

Registration number: 01508443

ANGLO PACIFIC FORWARDING LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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ANGLO PACIFIC FORWARDING LIMITED

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ANGLO PACIFIC FORWARDING LIMITED

COMPANY INFORMATION

Director S Shah

Registered office 5/9 Willen Field Road
Park Royal
North Acton
London
NW10 7BQ

Auditors Hazelwoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

ANGLO PACIFIC FORWARDING LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents his strategic report and the consolidated financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the company is that of shipping and freight forwarding agents

Fair review of the business

The results for the year, which are set out in the profit and loss account, show turnover for the year of £14,740,094 (2015 - £15,742,704) and a pre tax profit of £352,609 (2015 - £340,780).

The group has tangible fixed assets including fixtures and fittings and motor vehicles valued in the financial statements at net book value amounting to £506,208 (2015 - £630,144), trade debtors of £1,582,195 (2015 - £1,181,517) and cash at bank and in hand of £242,596 (2015 - £358,491). The group has trade creditors of £2,862,472 (2015 - £2,775,790). The financial position at the year end is considered to be satisfactory.

Future developments

The external commercial environment is expected to be challenging in 2017, however the director is committed to driving the business forward in this difficult environment.

Key performance indicators

The directors are of the opinion that key performance indicators are important. They use a number of indicators to monitor and improve the development, performance and position of the business. Indicators are reviewed and altered to meet changes in the internal and external environments.

Principal risks and uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from both national and local providers of shipping services and the general state of the shipping and freight forwarding market.

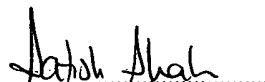
The group is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to liquidity risk. The risk of fluctuation in foreign currency exchange rates deflating or inflating the group's foreign currency assets and liabilities is mitigated through the use of forward contracts and bank accounts held in foreign currencies.

Going concern

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The group has considerable financial resources available and continues to trade profitably generating cash. The director has prepared forecasts for the next 12 months that indicate that these trends will continue. The director therefore has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and has continued to adopt the going concern basis in preparing the financial statements.

Approved by the Board on 16/06/17 and signed on its behalf by:



S Shah
Director

ANGLO PACIFIC FORWARDING LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The director presents his report and the consolidated financial statements for the year ended 31 December 2016.

Directors of the group

The directors who held office during the year were as follows:

S Shah

S D Gray (resigned 9 February 2016)

Dividends

The director recommends a final dividend payment of £Nil be made in respect of the financial year ended 31 December 2016.

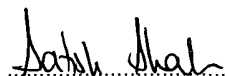
Disclosure of information to the auditor

The director has taken the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information. The director confirms that there is no relevant information that he knows of and of which he knows the auditor is unaware.

Reappointment of auditors

Hazlewoods have expressed their willingness to continue in office.

Approved by the Board on 16/6/17 and signed on its behalf by:



S Shah
Director

ANGLO PACIFIC FORWARDING LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report, Strategic Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and 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 director is responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ANGLO PACIFIC FORWARDING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLO PACIFIC FORWARDING LIMITED

We have audited the financial statements of Anglo Pacific Forwarding Limited for the year ended 31 December 2016, set out on pages 7 to 24. 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 Statement of Director's Responsibilities (set out on page 4), the director is 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 to the financial statements.

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 Strategic Report and Director's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Company's affairs as at 31 December 2016 and of the Group's profit 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, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Director's Report have been prepared in accordance with applicable legal requirements.

In the light of our 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 and the Director's Report.

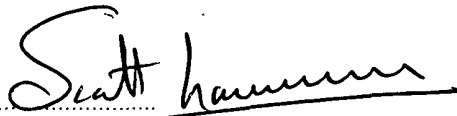
ANGLO PACIFIC FORWARDING LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANGLO PACIFIC FORWARDING LIMITED

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company 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.



Scott Lawrence (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 21/6/17

ANGLO PACIFIC FORWARDING LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Turnover	3	14,740,094	15,742,704
Cost of sales		<u>(9,898,013)</u>	<u>(10,674,670)</u>
Gross profit		4,842,081	5,068,034
Administrative expenses		<u>(4,489,031)</u>	<u>(4,728,619)</u>
Operating profit	4	<u>353,050</u>	<u>339,415</u>
Interest receivable and similar income		-	282
Interest payable and similar charges		<u>(441)</u>	<u>1,083</u>
		<u>(441)</u>	<u>1,365</u>
Profit before tax		352,609	340,780
Taxation	8	<u>(69,176)</u>	<u>(59,159)</u>
Profit for the financial year		<u>283,433</u>	<u>281,621</u>
Total comprehensive income for the year		<u><u>283,433</u></u>	<u><u>281,621</u></u>

The above results were derived from continuing operations.

