

**Company Registration Number : 01662682**

**MAERSK CREWING LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2019**



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## STRATEGIC REPORT

The Directors present their Annual Report together with the audited financial statements for the year ended 31 December 2019.

### Review of the business

The principal activity of the Company continues to be ship manning agents. The Directors consider that the Company's activities will continue for the foreseeable future.

The performance for the year shows a profit of £10,903 (2018: £18,907). Decreased costs in 2019 resulted in decreased mark up revenue and overall lower profit.

At the end of the year the Company had total equity of £408,992 (2018: £398,090).

Total assets are £433,611 (2018: £472,861).

### Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the group. Accordingly, the principal risks and uncertainties of A.P.Møller-Mærsk A/S, which include those of the Company, are discussed on page 34 of the group's annual report which does not form part of this report.

The Company actively reviews and manages its financial risk, but as the Company's activities are entirely within the Maersk group the exposure to external market risk is limited.

Further information on the Company's financial risk management policies can be found in Note 12 of these financial statements.

The Directors have assessed the actual and projected impact of Covid-19 on the business. As intercompany partners still require the services of the Company at this time, there has been no immediate decline in demand and no risk identified in recoverability. The Directors do not foresee a material impact on the business in the foreseeable future.

By order of the Board



David Jeffrey Harris  
Director  
11 August 2020

The Pearl  
7 New Bridge Street West  
Newcastle upon Tyne  
United Kingdom  
NE1 8AQ

## DIRECTORS' REPORT

The Directors present their report together with the audited financial statements for the year ended 31 December 2019.

### Principal activities

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

### Future developments

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

### Dividends

No dividend payments were made during the year (2018: nil). The Directors do not recommend the payment of a final dividend (2018: nil). Transfers to reserves are shown in the reconciliation of the movement in shareholders' funds within the Statement of Changes in Equity on page 10.

### Review of the business

The results for the year are shown in the Income Statement on page 7. For an analysis of the results and performance of the Company's business refer to the Strategic Report on page 1 of these financial statements.

### Principal risks and uncertainties

For the principal risks and uncertainties refer to the Strategic Report on page 1 of these financial statements and Note 12 Financial Risk Management.

### Directors

The Directors in office during the year ended 31 December 2019 and to the date of approval of these financial statements, were:

David Jeffrey Harris  
Marie Patricia Cooper  
Graeme Thomson

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

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### Employment policies

The Company is committed to providing equal opportunities and to avoiding unlawful discrimination in employment or to its customers. It is also committed to embracing diversity by promoting and sustaining an open, inclusive and supportive environment which will help people to make the most of their particular qualities and skills and to achieve their full potential.

The Company will seek to ensure that people are treated fairly regardless of visible and non-visible differences such as gender, race, nationality, ethnic or national origin, religious beliefs or practices, political beliefs, sexual orientation, gender reassignment, disability, age, family / marital status, social background, pregnancy or potential pregnancy, caring responsibilities, spent criminal convictions, and trade union affiliation. It appreciates that these differences will contribute to different experiences of life, attitudes, values, and ways of thinking and communicating which can make a valuable contribution to the organisation.

It is the commitment of the Company to avoid unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

The Company has a policy of giving full and fair consideration to applications for employment from registered disabled people. In cases where disablement occurs whilst in service, Company policy is, as far as possible, to continue employment and to arrange for any necessary re-training facilities. Opportunities for training, career development and promotion apply equally across the Company to disabled and non-disabled people alike.

**DIRECTORS' REPORT (continued)**

**Employment policies (continued)**

The Company has developed harmonised arrangements for communication and consultation with employees including an intranet website, electronic mail for the announcement of key issues, staff newsletters and magazines and senior management briefings to staff. The Company regularly consults employees so that the views of employees can be taken into account in making decisions that are likely to affect their interests.

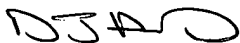
**Statement of disclosure of information to auditors**

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the 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.

**Independent auditors**

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

On behalf of the Board



David Jeffrey Harris  
Director  
11 August 2020

The Pearl  
7 New Bridge Street West  
Newcastle upon Tyne  
United Kingdom  
NE1 8AQ

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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 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.

