

MAERSK TRAINING ABERDEEN LIMITED

Report and Financial Statements

31 December 2011

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REPORT AND FINANCIAL STATEMENTS 2011

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REPORT AND FINANCIAL STATEMENTS 2011

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

C Bihl
T Ludvig

SECRETARY

MacKinnons

REGISTERED OFFICE

14 Carden Place
Aberdeen
AB10 1UR

BANKERS

Danske Bank
King William Street
London
EC4N 7DT

AUDITORS

Deloitte LLP
Chartered Accountants and Statutory Auditors
One Trinity Gardens
Broad Chare
Newcastle upon Tyne
NE1 2HF

DIRECTORS' REPORT

The directors submit their annual report and accounts for the year ended 31 December 2011.

RESULTS

	2011 £	2010 £
Loss for the financial year	<u>(691,851)</u>	<u>(595,148)</u>

The directors do not recommend a dividend payment.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of Maersk Training Aberdeen Ltd is to provide training within the maritime, oil & gas and wind industry,

The company commenced trading in August 2010 and has grown the monthly revenue throughout the period to 31st December 2011. YTD 2012 the company has reported further growth and the Directors are confident that this will continue bringing the company into a positive net profit and cash position by 2013.

At the 31st December 2010 the company was a joint venture with no controlling party. On the 4th March 2011 full ownership of the Company was transferred to Maersk Training A/S. Following this payment was made in full for the share capital which was unpaid on the 31st December 2010.

The company will measure its performance through KPIs with emphasis on revenue, cost analysis, courses booked and utilisation of instructors. The company will measure its profitability by earnings before interest, tax, depreciation and amortisation (EBITDA) and net result, comparing to a medium term strategic forecast and a fifteen month rolling forecast. As the company only commenced trading in 2010 these measures have not yet been appropriate and the Directors have focussed instead on business growth. During 2012 the company is expanding the course portfolio and this will lead to improved margins.

CREDITOR PAYMENT POLICY

The Company's policy is to establish the terms of payment with its suppliers when a trading relationship is established to ensure that the terms of payment are clear and to abide by the agreed terms, provided the supplier meets its obligations.

DISABLED EMPLOYEES

The Company is an equal opportunities employer and has a written policy to provide disabled persons and other minority groups with equal opportunities for employment, training, career development and promotion, having regard to their aptitudes and abilities. Wherever possible, any member of staff who becomes disabled during their employment is re-trained and/or provided with continued employment opportunities in compliance with the Disability Discrimination Act

EMPLOYEE CONSULTATION

The Company is committed to maintaining and improving effective communication with employees, principally through regular team briefings, meetings with staff and their representatives and the distribution to staff of information about our business environment. We maintain an open and effective feedback mechanism for individual and collective issues and have in place a safety reporting system in compliance with good industry practice.

DIRECTORS' REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Company are competition, legislation, health & safety and financial:

Competition

The training market in the UK is competitive and the Company operates in areas where revenue is achieved through competitive tendering. In order to maintain and expand its market position, the Company must commit to ongoing capital expenditure, monitor potential competitor activity and improve its skills base through continuous training.

Health & Safety

Health & Safety plays a major role in the Company. To ensure we maintain a safe working environment, to avoid personal injury and damage to property, the Company has effective Health & Safety procedures in place which are regularly reviewed and monitored.

Financial Risk Management

The Company belongs to a group with has an established financial risk management policy in order to achieve its objectives of targeting rates of return on capital, preserving cash flow for continued investment and improving shareholder return in the long term.

Cash flow risk

Intercompany borrowings are DKK denominated but management do not consider this to impose a significant risk and hence the Company has not entered into any contracts to hedge against this risk.

Credit risk

The Company's credit risk is primarily attributed to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful debts. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings or the Company's parent company.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses a mixture of long-term and short-term finance. During the year the third party bank loan was discharged and replaced with a loan from the parent company.