The notes on pages 13 to 24 form an integral part of these financial statements.

ANGLO PACIFIC FORWARDING LIMITED

(REGISTRATION NUMBER: 01508443)

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	506,208	630,144
Other investments	10	683	683
		<u>506,891</u>	<u>630,827</u>
Current assets			
Stocks	11	88,430	70,577
Debtors	12	4,750,585	4,423,144
Cash at bank and in hand		242,596	358,491
		<u>5,081,611</u>	<u>4,852,212</u>
Creditors: Amounts falling due within one year	13	<u>(4,223,637)</u>	<u>(4,203,576)</u>
Net current assets		<u>857,974</u>	<u>648,636</u>
Total assets less current liabilities		1,364,865	1,279,463
Creditors: Amounts falling due after more than one year	13	(8,388)	-
Provisions for liabilities	15	<u>(27,620)</u>	<u>(84,039)</u>
Net assets		<u>1,328,857</u>	<u>1,195,424</u>
Capital and reserves			
Called up share capital	17	134	134
Share premium reserve		38,679	38,679
Capital redemption reserve		70,000	70,000
Other reserves		24,430	24,430
Retained earnings		<u>1,195,614</u>	<u>1,062,181</u>
Total equity		<u>1,328,857</u>	<u>1,195,424</u>

Approved and authorised by the director on 16/6/17

S Shah

S Shah

Director

The notes on pages 13 to 24 form an integral part of these financial statements.

ANGLO PACIFIC FORWARDING LIMITED

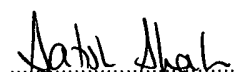
(REGISTRATION NUMBER: 01508443)

COMPANY BALANCE SHEET AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	10	154,751	154,751
Current assets			
Debtors	12	2,725,000	2,800,000
Cash at bank and in hand		<u>200</u>	<u>200</u>
		2,725,200	2,800,200
Creditors: Amounts falling due within one year	13	<u>(2,446,804)</u>	<u>(2,592,930)</u>
Net current assets		<u>278,396</u>	<u>207,270</u>
Net assets		<u>433,147</u>	<u>362,021</u>
Capital and reserves			
Called up share capital	17	134	134
Share premium reserve		38,679	38,679
Capital redemption reserve		178,000	178,000
Other reserves		29,980	29,980
Retained earnings		<u>186,354</u>	<u>115,228</u>
Total equity		<u>433,147</u>	<u>362,021</u>

The company made a profit after tax for the financial year of £221,126 (2015 - profit of £1,121,150).

Approved and authorised by the director on 16/6/17



S Shah

Director

The notes on pages 13 to 24 form an integral part of these financial statements.

ANGLO PACIFIC FORWARDING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital and other non- distributable reserves (analysed below) £	Retained earnings £	Total £
At 1 January 2015	133,243	2,780,560	2,913,803
Profit for the year	-	281,621	281,621
Dividends	-	(2,000,000)	(2,000,000)
At 31 December 2015	<u>133,243</u>	<u>1,062,181</u>	<u>1,195,424</u>
At 1 January 2016	133,243	1,062,181	1,195,424
Profit for the year	-	283,433	283,433
Dividends	-	(150,000)	(150,000)
At 31 December 2016	<u>133,243</u>	<u>1,195,614</u>	<u>1,328,857</u>

Analysis of share capital and other non-distributable reserves

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Total £
At 1 January 2015, 31 December 2015 and 31 December 2016	<u>134</u>	<u>38,679</u>	<u>70,000</u>	<u>24,430</u>	<u>133,243</u>

The notes on pages 13 to 24 form an integral part of these financial statements.

