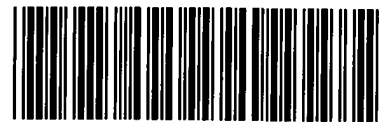


**ANGLO-EASTERN (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2022**

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COMPANIES HOUSE

# ANGLO-EASTERN (UK) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	J B Hojgaard F M Wilson
<b>Secretary</b>	H E Bancewicz
<b>Company number</b>	SC153841
<b>Registered office</b>	144 Elliot Street Glasgow G3 8EX
<b>Independent auditors</b>	RSM UK Audit LLP Third Floor, Centenary House 69 Wellington Street Glasgow G2 6HG

# ANGLO-EASTERN (UK) LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present the strategic report for the year ended 31 December 2022.

#### **Fair review of the business**

For Anglo-Eastern (UK) Limited 2022 was another challenging year for the principal activities, technical ship management and the strategic development of manning activities. Despite the challenges faced technical management fees were significantly higher than 2021.

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 2021.

#### **Results**

The company's loss for the financial year was £157,070 (2021: loss of £206,753).

#### **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 which the company 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 company.

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 company has a dedicated resource to manage the changing international regulations.

#### **Key performance indicators**

The directors of 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 company's performance in these areas given the challenging market conditions.

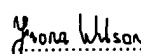
#### **Future outlook**

2022 was also a challenging year for the marine industry however, the company 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 for a period covering 12 months to September 2024. 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 financial statements have been prepared on a going concern basis.

On behalf of the board

  
F M Wilson  
**Director**

Date: 28<sup>th</sup> September 2023

# ANGLO-EASTERN (UK) LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their annual report and audited financial statements for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of the company continued to be that of technical ship management 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 £nil in 2022 (2021: £nil).

The retained loss for the financial year of £157,070 (2021: loss of £206,753) was taken to reserves and contributed to the increase in net liabilities from £50,771 in 2021 to £207,841 as at 31 December 2022.

#### **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

F M Wilson

(Resigned 6 May 2022)

(Resigned 26 January 2022)

(Appointed 26 January 2022)

#### **Qualifying third party indemnity provisions**

Every director of the company is indemnified by a group indemnity policy held by Anglo Eastern Ship Management in Hong Kong, a fellow subsidiary, 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.

#### **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.

##### **Liquidity risk**

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

##### **Cash flow interest rate risk**

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

# ANGLO-EASTERN (UK) LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### **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 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 company 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 company'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 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.

#### **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.

#### **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.

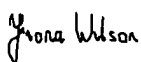
The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future development.

#### **Independent auditors**

A resolution to reappoint RSM 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 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 company's auditors are aware of that information.



F M Wilson  
Director

Date: 28<sup>th</sup> September 2023

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**ANGLO-EASTERN (UK) LIMITED**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, and of the profit or loss of the company for that 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

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### **Opinion**

We have audited the financial statements of Anglo-Eastern (UK) Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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.

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 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.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 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 company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 auditor's 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.



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

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of revenue recognition and management override of controls as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to revenue recognition included but were not limited to testing the sales cycle process to ensure that different streams are operating in line with our understanding and accounted for correctly. Testing that revenue has been appropriately recognised in accordance with underlying agreements and performing specific testing around the year-end to ensure the income has been recognised in the correct period. Audit procedures performed in relation to management override of controls included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

### Use of our report

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

*Chris Docherty*

Chris Docherty (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Third Floor

Centenary House

69 Wellington Street

Glasgow

G2 6HG

Date 28/09/23

**ANGLO-EASTERN (UK) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

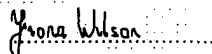
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
Turnover	3	5,745,720	5,151,000
Cost of Sales		(4,309,701)	(4,146,055)
<b>Gross profit</b>		<b>1,436,019</b>	<b>1,004,945</b>
Administrative expenses		(1,615,603)	(1,211,684)
<b>Operating loss</b>	6	<b>(179,584)</b>	<b>(206,739)</b>
Interest receivable and similar income	8	3,438	229
Interest payable and similar expenses	9	0	(243)
Exceptional income	13	19,076	0
<b>Loss before taxation</b>		<b>(157,070)</b>	<b>(206,753)</b>
Tax on loss	10	(0)	(0)
<b>Loss and total comprehensive expense for the year</b>		<b>(157,070)</b>	<b>(206,753)</b>