Price risk

The Company has limited exposure to price risk. The costs of providing the services are reviewed on an on-going basis to ensure adequate returns are achieved.

GOING CONCERN

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review above. In addition, included above are the Company's objectives, policies and processes for managing its financial risk management and its exposures to credit risk, price risk and liquidity risk.

The company is backed by Maersk Training A/S, as well as the wider AP Moller Maersk Group, which has considerable financial resources. The Company has net current liabilities as a consequence of amounts owed to group companies. Given the financial position of the Company the directors have made enquiries and have received written assurances that Maersk Training A/S will support the company and not seek repayment of amounts due for a period of at least 12 months from the date of approval of the accounts.

On the 16th September 2011 Maersk Training A/S converted 7.5 million DKK from loan into share capital of £554,114 and a premium of £329,686.

The directors, having assessed the responses of the directors of Maersk Training A/S to their enquiries, have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern or its ability to continue with the current banking arrangements.

DIRECTORS' REPORT (continued)

On the basis of their assessment of the Company's financial position and of the enquiries made of Maersk Training A/S directors, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

DIRECTORS

The directors who have held office during the year and since the year end are given below:

C. Bihl.
L.C.Z.Anderson. (resigned 21st March 2011)
O.Kolltveit (resigned 18th April 2011)
T.Lokna. (resigned 18th April 2011)
T Ludvig (appointed 22nd March 2011)

AUDITORS

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

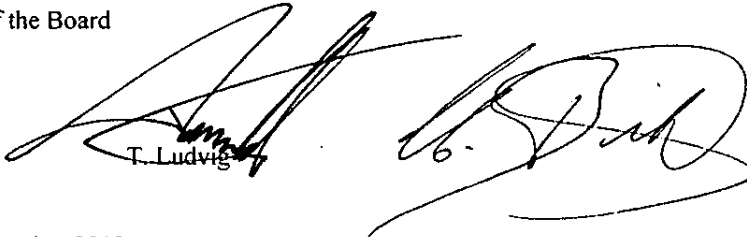
- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By order of the Board

C. Bihl
Directors

The image shows two handwritten signatures in black ink. The signature on the left is for C. Bihl, and the signature on the right is for T. Ludvig. Both signatures are stylized and cursive.

26 September 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAERSK TRAINING ABERDEEN LIMITED

We have audited the financial statements of Maersk Training Aberdeen Limited for the year ended 31 December 2011 which comprises the profit and loss account, the balance sheet and the related notes 1 to 16. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2011 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.

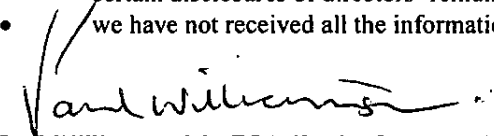
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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


Paul Williamson BSc FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne, UK

26. September 2012

MAERSK TRAINING ABERDEEN LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2011

	Note	2011 £	2010 £
TURNOVER	1	528,741	11,436
Cost of sales		(108,355)	(85,211)
GROSS PROFIT/(LOSS)		420,386	(73,775)
Administrative expenses		(1,059,637)	(598,386)
LOSS ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES	2	(639,251)	(672,162)
Bank interest receivable		28	-
Interest payable and similar charges	4	(49,511)	(14,104)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(688,734)	(686,265)
Tax (charge)/credit on loss on ordinary activities	5	(3,117)	91,117
LOSS FOR THE FINANCIAL YEAR	11	(691,851)	(595,148)

The accompanying notes are an integral part of this profit and loss account.

All amounts derive from continuing operations.

There are no recognised gains and losses other than the loss for the current and preceeding financial periods and accordingly, no separate statement of total recognised gains and losses is required.