ANGLO PACIFIC FORWARDING LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital and other non- distributable reserves £	Profit and loss account £	Total £
At 1 January 2015	246,793	994,078	1,240,871
Profit for the year	-	1,121,150	1,121,150
Dividends	-	(2,000,000)	(2,000,000)
At 31 December 2015	<u>246,793</u>	<u>115,228</u>	<u>362,021</u>

	Share capital and other non- distributable reserves £	Retained earnings £	Total £
At 1 January 2016	<u>246,793</u>	<u>115,228</u>	<u>362,021</u>
Profit for the year	-	<u>221,126</u>	<u>221,126</u>
Total comprehensive income	-	221,126	221,126
Dividends	-	<u>(150,000)</u>	<u>(150,000)</u>
At 31 December 2016	<u>246,793</u>	<u>186,354</u>	<u>433,147</u>

Analysis of share capital and other non-distributable reserves

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Total £
At 1 January 2015, 31 December 2015 and 31 December 2016	<u>134</u>	<u>38,679</u>	<u>178,000</u>	<u>29,980</u>	<u>246,793</u>

The notes on pages 13 to 24 form an integral part of these financial statements.

ANGLO PACIFIC FORWARDING LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the year		283,433	281,621
Adjustments to cash flows from non-cash items			
Depreciation and amortisation		227,149	244,293
Profit on disposal of property plant and equipment		(14,895)	(4,500)
Finance income		-	(282)
Finance costs		441	(1,083)
Income tax expense		69,176	59,159
		<u>565,304</u>	<u>579,208</u>
Working capital adjustments			
(Increase)/decrease in inventories		(17,853)	36,807
(Increase)/decrease in trade and other receivables		(327,441)	31,383
(Decrease)/increase in trade and other payables		(9,754)	24,763
Decrease in provisions		<u>(46,174)</u>	<u>(37,854)</u>
Cash generated from operations		164,082	634,307
Income taxes paid		<u>(64,425)</u>	<u>(93,506)</u>
Net cash flow from operating activities		<u>99,657</u>	<u>540,801</u>
Cash flows from investing activities			
Interest received		-	282
Acquisitions of property plant and equipment		(103,836)	(223,650)
Proceeds from sale of property plant and equipment		<u>44,830</u>	<u>7,900</u>
Net cash flows from investing activities		<u>(59,006)</u>	<u>(215,468)</u>
Cash flows from financing activities			
Interest paid		(441)	1,083
Payments to finance lease creditors		(6,105)	(7,235)
Dividends paid		<u>(150,000)</u>	<u>(1,100,000)</u>
Net cash flows from financing activities		<u>(156,546)</u>	<u>(1,106,152)</u>
Net decrease in cash and cash equivalents		(115,895)	(780,819)
Cash and cash equivalents at 1 January		<u>358,491</u>	<u>1,139,310</u>
Cash and cash equivalents at 31 December		<u><u>242,596</u></u>	<u><u>358,491</u></u>

The notes on pages 13 to 24 form an integral part of these financial statements.

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 General information

The company is incorporated and domiciled in England and Wales.

The address of its registered office is:
5/9 Willen Field Road
Park Royal
North Acton
London
NW10 7BQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pound Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2016.

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

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Going concern

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The Group has considerable financial resources available and continues to trade profitably generating cash. The director has prepared forecasts for the next 12 months that indicate that these trends will continue. The director therefore has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Judgements and estimation uncertainty

Included in accruals is an amount relating to insurance claims taken out against the Group. This is calculated by multiplying the original claim by a percentage, the percentage being what proportion of the claim they believe will eventually be payable. This percentage is based on past experience of insurance claims against the Group.

Turnover recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The Group recognises revenue at such time that containers are loaded.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements on unused tax losses or tax credits in the Group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold land and buildings	over the lease term
Fixtures, fittings and equipment	10% - 25% of cost per annum
Motor vehicles	25% of cost per annum

Investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade receivables

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

3 Turnover

The analysis of the Group's turnover for the year from continuing operations is as follows:

	2016 £	2015 £
Rendering of services	<u>14,740,094</u>	<u>15,742,704</u>

The analysis of the group's turnover for the year by market is as follows:

	2016 £	2015 £
United Kingdom	623,001	305,905
Other EU Countries	612,130	404,349
United States of America	2,590,026	2,902,425
Australasia	7,172,453	7,462,025
Rest of the world	<u>3,742,484</u>	<u>4,668,000</u>
	<u>14,740,094</u>	<u>15,742,704</u>

4 Operating profit

Arrived at after charging

	2016 £	2015 £
Depreciation expense	227,149	244,293
Operating lease expense - property	474,066	446,469
Operating lease expense - plant and machinery	15,190	9,006
Profit on disposal of property, plant and equipment	<u>(14,895)</u>	<u>(4,500)</u>

