

Registered number: SC154645

**HAZEL SHIPPING LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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**HAZEL SHIPPING LIMITED**

**COMPANY INFORMATION**

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**DIRECTORS**

A S Odfjell  
N Aardal  
J A Wilhelmsen

**COMPANY SECRETARY**

J Samuel

**COMPANY NUMBER**

SC154645

**REGISTERED OFFICE**

Union Plaza  
6th Floor  
1 Union Wynd  
Aberdeen  
AB10 1DQ

**AUDITORS**

Sopher + Co  
Chartered Accountants & Statutory Auditors  
5 Elstree Gate  
Elstree Way  
Borehamwood  
Herts  
WD6 1JD

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**HAZEL SHIPPING LIMITED**

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**HAZEL SHIPPING LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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The directors present their report and the financial statements for the year ended 31 December 2010.

**PRINCIPAL ACTIVITIES**

The principal activity of the company continued to be that of the operation of chemical tanker vessels.

**BUSINESS REVIEW**

The performance of the company was considered satisfactory by the directors. The annual turnover in 2010 fell by 15.69% compared to 2009. The main reason for the reduced turnover was the challenging market conditions in the chemical freight market. In turn, cost of sales have decreased by 12.90% resulting in gross profit margins of 5.94% compared to 8.95% in 2009. Overhead costs have increased by 4.76%. The company reports a loss for the current year.

**RESULTS**

The loss for the year, after taxation, amounted to \$353,161 (2009 - profit \$1,000,222).

**DIRECTORS**

The directors who served during the year were:

A S Od fjell  
N Aardal  
J A Wilhelmsen

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company made charitable donations of \$9,146 (2009 : \$10,730)

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company's primary risks are in the main inherent with those of international business in general, such as currency and interest fluctuation, as well as those of shipping in particular, freight rates and cost of bunkers. These risks are partly mitigated by contracts of affreightment and bunker clauses. The vessels operated by the company are further leased (bareboated) from UK lessors. These leases entail certain risks and contingent liabilities, related to change of UK tax law or interpretation of the law. The owner of the vessels has informed the company that the revenue has questioned their right to claim capital allowances. The owner disagrees with this view and is presently corresponding with the revenue. Financial consequences for the company, if any, are unknown at the present stage.

**FUTURE DEVELOPMENTS**

The directors anticipate that the result for 2011 will be in line with 2010. Market conditions in the chemical freight market will continue to be challenging and there are mixed signals with regards to a possible improvement towards the latter part of the year.

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## HAZEL SHIPPING LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2010

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#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

#### PROVISION OF INFORMATION TO AUDITORS


Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

#### AUDITORS

The auditors, Sopher + Co, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

  
J Samuel  
Secretary

Date: 29th June 2011

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## **HAZEL SHIPPING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HAZEL SHIPPING LIMITED**

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We have audited the financial statements of Hazel Shipping Limited for the year ended 31 December 2010, set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

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

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

#### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

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**HAZEL SHIPPING LIMITED**

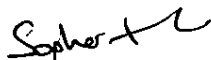
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HAZEL SHIPPING LIMITED**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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



Hazel Young (Senior statutory auditor)

for and on behalf of

**Sopher + Co**

Chartered Accountants  
Statutory Auditors

5 Elstree Gate  
Elstree Way  
Borehamwood  
Herts

WD6 1JD

Date: 28 June 2011

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**HAZEL SHIPPING LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	Note	2010 \$	2009 \$
<b>TURNOVER</b>	1,2	<b>37,978,091</b>	<b>45,044,536</b>
Cost of sales		<u>(35,722,157)</u>	<u>(41,013,420)</u>
<b>GROSS PROFIT</b>		<b>2,255,934</b>	<b>4,031,116</b>
Administrative expenses		<u>(1,244,049)</u>	<u>(1,187,523)</u>
<b>OPERATING PROFIT</b>		<b>1,011,885</b>	<b>2,843,593</b>
Interest receivable and similar income		<b>21,327</b>	<b>46,295</b>
Interest payable and similar charges	7	<u>(1,359,776)</u>	<u>(1,853,121)</u>
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(326,564)</b>	<b>1,036,767</b>
Tax on (loss)/profit on ordinary activities	8	<u>(26,597)</u>	<u>(36,545)</u>
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	14	<u><b>(353,161)</b></u>	<u><b>1,000,222</b></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and Loss Account.