MAERSK TRAINING ABERDEEN LIMITED
Company Registration No. SC371013

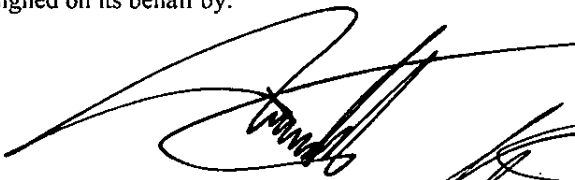
BALANCE SHEET
31 December 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	6	558,598	450,726
CURRENT ASSETS			
Debtors – due within one year	7	295,214	721,325
Debtors – due after more than one year	7	88,000	91,117
Cash at bank and in hand		70,788	180,009
		454,002	992,451
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	8	(1,153,352)	(1,292,925)
NET CURRENT LIABILITIES		(699,350)	(300,474)
TOTAL ASSETS LESS CURRENT LIABILITIES		(140,752)	150,252
Creditors: amounts falling due after one year	9	(71,161)	-
NET (LIABILITIES)/ASSETS		(211,913)	150,252
CAPITAL AND RESERVES			
Called up share capital	10	745,400	745,400
Share Premium	11	329,686	-
Profit and loss account	11	(1,286,999)	(595,148)
(DEFICIT)/SURPLUS ON SHAREHOLDERS' FUNDS	11	(211,913)	150,252

These financial statements were approved by the Board of Directors on

26 September 2012.

They were signed on its behalf by:


T. Ludvig
 Director


C. Bihl
 Director

NOTES TO THE ACCOUNTS
Year ended 31 December 2011

1. ACCOUNTING POLICIES

The accounting policies adopted by the Company are set out below and have been applied consistently throughout the current and preceeding periods.

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Going concern

The Directors have acknowledged the latest guidance on going concern. The company commenced trading in 2010 and is currently undertaking marketing initiatives to establish itself as a key player in off-shore training facilities. The Directors are confident of the business model which demonstrates the Company's growth potential and ability to generate positive cash flows within a required period. During this period the Directors are satisfied with assurances that continued support will be provided from its parent Maersk Training A/S for the next 12 months. Furthermore, the Company has financial resources, available credit facilities and no external debt due to be renegotiated within the next 12 months. Consequently, the Directors believe that the Company is well placed to manage its business risk.

On the basis of their assessment of the company's financial position and the enquiries made of Maersk Training A/S, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Turnover

Turnover represents the total amount receivable from services supplied and is stated net of discounts, VAT and other sales related taxes. Turnover is recognised at the point of providing the service.

The directors consider that the whole of the activities of the Company constitute a single class of business conducted in the United Kingdom.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation of fixed assets, calculated on cost or revalued amount less estimated residual value, is provided on a straight line basis over their estimated useful lives. Useful lives are assessed as follows:

Short Leasehold improvements	5 years
Plant and machinery	5 – 10 years
Office furniture and equipment	3 - 5 years

Depreciation is not charged in respect of assets under construction.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease term.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date when transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that there will be suitable tax profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax balances are not discounted.

NOTES TO THE ACCOUNTS
Year ended 31 December 2011

1. ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Assets and liabilities denominated in foreign currencies are expressed at the rates of exchange ruling at the balance sheet date. Profits or losses due to currency fluctuations have been dealt with through the profit and loss account.

Interest receivable and payable

Interest receivable and payable is accounted for on an accruals basis.

Pensions

The Company operates a defined contribution pension scheme.

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

Financial liabilities and equity

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.

2. LOSS ON ORDINARY ACTIVITIES BEFORE FINANCE CHARGES

The following amounts have been charged in arriving at operating profit:

	2011 £	2010 £
Depreciation of tangible fixed assets – owned assets	91,755	10,962
Rentals under operating leases:		
Plant and machinery	6,224	7,817
Property	116,250	110,000
Fees payable to the company's auditors for the audit of the company's annual accounts	<u>3,500</u>	<u>3,500</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 2011

3. EMPLOYEE COSTS

The average number of persons employed by the company during the year was:

	2011 Number	2010 Number
Staff	<u>11</u>	<u>5</u>

The directors consider that all employees are engaged in the provision of safety training services or activities closely associated therewith.

