

MAERSK CREWING LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR YEAR ENDED 31 December 2011**

REGISTERED COMPANY NUMBER 1662682

TUESDAY



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DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the year ended 31 December 2011

Principal activities

The principal activity of the Company continues to be that of ship manning agents

Review of the business and future prospects

The Directors consider that the Company's activities will continue for the foreseeable future

Results and transfer to reserves

The retained profit for the year, transferred to reserves, is shown on page 6

The Directors do not recommend the payment of a dividend (2010 NIL)

Directors

The Directors who served during the year and subsequently are as follows

Terence Cornick
Nigel Lehmann-Taylor

No Director had a beneficial interest in the shares of the Company at any time during the year

Employment policies

The Company recognises its obligations towards disabled persons and also its obligations to inform and consult members of staff on matters affecting their work


Statement of disclosure of information to auditor

Each person 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 the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the Board



J Kilby
Secretary
Maersk House
Braham Street
London
E1 8EP

26th June 2012

Statement of directors' responsibilities in respect of the director's report and financial statements

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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU 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 they have been prepared in accordance with IFRSs as adopted by the EU, 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Maersk Crewing Limited

We have audited the financial statements of Maersk Crewing Limited (the 'financial statements') for the year ended 31 December 2011 set out on pages 6 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, 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.

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.



28 June 2012

Ian Griffiths (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London E14 5GL

INCOME STATEMENT
for the year ended 31 December 2011

| | Notes | 2011 £ | 2010 £ |
|--|-------|----------------------|-----------------------|
| Revenue | | 531,640 | 641,765 |
| Administrative expenses | 2 | <u>(528,290)</u> | <u>(336,478)</u> |
| GROSS PROFIT | | 3,350 | 305,287 |
| Foreign exchange gains | | 1,694 | 128,453 |
| Interest payable | | (4,679) | (6,419) |
| Interest receivable | | <u>1,716</u> | <u>64</u> |
| PROFIT BEFORE TAX | | 2,081 | 427,385 |
| Taxation | 4 | 41,456 | (149,624) |
| Profit for the year attributable to equity shareholders | | <u><u>43,537</u></u> | <u><u>277,761</u></u> |

The notes on pages 11 to 15 form part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2011

| | Notes | 2011 £ | 2010 £ |
|---|-------|---------------|----------------|
| Profit for the year | | 43,537 | 277,761 |
| Other comprehensive income | | - | - |
| Net income/(expense) recognised directly in equity | | - | - |
| Total comprehensive income for the year | | <u>43,537</u> | <u>277,761</u> |
| Attributable to : | | | |
| Equity holders of the company | | <u>43,537</u> | <u>277,761</u> |

The notes on pages 11 to 15 form part of these financial statements

STATEMENT OF FINANCIAL POSITION
as at 31 December 2011

| | Notes | 2011 £ | 2010 £ |
|---|-------|------------------|------------------|
| ASSETS | | | |
| Deferred tax asset | 4 | 6,381 | 9,293 |
| Total non-current assets | | 6,381 | 9,293 |
| Trade and other receivables | 5 | 227,982 | 428,476 |
| Cash and cash equivalents | | 1,229,486 | 1,241,710 |
| Total current assets | | 1,457,468 | 1,670,186 |
| TOTAL ASSETS | | 1,463,852 | 1,679,479 |
| EQUITY | | | |
| Called up share capital | 7 | 10,000 | 10,000 |
| Profit and loss account | | 1,236,242 | 1,192,705 |
| Total equity shareholders' funds | | 1,246,242 | 1,202,705 |
| LIABILITIES | | | |
| Trade and other payables | 6 | 217,610 | 476,774 |
| Total current liabilities | | 217,610 | 476,774 |
| Total liabilities | | 217,610 | 476,774 |
| TOTAL EQUITY AND LIABILITIES | | 1,463,852 | 1,679,479 |