The notes on pages 8 to 15 form part of these financial statements.



**HAZEL SHIPPING LIMITED**  
**REGISTERED NUMBER: SC154645**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2010**

	Note	\$	2010 \$	\$	2009 \$
<b>FIXED ASSETS</b>					
Tangible assets	9		73,341,451		78,306,092
<b>CURRENT ASSETS</b>					
Debtors	10	12,258,528		12,140,704	
Cash at bank		4,662,350		5,723,913	
		<u>16,920,878</u>		<u>17,864,617</u>	
<b>CREDITORS: amounts falling due within one year</b>	11	<u>(6,422,406)</u>		<u>(6,755,023)</u>	
<b>NET CURRENT ASSETS</b>			<u>10,498,472</u>		<u>11,109,594</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>83,839,923</u>		<u>89,415,686</u>
<b>CREDITORS: amounts falling due after more than one year</b>	12		<u>(35,285,039)</u>		<u>(40,507,641)</u>
<b>NET ASSETS</b>			<u>48,554,884</u>		<u>48,908,045</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		3,706,616		3,706,616
Profit and loss account	14		44,848,268		45,201,429
<b>SHAREHOLDERS' FUNDS</b>	15		<u>48,554,884</u>		<u>48,908,045</u>

The notes on pages 8 to 15 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A S Odjell  
Director

Date:

28 June 2011

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**HAZEL SHIPPING LIMITED****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	<b>Note</b>	<b>2010 \$</b>	<b>2009 \$</b>
Net cash flow from operating activities	16	<b>5,853,671</b>	1,133,996
Returns on investments and servicing of finance	17	<b>(1,338,449)</b>	(2,816,375)
Taxation		<b>(83,131)</b>	(66,030)
Capital expenditure and financial investment	17	<b>(271,052)</b>	(760,183)
<b>CASH INFLOW/(OUTFLOW) BEFORE FINANCING</b>		<b>4,161,039</b>	(2,508,592)
Financing	17	<b>(5,222,602)</b>	(4,061,802)
<b>DECREASE IN CASH IN THE YEAR</b>		<b>(1,061,563)</b>	(6,570,394)

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**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	<b>2010 \$</b>	<b>2009 \$</b>
Decrease in cash in the year	<b>(1,061,563)</b>	(6,570,394)
Cash outflow from decrease in debt and lease financing	<b>5,222,602</b>	4,061,802
	-	-
	-	-
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>4,161,039</b>	(2,508,592)
Net debt at 1 January 2010	<b>(40,850,396)</b>	(38,341,804)
<b>NET DEBT AT 31 DECEMBER 2010</b>	<b>(36,689,357)</b>	(40,850,396)

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The notes on pages 8 to 15 form part of these financial statements.

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## HAZEL SHIPPING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

##### 1.2 Turnover

Turnover comprises revenue recognised by the company from the carriage of chemical freight, exclusive of Value Added Tax and trade discounts.

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Vessels	-	4% straight line
Drydock costs	-	over 30 months straight line

##### 1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and Loss Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.5 Deferred taxation

The shipping activities of the company qualify for the UK Tonnage Tax regime and accordingly no deferred tax provision is required within the terms of FRS 19.

##### 1.6 Foreign currencies

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

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

##### 1.7 Pensions

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

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**HAZEL SHIPPING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**2. TURNOVER**

The directors are of the opinion that it would be prejudicial to the interests of the company to disclose the analysis of turnover by geographical market.