Their aggregate remuneration comprised:

	2011 £	2010 £
Employee Costs:		
Wages & salaries	340,652	208,358
Social security costs	38,839	16,764
Pension costs – Defined Contribution scheme	<u>14,354</u>	<u>5,244</u>
	<u>393,845</u>	<u>230,366</u>

The directors received no remuneration in respect of their services to the Company during the current or preceeding periods.

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable to group undertakings	8,167	13,876
On bank loans and overdraft	<u>41,344</u>	<u>228</u>
	<u>49,511</u>	<u>14,104</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 2011

5. TAX ON LOSS ON ORDINARY ACTIVITIES

	2011 £	2010 £
Current tax		
Current year	-	-
Total current tax charge	-	-
Deferred Tax credit		
Origination of timing differences	(3,117)	91,117
Total deferred tax (charge)/credit	(3,117)	91,117
Tax (charge)/credit on loss on ordinary activities	(3,117)	91,117

The tax assessed for the year is higher (2010: higher) than that resulting from applying the standard rate of corporation tax in the UK of 26.5% (2010: 27%). The differences are explained below:

	2011 £	2010 £
Loss on ordinary activities before tax	(688,734)	(686,265)
Tax at 26.5% (2010: 27%)	(182,515)	(185,291)
Depreciation in excess of capital allowances	(184)	197
Tax effect of permanent timing differences	24,617	2,957
Effect of tax losses carried forward	158,082	182,137
Current tax charge	-	-

6. TANGIBLE FIXED ASSETS

	Assets under construction £	Short leasehold improvements £	Plant and machinery £	Office furniture and equipment £	Total £
Cost					
At beginning of year	223,849	204,563	8,216	25,060	461,688
Additions	55,199	16,184	112,586	15,658	199,627
Transfers between categories	(223,849)	-	223,849	-	-
At end of year	55,199	220,747	344,651	40,718	661,315
Accumulated depreciation					
At beginning of year	-	10,228	-	734	10,962
Depreciation for year	-	44,959	35,285	11,511	91,755
At end of year	-	55,187	35,285	12,245	102,717
Net book value					
At 31 December 2011	55,199	165,560	309,366	28,473	558,598
At 31 December 2010	223,849	194,335	8,216	24,326	450,726

NOTES TO THE ACCOUNTS
Year ended 31 December 2011

7. DEBTORS

	2011 £	2010 £
Amounts falling due within one year		
Trade debtors	209,789	6,063
Unpaid share capital	-	554,114
Amounts owed by group undertakings	39,659	38,388
Other debtors	20,407	104,427
Prepayments and accrued income	25,359	18,333
	<u>295,214</u>	<u>721,325</u>
 Amounts falling due after more than one year		
Deferred tax (Note 15)	<u>88,000</u>	<u>91,117</u>

8. CREDITORS: amounts falling due within one year

	2011 £	2010 £
Bank loan	-	500,000
Trade creditors	289,679	37,895
Amounts owed to group undertakings - trading	32,209	699,359
Amounts owed to group undertakings – loans and interest	754,751	
Other taxes and social security	13,692	
Accruals and deferred income	63,021	55,671
	<u>1,153,352</u>	<u>1,292,925</u>

The Company has 3 separate loan agreements with Maersk Training A/S for outstanding amounts totalling 6,347,004 Danish Kroner. All amounts are due to be repaid in full on 31 December 2012 and incur a fixed rate of interest of 8% per annum.

9. CREDITORS: amounts falling due after more than one year

	2011 £	2010 £
Trade creditors	<u>71,161</u>	<u>-</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 2011

10. SHARE CAPITAL

	Number of shares	2011 £	2010 £
<i>Allotted and called up</i>			
Ordinary shares of £1 each	745,400	745,400	745,400

The company was incorporated on 12 January 2010 with an authorised share capital of £745,400 divided into 745,400 ordinary shares of £1 each. At 31 December 2010 share capital of £554,114 was unpaid. During 2011 this was paid in full.