The notes on pages 11 to 15 form part of these financial statements

These financial statements were approved by the Board of Directors on
and were signed on their behalf by

26 June 2012



Terence Cornick
Director

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2011

| | Share capital £ | Profit & Loss Account £ | Total Shareholders' Funds £ |
|------------------------------------|----------------------------------|--|--|
| Balance at 1 January 2010 | 10,000 | 914,944 | 924,944 |
| Total comprehensive income | - | 277,761 | 277,761 |
| Balance at 31 December 2010 | <u>10,000</u> | <u>1,192,705</u> | <u>1,202,705</u> |
| Balance at 1 January 2011 | 10,000 | 1,192,705 | 1,202,705 |
| Total comprehensive income | - | 43,537 | 43,537 |
| Balance at 31 December 2011 | <u>10,000</u> | <u>1,236,242</u> | <u>1,246,242</u> |

The notes on pages 11 to 15 form part of these financial statements

STATEMENT OF CASH FLOWS
for the year ended 31 December 2011

| | 2011 | 2010 |
|--|------------------|------------------|
| | £ | £ |
| Profit for the year | 43,537 | 277,761 |
| Adjustments for | | |
| Net interest | 2,963 | 6,355 |
| Foreign exchange | (1,694) | (128,453) |
| Tax | (41,456) | 149,624 |
| Operating profit before changes in working capital and provisions | <u>3,350</u> | <u>305,287</u> |
| Decrease in trade and other receivables | 202,984 | 376,710 |
| Decrease in trade and other payables | (217,289) | (557,173) |
| Effect of exchange rate fluctuations on working capital | 2,331 | 83,076 |
| Cash generated from operations | <u>(8,624)</u> | <u>207,900</u> |
| Interest paid | (2,963) | (6,355) |
| Tax paid | - | (102,905) |
| Net cash from operating activities | <u>(11,587)</u> | <u>98,640</u> |
| Net increase/(decrease) in cash and cash equivalents | (11,587) | 98,640 |
| Effect of exchange rate fluctuations on cash and cash equivalents | (637) | 45,377 |
| Cash and cash equivalents brought forward | 1,241,710 | 1,097,693 |
| Cash and cash equivalents carried forward | <u>1,229,486</u> | <u>1,241,710</u> |

The notes on pages 11 to 15 form part of these financial statements

NOTES - FORMING PART OF THE FINANCIAL STATEMENTS

1 Significant accounting policies

Maersk Crewing Limited (the "Company") is a Company incorporated in the UK. The financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"). The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these financial statements

Functional and presentational currency

The Company's functional currency is UK Sterling

Basis of Preparation

The financial statements are prepared on the historical cost basis

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. The Company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries

The directors, having assessed the responses of the directors of the Company's ultimate parent A P Møller-Mærsk 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 A P Møller-Mærsk group to continue as a going concern or its ability to continue with the current banking arrangements

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of A P Møller-Mærsk A/S, 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

Trade and other receivables

Trade and other receivables are stated at their amortised cost using the effective interest rate method

Revenue

Revenue from services rendered is recognised in the income statement when the service has been provided. Revenue excludes Value Added Tax

Income tax

Income tax on the result for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for, goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2011. These have not been applied in preparing these financial statements and none of these are expected to have a significant effect on the financial statements of the Company

NOTES (continued)

2 Auditors remuneration

Included within administration expenses is the following

Audit of financial statements

There were no other fees paid to the auditors during the year

| 2011 £ | 2010 £ |
|--------------|--------------|
| <u>7,500</u> | <u>6,900</u> |

3 Staff numbers and costs

Average number of staff

Administration

| 2011 | 2010 |
|----------|----------|
| <u>8</u> | <u>8</u> |

Aggregate payroll costs of those persons:

Salaries and wages

Social security costs

Other pensions costs

Total staff costs

| 2011 £ | 2010 £ |
|----------------|----------------|
| 199,746 | 174,147 |
| 21,624 | 24,290 |
| 21,550 | 20,828 |
| <u>242,920</u> | <u>219,265</u> |