**ANGLO-EASTERN (UK) LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Notes	£	2022 £	£	2021 £
<b>Fixed assets</b>					
Intangible assets	11		69,281		51,412
Tangible assets	12		263,631		352,767
Investments	13		-		41,923
			<u>332,912</u>		<u>446,102</u>
<b>Current assets</b>					
Stocks	15	100		1,399	
Debtors	16	2,390,532		1,215,750	
Cash at bank and in hand	17	4,888,804		2,984,362	
			<u>7,279,436</u>	<u>4,201,511</u>	
<b>Creditors: amounts falling due within one year</b>	18	(7,820,189)		(4,698,384)	
<b>Net current liabilities</b>			<u>(540,753)</u>	<u>(496,873)</u>	
<b>Total assets less current liabilities</b>			<u>(207,841)</u>	<u>(50,771)</u>	
<b>Capital and reserves</b>					
Called up share capital	20		2		2
Profit and loss reserves	21		(207,843)		(50,773)
			<u>(207,841)</u>	<u>(50,771)</u>	
<b>Total equity</b>			<u>(207,841)</u>	<u>(50,771)</u>	

The financial statements were approved by the board of directors and authorised for issue on 28<sup>th</sup> September 2023. and are signed on its behalf by:

  
 FM Wilson  
 Director

**ANGLO-EASTERN (UK) LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**AS AT 31 DECEMBER 2022**

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2021</b>		<u>2</u>	<u>155,980</u>	<u>155,982</u>
<b>Year ended 31 December 2021</b>				
Loss and total comprehensive expense for the year		<u>-</u>	<u>(206,753)</u>	<u>(206,753)</u>
<b>Balance as at 31 December 2021</b>		<u>2</u>	<u>(50,773)</u>	<u>(50,771)</u>
<b>Year ended 31 December 2022</b>				
Loss and total comprehensive expense for the year		<u>-</u>	<u>(157,070)</u>	<u>(157,070)</u>
<b>Balance at 31 December 2022</b>		<u>2</u>	<u>(207,843)</u>	<u>(207,841)</u>

# **ANGLO-EASTERN (UK) LIMITED**

## **STATEMENT OF CASH FLOWS**

**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Net cash outflow from operating activities</b>	22	(220,280)	(381,252)
Tax received		0	185,996
<b>Net cash used in operating activities</b>		(220,280)	(195,256)
<b>Cash flow from investing activities</b>			
Purchase of intangible assets	(49,158)	(16,321)	
Purchase of tangible assets	(74,139)	(126,197)	
Proceeds from disposal of tangible assets	9,000	(0)	
Proceeds from disposal of Investments	60,999	0	
Interest received	3,438	229	
<b>Net cash from investing activities</b>		(49,860)	(142,289)
<b>Net decrease in cash and cash equivalents</b>		(270,140)	(337,545)
Cash and cash equivalents at the beginning of the year		288,804	626,349
<b>Cash and cash equivalents at the end of the year</b>		18,664	288,804

# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2022

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### 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 company'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, including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008.

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.

#### Going concern

Given the net current liability position of £207,841, management has assessed the future trading position of the company, for a period covering 12 months to September 2024. 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 and have obtained a letter of comfort from the parent company. Accordingly the company 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.

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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# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

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### 1 Accounting policies (Continued)

#### **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.

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
----------	-----------------------

#### **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
Computer equipment	3 years straight line
Motor vehicles	4 years straight line

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.

#### **Impairment of fixed assets**

At each reporting period end date, the company 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.

#### **Fixed asset investments**

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.

# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

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### 1 Accounting policies (Continued)

#### **Stocks**

Inventories are valued at the lower of cost and net realisable value.

#### **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 company 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 company 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.

#### **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 company 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 company after deducting all of its liabilities.



# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

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### 1 Accounting policies (Continued)

#### **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 company's contractual obligations are discharged, cancelled, or they expire.

#### **Equity instruments**

Equity instruments issued by the company 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 company.

#### **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.

#### **Retirement benefits**

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. 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.

# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

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### 1 Accounting policies (Continued)

#### **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 group companies 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.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company'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 company has operating lease incentives relating to the rental of the building. The company 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 company 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 company 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 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 12 for the carrying amount of tangible assets and the accounting policies for the useful economic lives for each class of assets.

# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

### 2 Judgements and key sources of estimation uncertainty (Continued)

#### *Impairment of debtors*

The company 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 16 for the carrying amount of the debtors.

### 3 Turnover

The company'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:

	2022 Number	2021 Number
Management	1	3
Administration	72	71
Total	73	74

	2022 £	2021 £
Wages and salaries	3,158,960	2,830,464
Social security costs	427,822	375,959
Pension costs	225,812	196,528
	3,812,594	3,402,951

### 5 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	133,890	233,361
Company pension contributions to defined contribution schemes	10,944	3,983
	144,834	237,344

The directors are considered to be key management personnel. The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 1). National contributions totaling £16,591 (2021 - £24,204) have been paid in the year.

# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

### 6 Operating loss

	2022	2021
	£	£
Operating loss 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	133,830	(73,930)
Depreciation of owned tangible fixed assets	163,275	135,436
Profit on disposal of tangible fixed assets	-	9,000
Amortisation of intangible assets	31,289	24,416
Operating lease charges	336,922	337,242

Amortisation and depreciation charges are recognised in administrative expenses.

### 7 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	28,001	90,585
	28,001	90,585

The prior year audit fee is reflective of the company preparing group accounts in the prior year and included the audit of subsidiaries.

### 8 Interest receivable and similar income

	2022	2021
	£	£
<b>Interest income</b>		
Interest on bank deposits	3,438	229

### 9 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and loans	-	243

# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

### 10 Taxation

	2022 £	2021 £
<b>Current tax</b>		
Adjustments in respect of prior periods	-	-
Total current tax	-	-

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

	2022 £	2021 £
Loss before taxation	(157,070)	(206,753)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(29,843)	(39,283)
Expenses not deductible for tax purposes and other permanent differences	15,520	17,356
Deferred tax not recognised	14,323	21,927
Taxation charge	-	-

#### Deferred tax

The company has an un-provided deferred tax asset of £317,880 (2020: £239,511) 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 2023 budget it was proposed that the UK Corporation tax rate be increased from 19% to 25% from fiscal year 2023 onwards for companies with profits greater than £250,000.

# ANGLO-EASTERN (UK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

AS AT 31 DECEMBER 2022

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### 11 Intangible fixed assets

	Computer Software £
<b>Cost or valuation</b>	
At 1 January 2022	269,541
Additions	49,158
Disposals	-
	<hr/>
At 31 December 2022	318,699
<b>Accumulated amortisation</b>	
At 1 January 2022	218,129
Amortisation for the year	31,289
Disposals	-
	<hr/>
At 31 December 2022	249,418
<b>Net book value</b>	
At 31 December 2022	<hr/> 69,281 <hr/>
At 31 December 2021	<hr/> 51,412 <hr/>

**ANGLO-EASTERN (UK) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****AS AT 31 DECEMBER 2022****12 Tangible fixed assets**

	<b>Leasehold Improvements</b>	<b>Fixtures and fittings</b>	<b>Computer equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>					
At 1 January 2022	861,296	269,486	527,813	29,855	1,688,450
Additions	1,845	1,721	70,573	-	74,139
Disposals	-	-	-	(29,855)	(29,855)
At 31 December 2022	863,141	271,207	598,386	-	1,732,734
<b>Accumulated depreciation</b>					
At 1 January 2022	719,668	223,503	362,657	29,855	1,335,683
Charge for the year	57,670	12,134	93,471	-	163,275
Disposals	-	-	-	(29,855)	(29,855)
At 31 December 2022	777,338	235,637	456,128	-	1,469,103
<b>Net book value</b>					
At 31 December 2022	85,803	35,570	142,258	-	263,631
At 31 December 2021	141,628	45,983	165,156	-	352,767

**ANGLO-EASTERN (UK) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****AS AT 31 DECEMBER 2022****13 Fixed asset investments**

	Notes	2022 £	2021 £
Investments in subsidiaries	14	-	41,923
<b>Movements in fixed asset investments</b>			
			<b>Shares in group undertakings £</b>
<b>Cost or valuation</b>			
At 1 January 2022			60,999
Disposals			(60,999)
At 31 December 2022			-
<b>Impairment</b>			
At 1 January 2022			19,076
Disposals			(19,076)
At 31 December 2022			-
<b>Carrying amount</b>			
At 31 December 2022			-
At 31 December 2021			41,923

The shares in the subsidiaries were sold during the year at original value realising an exceptional gain of £19,076.