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Profit and loss account £	Share capital £	Share premium £	Total 2011 £
Shareholders' funds at beginning of year	(595,148)	745,400	-	150,252
Premium on shares issued	-	-	329,686	329,686
Loss for the year	(691,851)	-	-	(691,851)
Deficit in Shareholders' funds at end of year	(1,286,999)	745,400	329,686	(211,913)

	Profit and loss account £	Share capital £	Total 2010 £
Shareholders' funds at beginning of year	-	-	-
Shares issued	-	745,400	745,400
Loss for the year	(595,148)	-	(595,148)
Shareholders' funds at end of year	(595,148)	745,400	150,252

NOTES TO THE ACCOUNTS Year ended 31 December 2011

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking and controlling party is Maersk Training A/S which is incorporated in Denmark. The Company is a member of the A.P. Møller - Maersk Group and is ultimately controlled by A.P. Møller - Maersk A/S which is listed in Denmark and the accounts are available to the general public from 50 Esplanaden, DK-1098, Copenhagen, Denmark.

A.P. Møller - Maersk A/S is the largest group of undertakings for which group accounts are drawn up and of which the Company is a member, and Maersk Training A/S is the smallest such group of undertakings.

13. STATEMENT OF CASH FLOWS, RELATED PARTY DISCLOSURES

Under FRS 1 (Revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

The Company has taken advantage of the exemption available under the terms of FRS 8 from disclosing related party transactions with entities that are part of the A.P. Møller - Maersk A/S group.

The Company made no other related party transactions during the current or preceeding periods.

14. OPERATING LEASE COMMITMENTS

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land & Buildings 2011 £	Land & Buildings 2010 £
Operating leases which expire:		
Within one to two years	-	137,000
Within two to five years	135,000	-
	<u>135,000</u>	<u>137,000</u>

15. DEFERRED TAX

Movement on deferred taxation balance in the year

	2011 £'000	2010 £'000
At start of year	91,117	-
Debit to profit and loss account	(3,117)	91,117
At end of year	<u>88,000</u>	<u>91,117</u>
	2011 £'000	2010 £'000
Deferred tax		
Trading Losses	75,702	90,919
Accelerated capital allowances	12,298	198
	<u>88,000</u>	<u>91,117</u>

NOTES TO THE ACCOUNTS
Year ended 31 December 2011

15. DEFERRED TAX (CONTINUED)

A deferred tax asset of £243,477 (2010: £91,117) has not been recognised in respect of timing differences relating to unutilised losses carried forward as there is insufficient evidence that the asset will be recovered.

Finance Act 2011 was substantively enacted on 5 July 2011 and provided for the main rate of corporation tax to be reduced from 28% to 26% from 1 April 2011 and by a further 1% to 25% from 1 April 2012. Accordingly both these rate reductions have been reflected in these financial statements and reduce the deferred tax asset by £10,560.

The Government also announced in the 2011 Budget that it intends to reduce the main rate of corporation tax by 1% per annum to 23% by 1 April 2014. As these rates have not been substantively enacted by the balance sheet date they are not reflected in the financial statements.

The future 1% main tax rate reductions will have an impact on the deferred tax position for the years ended 31 December 2012 and 31 December 2013 although the actual impact will be dependent on the deferred tax position at that time.

16. RETIREMENT BENEFIT SCHEMES

The Company operates a defined contribution retirement benefit scheme for all qualifying employees. The assets of the scheme are held in separate trustee administered funds.

The cost of the contributions made by the Company to the defined contribution scheme is charged to the profit and loss account as incurred and amounted to £14,354 (2010: £5,244). Defined contributions are paid into separately managed trustee administered schemes. There were no prepaid or accrued contributions at the balance sheet date (2010: £Nil).