4 Income tax

Recognised in the income statement

Current tax expense

Current year tax

Adjustments in respect of prior periods

| 2011 £ | 2010 £ |
|-----------------|----------------|
| (2,930) | 65,351 |
| (41,435) | 77,108 |
| <u>(44,365)</u> | <u>142,459</u> |

Deferred tax expense

Origination and reversal of timing differences

Adjustments in respect of prior periods

| | |
|-------|----------|
| 2,221 | 89,619 |
| 688 | (82,454) |

Total income tax expense in income statement

| | |
|-----------------|----------------|
| <u>(41,456)</u> | <u>149,624</u> |
|-----------------|----------------|

Reconciliation of effective tax rate:

Profit before taxation

Tax on the profits on ordinary activities at the standard UK rate of corporation tax of 26.5% (2010 - 28%)

Expenses not deductible for tax purposes

Difference in group relief payment rate

Corporation Tax over/(under) provided in prior years

Deferred Tax over/(under) provided in prior years

Difference between current year deferred tax movement at 25% (2010, 27%) and deduction for corporation tax at 26.5% (2010, 28%) for the period

| 2011 £ | 2010 £ |
|-----------------|----------------|
| <u>2,081</u> | <u>427,385</u> |
| 551 | 119,668 |
| (1,303) | 38,621 |
| 176 | - |
| (41,435) | 77,108 |
| 688 | (82,454) |
| (133) | (3,319) |
| <u>(41,456)</u> | <u>149,624</u> |

Total income tax expense in income statement

NOTES (continued)

4 Income tax (continued)

| <i>Deferred tax assets and liabilities</i> | 2011 | 2010 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Recognised deferred tax assets | | |
| Assets in use | (5,884) | (7,943) |
| Provisions | (500) | (1,350) |
| Tax (assets) | <u>(6,384)</u> | <u>(9,293)</u> |

The company had no unrecognised deferred tax assets at 31 December 2011 (2010: nil)

Movement in temporary differences during the year

| 2010 | At 1 January 2010 £ | Recognised in income £ | At 31 December 2010 £ |
|---------------------------------|------------------------------------|---------------------------------------|--------------------------------------|
| Assets in use | (9,966) | 2,023 | (7,943) |
| Provisions | (6,492) | 5,142 | (1,350) |
| Recognised deferred tax (asset) | <u>(16,458)</u> | <u>7,165</u> | <u>(9,293)</u> |
| 2011 | At 1 January 2011 £ | Recognised in income £ | At 31 December 2011 £ |
| Assets in use | (7,943) | 2,059 | (5,884) |
| Provisions | (1,350) | 850 | (500) |
| Recognised deferred tax (asset) | <u>(9,293)</u> | <u>2,909</u> | <u>(6,384)</u> |

Current tax assets and liabilities

The current tax liability of £78,215 (2010: £122,580 liability) represents the amount of income taxes payable in respect of current and prior periods

This balance is shown within Note 6 'Trade and other receivables' (2011, £2,930, 2010, nil) and Note 7 'Trade and other payables' (2011, £81,145, 2010: £122,580)

| 5 Trade and other receivables - amounts falling due within one year | 2011 | 2010 |
|--|----------------|----------------|
| | £ | £ |
| Trade receivables | 1,343 | 180,115 |
| Amounts due from fellow group undertakings (note 9) | 193,042 | 227,800 |
| Other receivables and prepayments | 30,667 | 20,561 |
| Tax receivable | 2,930 | - |
| | <u>227,982</u> | <u>428,476</u> |

NOTES (continued)

| 6 Trade and other payables - amounts falling due within one year | 2011 £ | 2010 £ |
|---|-------------------|-------------------|
| Trade payables | 12,750 | 206,913 |
| Amount payable to parent undertaking (note 9) | 1,466 | 3,550 |
| Amounts payable to fellow group undertakings (note 9) | 105,756 | 45,779 |
| Other payables and accruals | 16,493 | 97,952 |
| Tax payable | 81,145 | 122,580 |
| | <u>217,610</u> | <u>476,774</u> |

