£	£
Investments in subsidiaries	15	-	41,923	41,923
Movements in fixed asset investments				
Company				Shares in group undertakings
				£
Cost or valuation				
At 1 January 2020 and 31 December 2020				60,999
Impairment				
At 1 January 2020 and 31 December 2020				19,076
Carrying amount				
At 31 December 2020				41,923
At 31 December 2019				41,923

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

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Anglo-Eastern (Antwerp) NV	Sneeuwbeslaan 14, Wilrijk B-2610, Antwerp, Belgium	Ship management	Ordinary	100.00
Anglo-Eastern (Germany) GmbH	Raboisen 28, 20095 Hamburg, Germany	Ship management	Ordinary	100.00

All of the above named subsidiaries are included in these consolidated financial statements.

16 Stocks

	Group		Company	
	2020	(unaudited) 2019	2020	2019
	£	£	£	£
Finished goods and goods for resale	14,343	8,575	100	622

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Debtors

	Group		Company	
	(unaudited)			
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	249,015	260,130	19,800	3,559
Corporation tax recoverable	319,493	127,425	319,493	127,425
Amounts owed by group undertakings	1,253,735	2,747,569	946,590	2,433,560
Other debtors	396,415	99,072	66,088	19,477
Prepayments and accrued income	351,009	325,661	222,732	240,917
	<u>2,569,667</u>	<u>3,559,857</u>	<u>1,574,703</u>	<u>2,824,938</u>

Balances with related companies were unsecured, interest free and had no fixed repayment terms.

18 Ships' cash balances

At 31 December 2020, £7,864,228 (2019 (unaudited): £13,133,259) was held in bank accounts on behalf of the group's clients. £7,826,786 (2019 (unaudited): £13,028,795) is included within gross amounts owed to contract customers which is included within creditors (note 19).

At 31 December 2020, £1,895,649 (2019: £3,355,066) was held in bank accounts on behalf of the company's clients. £1,903,232 (2019: £3,250,602) is included within gross amounts owed to contract customers which is included within creditors (note 19).

19 Creditors: amounts falling due within one year

	Group		Company	
	(unaudited)			
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	300,325	184,495	126,470	72,363
Gross amounts owed to contract customers	7,826,786	13,028,795	1,903,232	3,250,602
Amounts owed to group undertakings	479,808	144,413	594,225	1,479,177
Other taxation and social security	-	293,001	-	-
Other creditors	927,925	1,188,023	811,353	1,151,450
Accruals and deferred income	2,097,150	1,665,723	968,350	538,324
	<u>11,631,994</u>	<u>16,504,450</u>	<u>4,403,630</u>	<u>6,491,916</u>

Amounts owed to group undertakings from the group are unsecured, interest free and have no fixed repayment terms.

Amounts owed to group undertakings from the company are unsecured, interest free and have no fixed repayment terms with the exception of loans from Anglo-Eastern (Germany) GmbH (£311,017), which charges interest at 5.5% per annum and has a loan repayment date of the 31st December 2021; and Anglo-Eastern (Antwerp) nv (£105,640) which charges interest at 8% per annum with no repayment date.

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

20 Retirement benefit schemes

	(unaudited)	
	2020	2019
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	346,683	335,602

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Included within other payables at the year end date was a balance of £10,111 (2019 (unaudited): £10,496) owing to the Group's pension scheme.

21 Share capital

	Group and Company			
	2020	2019	2020	2019
	Number	Number	£	£
Ordinary share capital				
Authorised				
Ordinary shares of £1 each	100	100	100	100
Issued and fully paid				
Ordinary shares of £1 each	2	2	2	2

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of cash.

22 Reserves

Profit and loss reserves

Cumulative profit and loss net of distribution to owners.

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

23 Cash generated from/(absorbed by) group operations

	(unaudited)	
	2020	2019
	£	£
(Loss)/profit for the year after tax	(589,253)	535,946
Adjustments for:		
Taxation charged	129,121	438,207
Finance costs	3,919	2,918
Investment income	(39,336)	(70,954)
Gain on disposal of tangible fixed assets	(1,256)	(26,159)
Amortisation and impairment of intangible assets	32,227	28,730
Depreciation and impairment of tangible fixed assets	183,465	175,262
Movements in working capital:		
Increase in stocks	(5,768)	(4,147)
Decrease/(increase) in debtors	1,182,258	(2,071,825)
Increase in creditors	396,575	485,572
Cash generated from/(absorbed by) operations	1,291,952	(506,450)

24 Analysis of changes in net funds - group

	1 January 2020	Cash flows	Exchange rate movements	31 December 2020
	£	£	£	£
Cash at bank and in hand	1,558,378	(330,426)	33,358	1,261,310

25 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	(unaudited)			
	2020	2019	2020	2019
	£	£	£	£
Within one year	704,080	689,279	346,529	359,538
Between one and five years	1,036,970	808,096	492,338	28,297
	1,741,050	1,497,375	838,867	387,835

ANGLO-EASTERN (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

26 Capital commitments

The capital commitments contracted for but not provided as at 31 December 2020 were £9,080 (2019: £nil).

27 Related party transactions

Transactions with related parties

	Management charges and other services	
	2020	2019
	£	£
Company		
Entities with control, joint control or significant influence over the company	9,338	10,038

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2020	2019
	£	£
Company		
Entities with control, joint control or significant influence over the company	-	6,335

The above balances are unsecured, interest free and repayable on demand.

Other information

The group is exempt from disclosing other related party transactions as they are with other companies that are wholly owned group undertakings.

28 Controlling party

The immediate parent undertaking is Anglo-Eastern Management Group Limited and the ultimate parent undertaking and controlling party is Anglo-Eastern Univan Group Limited (formerly known as Anglo-Eastern Management Holdings Limited). Both the immediate and ultimate parent companies are incorporated in the British Virgin Islands. Anglo-Eastern Univan Group Limited is the smallest and largest group to consolidate these financial statements. The registered office of Anglo-Eastern Univan Group Limited is Quastisky Bldg, 3rd Floor, P.O. Box 905, Road Town, Tortola, VG1110, British Virgin Islands.