**14 Subsidiaries**

Details of the company's subsidiaries at 31 December 2021 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
Anglo-Eastern (Germany) GmbH	Raboisen 28, 20095 Hamburg, Germany	Ship management	Ordinary	100

The shares for the above named subsidiaries were sold in December 2022.



**ANGLO-EASTERN (UK) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****AS AT 31 DECEMBER 2022****15 Stocks**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	<u>100</u>	<u>1,399</u>

**16 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	87,166	201,037
Amounts owed by group undertakings	1,718,392	544,182
Other debtors	297,312	60,436
Taxation and social security	35,911	93,537
Prepayments	251,131	290,790
Accrued income	<u>620</u>	<u>25,768</u>
	<u>2,390,532</u>	<u>1,215,750</u>

Amounts owed from group undertakings are unsecured, interest free and have no fixed repayment terms with the exception of loans to Anglo-Eastern (Germany) GmbH (£503,430) and Anglo-Eastern (Antwerp) NV (£1,048,893), which charge interest at 5.5% and 2% retrospectively per annum and have a loan repayment date of the 31st December 2023 and 31<sup>st</sup> December 2024 retrospectively.

**17 Ships' cash balances**

At 31 December 2022, £4,870,140 (2021: £2,695,559) was held in bank accounts on behalf of the company's clients. £4,870,140 (2021: £2,695,559) is included within gross amounts owed to contract customers which is included within creditors (note 18).

**18 Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	108,893	92,968
Amounts owed to group undertakings	1,671,221	270,682
Ships' cash balances (note 17)	4,870,140	2,695,559
Other creditors	560,612	553,400
Accruals and deferred income	<u>609,323</u>	<u>1,085,775</u>
	<u>7,820,189</u>	<u>4,698,384</u>

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

**ANGLO-EASTERN (UK) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****AS AT 31 DECEMBER 2022****19 Retirement benefit schemes**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>225,812</u>	<u>196,528</u>

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

Included within other payables at the year end date was a balance of £nil (2021: £nil) owing to the company's pension scheme.

**20 Share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Authorised</b>		
Ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>
<b>Issued and fully paid</b>		
Ordinary shares of £1 each	2	2
	<u>          </u>	<u>          </u>

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

**21 Reserves****Profit and loss reserves**

Cumulative profit and loss net of distribution to owners.

**ANGLO-EASTERN (UK) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****AS AT 31 DECEMBER 2022****22 Cash absorbed by company operations**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Operating loss	(188,584)	(206,982)
<b>Adjustments for:</b>		
Amortisation charge	31,289	24,416
Depreciation charge	163,275	134,813
<b>Movements in working capital:</b>		
Decrease in stock and work in progress	1,299	(1,299)
Decrease/(increase) in debtors	(1,174,783)	172,957
(Decrease)/increase in creditors	947,224	(505,157)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(220,280)</b>	<b>(381,252)</b>

**23 Analysis of changes in net funds**

	<b>1 January 2022</b>	<b>Cash flows</b>	<b>31 December 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	288,804	(270,140)	18,664

**24 Operating lease commitments****Lessee**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	335,086	340,473
Between one and five years	562,339	248,793
	<b>897,425</b>	<b>589,266</b>

**ANGLO-EASTERN (UK) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****AS AT 31 DECEMBER 2022****25 Related party transactions****Transactions with related parties**

	<b>Management charges and other services</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Entities with control, joint control or significant influence over the company	<u>10,625</u>	<u>9,538</u>

The following amounts were outstanding at the reporting end date:

<b>Amounts due to related parties</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Entities with control, joint control or significant influence over the company	<u>15,275</u>	<u>13,125</u>

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

**Other information**

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

**26 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.