5 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	3,150	3,150
Other fees to auditors		
The audit of the company's subsidiaries' annual accounts	9,000	8,750
Taxation compliance services	<u>7,000</u>	<u>6,635</u>
	<u>16,000</u>	<u>15,385</u>
	<u>19,150</u>	<u>18,535</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £	2015 £
Wages and salaries	2,559,165	2,787,579
Social security costs	285,494	281,665
Pension costs, defined contribution scheme	48,988	77,899
	<u>2,893,647</u>	<u>3,147,143</u>

The average number of persons employed by the group (including the director) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Administration and support	21	24
Sales, marketing and distribution	65	71
	<u>86</u>	<u>95</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	95,210	158,353
Contributions paid to money purchase schemes	1,194	7,055
	<u>96,404</u>	<u>165,408</u>

During the year the number of directors who were receiving benefits was as follows:

	2016 No.	2015 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

8 Taxation

Tax charged/(credited) in the profit and loss account

	2016 £	2015 £
Current taxation		
UK corporation tax	80,138	65,142
UK corporation tax adjustment to prior periods	(717)	(5,983)
	<u>79,421</u>	<u>59,159</u>
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(10,245)</u>	<u>-</u>
Tax expense in the income statement	<u>69,176</u>	<u>59,159</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £	2015 £
Profit before tax	<u>352,609</u>	<u>340,780</u>
Corporation tax at standard rate	70,522	69,008
Non-deductible expenses	50	801
Depreciation add back	1,752	(2,572)
Deferred tax expense (credit) relating to changes in tax rates or laws	(844)	-
Deferred tax expense (credit) from unrecognised temporary difference from a prior period	(1,587)	-
Increase (decrease) in UK and foreign current tax from adjustment for prior periods	<u>(717)</u>	<u>(8,108)</u>
Total tax charge	<u>69,176</u>	<u>59,129</u>

Deferred tax

Group

Deferred tax assets and liabilities

	Liability £
2016	
Fixed asset timing differences	33,375
Other timing differences	<u>(5,755)</u>
	<u>27,620</u>
2015	
Fixed asset timing differences	43,129
Other timing differences	<u>(5,264)</u>
	<u>37,865</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

9 Tangible assets

Group

	Short leasehold land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2016	128,748	1,168,442	573,197	1,870,387
Additions	-	63,169	69,979	133,148
Disposals	-	(175,560)	(133,366)	(308,926)
At 31 December 2016	<u>128,748</u>	<u>1,056,051</u>	<u>509,810</u>	<u>1,694,609</u>
Depreciation				
At 1 January 2016	80,499	745,892	413,852	1,240,243
Charge for the year	8,762	140,380	78,007	227,149
Eliminated on disposal	-	(175,560)	(103,431)	(278,991)
At 31 December 2016	<u>89,261</u>	<u>710,712</u>	<u>388,428</u>	<u>1,188,401</u>
Carrying amount				
At 31 December 2016	<u>39,487</u>	<u>345,339</u>	<u>121,382</u>	<u>506,208</u>
At 31 December 2015	<u>48,249</u>	<u>422,550</u>	<u>159,345</u>	<u>630,144</u>

Hire purchase assets

Included within the net book value of tangible fixed assets is £25,068 (2015 - £nil) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £2,915 (2015 - £nil).

10 Investments

Group

	Unlisted investments £
Cost and net book value	
At 1 January 2016 and at 31 December 2016	<u>683</u>

The unlisted investment of £683 represents a trade investment in shares of International Movers Mutual Insurance Company Limited. In the opinion of the directors the value of these shares are not less than cost.

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Company

Cost and net book value

At 1 January 2016 and at 31 December 2016

Subsidiary
undertakings
£
154,751

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2016	2015
Subsidiary undertakings				
Anglo Pacific International Plc	England and Wales	Ordinary	100%	100%
Anglo Pacific (Fine Art) Limited	England and Wales	Ordinary	100%	100%
Anglo Pacific Shipping Limited	England and Wales	Ordinary	100%	100%

The principal activity of Anglo Pacific International Plc is shipping and freight forwarding agents.

The principal activity of Anglo Pacific (Fine Art) Limited is dormant.

The principal activity of Anglo Pacific Shipping Limited is dormant.