The tax payable is included within the balance due to The Maersk Company Limited in Note 9 'Related party transactions'

| 7 Share capital | 2011 £ | 2010 £ |
|--|-------------------|-------------------|
| Allotted, called up and fully paid 10,000 ordinary shares of £ 1 each | <u>10,000</u> | <u>10,000</u> |

Reconciliation of movement in shareholders' funds

| | Share capital £ | Retained Earnings £ | Total Shareholders' Funds £ |
|------------------------------|----------------------------|------------------------------------|--|
| At 1 January 2011 | 10,000 | 1,192,705 | 1,202,705 |
| Retained profit for the year | - | 43,537 | 43,537 |
| At 31 December 2011 | <u>10,000</u> | <u>1,236,242</u> | <u>1,246,242</u> |
| At 1 January 2010 | 10,000 | 914,944 | 924,944 |
| Retained profit for the year | - | 277,761 | 277,761 |
| At 31 December 2010 | <u>10,000</u> | <u>1,192,705</u> | <u>1,202,705</u> |

Capital Management

The Board's policy is to maintain a strong capital base so as to sustain future operations of the business. Capital consists of share capital and retained earnings. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders.

There were no changes in the Company's approach to capital management during the year.

8 Financial instruments

Financial instruments held by the Company comprise cash balances, receivables and payables. The Company is not exposed to any significant risks with regard to its financial instruments. The values of cash, receivables and payables in the balance sheet approximate fair value.

NOTES (continued)

9 Related party transactions

| Revenue / (expenses) during the year | 2011 | 2010 |
|--|-----------|-----------|
| | £ | £ |
| The Maersk Company Limited | (261,361) | (240,958) |
| Maersk Offshore (Guernsey) Limited | 526,572 | (50,724) |
| A P Møller-Mærsk A/S | - | 244,540 |
| Norfolk Line Holdings BV | - | (98,003) |
| A P Møller Singapore Pte Ltd | - | 353,302 |
| Maersk Offshore (Bermuda) Limited | 3,963 | - |
| | <hr/> | <hr/> |
| Receivables / (payables) at the year end | 2011 | 2010 |
| | £ | £ |
| The Maersk Company Limited | (82,611) | (60,849) |
| Maersk Offshore (Guernsey) Limited | 172,718 | 1,899 |
| Maersk Supply Service A/S | 20,324 | 15,932 |
| The Maersk Company (IOM) Limited | (105,756) | - |
| A P Møller Singapore Pte Ltd | - | 209,969 |
| A P Møller-Mærsk A/S | - | (44,658) |
| Maersk Spain S L | - | (1,121) |
| | <hr/> | <hr/> |

Within the amount due to The Maersk Company Limited is £81,145 relating to current tax payable (2010, £57,299)

The provisions and write offs for bad debt against related party balances are as follows

| | 2011 | 2010 |
|----------------------------|------|-----------|
| | £ | £ |
| Provisions made/(released) | - | (287,190) |
| Write Offs | - | 105,000 |

The released provision in 2010 related to a specific outstanding invoice due from Norfolk Line Holdings BV which was settled during the year. The write off relates to a separate invoice with the same party that was not settled. There were no related party provisions or write offs in 2011.

10 Ultimate holding company

Maersk Crewing Limited's immediate holding company is The Maersk Company Limited, a company incorporated in the United Kingdom. The financial statements of The Maersk Company Limited can be obtained from Companies House.

The Maersk Company Limited is a member of the A P Møller-Mærsk group, and is ultimately controlled by A P Møller-Mærsk A/S, a company listed in Denmark.

11 Directors' emoluments

None of the Directors received remuneration for their services as Directors of this Company (2010: £Nil).