**3. OPERATING PROFIT**

	2010 \$	2009 \$
Depreciation of tangible fixed assets:	-	-
- held under finance leases	4,166,000	4,166,000
- owned by the company	1,069,693	1,421,954
Difference on foreign exchange	84,575	147,149
	<u>4,259,668</u>	<u>5,735,103</u>

**4. AUDITORS' REMUNERATION**

	2010 \$	2009 \$
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>33,374</u>	<u>35,174</u>

**5. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	2010 \$	2009 \$
Wages and salaries	66,521	63,653
Social security costs	5,231	5,340
Other pension costs	3,086	3,117
	<u>74,838</u>	<u>72,110</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2010	2009
Administrative	<u>4</u>	<u>4</u>

**6. DIRECTORS' REMUNERATION**

	2010 \$	2009 \$
Emoluments	<u>17,171</u>	<u>14,856</u>

**HAZEL SHIPPING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**7. INTEREST PAYABLE**

	2010 \$	2009 \$
On other loans	631,995	340,171
On finance leases and hire purchase contracts	539,365	908,222
Dividends paid on shares classed as debt	188,416	604,728
	<u>1,359,776</u>	<u>1,853,121</u>

**8. TAXATION**

	2010 \$	2009 \$
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on (loss)/profit for the year	26,597	37,095
Adjustments in respect of prior periods	-	(550)
	<u>26,597</u>	<u>36,545</u>
<b>Tax on (loss)/profit on ordinary activities</b>		

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2009 - lower than) the standard rate of corporation tax in the UK of 28% (2009 - 28%). The differences are explained below:

	2010 \$	2009 \$
(Loss)/profit on ordinary activities before tax	<u>(326,564)</u>	<u>1,036,767</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	(91,438)	290,295
<b>Effects of:</b>		
Other differences leading to an increase (decrease) in the tax charge	118,035	(253,750)
	<u>26,597</u>	<u>36,545</u>
<b>Current tax charge for the year (see note above)</b>		

Shipping activities of the company qualify for the UK Tonnage Tax regime.

**HAZEL SHIPPING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**9. TANGIBLE FIXED ASSETS**

	Vessels \$	Drydock costs \$	Total \$
<b>Cost</b>			
At 1 January 2010	104,158,326	5,901,079	110,059,405
Additions	-	271,052	271,052
At 31 December 2010	<u>104,158,326</u>	<u>6,172,131</u>	<u>110,330,457</u>
<b>Depreciation</b>			
At 1 January 2010	27,043,326	4,709,987	31,753,313
Charge for the year	4,166,000	1,069,693	5,235,693
At 31 December 2010	<u>31,209,326</u>	<u>5,779,680</u>	<u>36,989,006</u>
<b>Net book value</b>			
At 31 December 2010	<u>72,949,000</u>	<u>392,451</u>	<u>73,341,451</u>
At 31 December 2009	<u>77,115,000</u>	<u>1,191,092</u>	<u>78,306,092</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2010 \$	2009 \$
Vessels	<u>72,949,000</u>	<u>77,115,000</u>

**10. DEBTORS**

	2010 \$	2009 \$
Trade debtors	11,938,854	12,043,402
Other debtors	304,379	81,338
Prepayments and accrued income	15,295	15,964
	<u>12,258,528</u>	<u>12,140,704</u>

**HAZEL SHIPPING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**11. CREDITORS:  
Amounts falling due within one year**

	2010	2009
	\$	\$
Net obligations under finance leases and hire purchase contracts	6,066,668	6,066,668
Trade creditors	89,351	-
Social security and other taxes	1,468	1,535
Accruals and deferred income	264,919	686,820
	<u>6,422,406</u>	<u>6,755,023</u>

**12. CREDITORS:  
Amounts falling due after more than one year**

	2010	2009
	\$	\$
Other loans	5,188,987	5,188,987
Net obligations under finance leases	30,096,052	35,318,654
	<u>35,285,039</u>	<u>40,507,641</u>

Included within the above are amounts falling due as follows:

	2010	2009
	\$	\$
<b>Over five years</b>		
Other loans	5,188,987	5,188,987
	<u>5,188,987</u>	<u>5,188,987</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2010	2009
	\$	\$
Repayable by instalments	5,829,381	11,051,982
Repayable other than by instalments	5,188,987	5,188,987
	<u>11,018,368</u>	<u>16,240,969</u>

The loan of \$5,188,987 is interest free and no date for repayment has been fixed. The loans repayable by instalments are the balances payable on the finance leases on the vessels, which are being repaid over a 15 year period with variable interest rates of around 1% over base rate.