11 Stocks

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Packaging and consumables	<u>88,430</u>	<u>70,577</u>	<u>-</u>	<u>-</u>

12 Debtors

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	1,582,195	1,181,517	-	-
Receivables from group undertakings	2,725,000	2,800,000	2,725,000	2,800,000
Other debtors	201,747	222,787	-	-
Prepayments	<u>241,643</u>	<u>218,840</u>	<u>-</u>	<u>-</u>
	<u>4,750,585</u>	<u>4,423,144</u>	<u>2,725,000</u>	<u>2,800,000</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

13 Creditors

		Group		Company	
	Note	2016 £	2015 £	2016 £	2015 £
Due within one year					
Loans and borrowings	14	14,819	-	2,440,023	2,586,142
Trade creditors		2,862,472	2,775,790	-	-
Payments received on account		804,985	809,843	-	-
Social security and other taxes		67,955	86,162	-	-
Outstanding defined contribution pension costs		33,853	30,065	-	-
Other creditors		93,657	167,363	-	-
Accrued expenses		265,758	269,211	1,500	1,500
Income tax liability	8	80,138	65,142	5,281	5,288
		<u>4,223,637</u>	<u>4,203,576</u>	<u>2,446,804</u>	<u>2,592,930</u>
Due after one year					
Loans and borrowings	14	<u>8,388</u>	<u>-</u>	<u>-</u>	<u>-</u>

14 Loans and borrowings

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Current loans and borrowings				
Finance lease liabilities	14,819	-	-	-
Intercompany loans	<u>-</u>	<u>-</u>	<u>2,440,023</u>	<u>2,586,142</u>
	<u>14,819</u>	<u>-</u>	<u>2,440,023</u>	<u>2,586,142</u>

Intercompany loans

Intercompany loans are repayable upon demand and are denominated in £ with a nominal interest rate of nil%.

	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Non-current loans and borrowings				
Finance lease liabilities	<u>8,388</u>	<u>-</u>	<u>-</u>	<u>-</u>

The finance lease liability is secured on the asset to which it relates.

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

15 Provisions

Group

	Deferred tax £	Other provisions £	Total £
At 1 January 2016	37,865	46,174	84,039
Provisions used	<u>(10,245)</u>	<u>(46,174)</u>	<u>(56,419)</u>
At 31 December 2016	<u>27,620</u>	<u>-</u>	<u>27,620</u>

16 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £48,988 (2015 - £77,899).

Contributions totalling £33,853 (2015 - £30,065) were payable to the scheme at the end of the year and are included in creditors.

17 Share capital

Allotted, called up and fully paid shares

	No.	2016 £	No.	2015 £
A ordinary shares of £0.01 each	12,000	120	12,000	120
B ordinary shares of £0.01 each	1,407	14	1,407	14
	<u>13,407</u>	<u>134</u>	<u>13,407</u>	<u>134</u>

All shares rank pari passu.

18 Dividends

	2016 £	2015 £
Interim dividend paid of £11.19 (2015: £149.18) per ordinary share	<u>150,000</u>	<u>2,000,000</u>

ANGLO PACIFIC FORWARDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

19 Obligations under leases and hire purchase contracts

Group

Finance leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	14,651	-
Later than one year and not later than five years	8,546	-
	<u>23,197</u>	<u>-</u>

Operating leases

The total of future minimum lease payments is as follows:

	2016 £	2015 £
Not later than one year	226,042	416,317
Later than one year and not later than five years	-	224,042
	<u>226,042</u>	<u>640,359</u>

20 Related party transactions

In its normal course of business, the company buys and sells goods and services from and to various related parties including subsidiaries of Millrose Holdings Ltd, Zenic International Holdings Ltd, Centry Services Ltd and Bouverie Holdings Ltd, companies with common controlling parties.

These transactions are conducted on a commercial basis under comparable conditions that apply to transactions with third parties.

In 2016, the purchase of goods and services from these related parties amounted to £308,622 (2015 - £25,376) and the sale of goods and services to these related parties amounted to £296,598 (2015 - £14,056). The amount outstanding due to these related parties at the year end was £136,440 (2015 - £12,520) and the amount outstanding due from these related parties at the year end was £171,461 (2015 - £1,039).

The company has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the group.

21 Parent and ultimate parent undertaking

The ultimate parent is Anglo Pacific Holdings Limited, incorporated in Jersey.