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**HAZEL SHIPPING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**12. CREDITORS:**  
**Amounts falling due after more than one year (continued)**

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2010 \$	2009 \$
Between one and five years	24,266,672	24,266,672
After five years	5,829,381	11,051,982
	<u>30,096,053</u>	<u>35,318,654</u>

**13. SHARE CAPITAL**

	2010 \$	2009 \$
<b>Shares classified as capital</b>		
<b>Allotted, called up and fully paid</b>		
1,000,000 Ordinary shares of £1 each	1,611,572	1,611,572
1,300,000 Redeemable preference shares of £1 each	2,095,044	2,095,044
	<u>3,706,616</u>	<u>3,706,616</u>

**Shares classified as debt**

The Redeemable preference shares, which were issued at par, are redeemable at any time at the option of the company at par value. They carry no voting rights or rights to any dividends.

On a winding up of the company, the Redeemable preference shareholders have a right to receive, after payment of arrears of dividends, repayment of the nominal amount paid up thereon.

The "A" and "B" preference shares, which were issued at par and carry no voting rights, but the holder(s) are entitled to an annual dividend as prescribed in the Articles of Association. These shares are classified as financial liabilities under FR21 and are included under Other loans in Creditors falling due after more than one year.

**14. RESERVES**

	Profit and loss account \$
At 1 January 2010	45,201,429
Loss for the year	(353,161)
At 31 December 2010	<u>44,848,268</u>



**HAZEL SHIPPING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2010 \$	2009 \$
Opening shareholders' funds	48,908,045	47,907,823
(Loss)/profit for the year	(353,161)	1,000,222
Closing shareholders' funds	<u>48,554,884</u>	<u>48,908,045</u>

**16. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2010 \$	2009 \$
Operating profit	1,011,885	2,843,593
Depreciation of tangible fixed assets	5,235,693	5,587,954
Increase in debtors	(61,294)	(4,723,238)
Decrease in creditors	(332,613)	(2,574,313)
Net cash inflow from operating activities	<u>5,853,671</u>	<u>1,133,996</u>

**17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2010 \$	2009 \$
<b>Returns on investments and servicing of finance</b>		
Interest received	21,327	46,295
Interest paid	(820,411)	(340,171)
Hire purchase interest	(539,365)	-
Interest element of finance lease rentals	-	(908,222)
Non equity dividends paid	-	(1,614,277)
Net cash outflow from returns on investments and servicing of finance	<u>(1,338,449)</u>	<u>(2,816,375)</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	<u>(271,052)</u>	<u>(760,183)</u>
<b>Financing</b>		
Repayment of finance leases	<u>(5,222,602)</u>	<u>(4,061,802)</u>

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**HAZEL SHIPPING LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**18. ANALYSIS OF CHANGES IN NET DEBT**

	1 January 2010	Cash flow	Other non-cash changes	31 December 2010
	\$	\$	\$	\$
Cash at bank and in hand	5,723,913	(1,061,563)	-	4,662,350
Debt:				
Debts due within one year	(6,066,668)	5,222,602	(5,222,602)	(6,066,668)
Debts falling due after more than one year	(40,507,641)	-	5,222,602	(35,285,039)
Net debt	<u>(40,850,396)</u>	<u>4,161,039</u>	<u>-</u>	<u>(36,689,357)</u>

**19. CONTINGENT LIABILITIES**

At the balance sheet date there were outstanding commitments of \$47,166,671 of which \$11,003,950 relate to outstanding letters of credit, with regards to the future lease instalments of the ships covered by the agreement.

As noted last year, the owner of three of the vessels, operated under finance leases by the company, has informed the company that the revenue has questioned their right to claim capital allowances on the vessels. If the owner was not able to claim capital allowances they would be able to seek recompense from the lessees under the terms of the lease. The owners are still in discussion with the revenue over the matter and the directors remain in the opinion that there is no requirement to make any provision for any additional amounts that may be payable to the owners at this stage of discussions.

**20. PENSION COMMITMENTS**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,086 (2009 - \$3,117).

**21. CONTROLLING PARTY**

The company is a 100% subsidiary of Anchor International S.A., a company registered in Luxembourg.