On behalf of the Board



David Jeffrey Harris  
Director  
11 August 2020

The Pearl  
7 New Bridge Street West  
Newcastle upon Tyne  
United Kingdom  
NE1 8AQ

**Independent auditors' report to the members of Maersk Crewing Limited**

**Report on the audit of the financial statements**

**Our opinion**

In our opinion, Maersk Crewing Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2019; the Income Statement, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

**Independent auditors' report to the members of Maersk Crewing Limited (continued)**

***Strategic Report and Directors' Report***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

**Responsibilities for the financial statements and the audit**

***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

***Auditors' responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

***Use of this report***

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Nicholas Cook (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne

11 August 2020



**INCOME STATEMENT**

for the year ended 31 December 2019

	Note	2019	2018
		£	£
<b>Continuing operations</b>			
Revenue	2	294,129	511,736
Cost of sales	4	(147,575)	(273,604)
<b>Gross Profit</b>		<b>146,554</b>	<b>238,132</b>
Administrative expense	3	(135,539)	(220,722)
Other operating expense	5	-	(956)
<b>OPERATING PROFIT</b>		<b>11,015</b>	<b>16,454</b>
Financial income	6	3,018	6,283
Financial expense	6	(1,354)	(1,247)
<b>PROFIT BEFORE INCOME TAX</b>		<b>12,679</b>	<b>21,490</b>
Income tax expense	7	(1,776)	(2,583)
<b>PROFIT FOR THE YEAR</b>		<b>10,903</b>	<b>18,907</b>
<b>Profit attributable to:</b>			
Owners of the parent		<b>10,903</b>	<b>18,907</b>

The notes on pages 12 to 19 form part of these financial statements.

**STATEMENT OF COMPREHENSIVE INCOME**

for the year ended 31 December 2019

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit for the year	<u>10,903</u>	<u>18,907</u>
<b>Total comprehensive income for the year</b>	<u><u>10,903</u></u>	<u><u>18,907</u></u>
<b>Total comprehensive income attributable to :</b>		
Owners of the parent	<u><u>10,903</u></u>	<u><u>18,907</u></u>

The notes on pages 12 to 19 form part of these financial statements.

## STATEMENT OF FINANCIAL POSITION

as at 31 December 2019

	Note	2019 £	2018 (restated) £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Deferred tax assets	8	1,520	1,854
		<u>1,520</u>	<u>1,854</u>
<b>Current assets</b>			
Trade and other receivables	9	432,091	471,007
		<u>432,091</u>	<u>471,007</u>
<b>TOTAL ASSETS</b>		<u><b>433,611</b></u>	<u><b>472,861</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	10,000	10,000
Retained earnings		398,992	388,090
<b>Total equity</b>		<u><b>408,992</b></u>	<u><b>398,090</b></u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Tax payable	7	5,058	11,732
Trade and other payables	11	19,561	63,039
		<u>24,619</u>	<u>74,771</u>
<b>Total liabilities</b>		<u><b>24,619</b></u>	<u><b>74,771</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>433,611</b></u>	<u><b>472,861</b></u>

The notes on pages 12 to 19 form part of these financial statements.

The financial statements on pages 7 to 19 were approved by the Board of Directors on 21 July 2020 and were signed on its behalf by:



David Jeffrey Harris  
Director  
Company registration number: 01662682

**STATEMENT OF CHANGES IN EQUITY**

for the year ended 31 December 2019

	Share capital £	Retained earnings £	Total Equity £
<b>Balance at 1 January 2018</b>	10,000	369,183	379,183
Total profit and comprehensive income for the year	-	18,907	18,907
<b>Balance at 31 December 2018</b>	<u><b>10,000</b></u>	<u><b>388,090</b></u>	<u><b>398,090</b></u>
<b>Balance at 1 January 2019</b>	10,000	388,090	398,090
Total profit and comprehensive income for the year	-	10,903	10,903
<b>Balance at 31 December 2019</b>	<u><b>10,000</b></u>	<u><b>398,993</b></u>	<u><b>408,993</b></u>

The notes on pages 12 to 19 form part of these financial statements.

**STATEMENT OF CASH FLOWS**  
for the year ended 31 December 2019

	Note	2019 £	2018 (restated) £
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit for the year		10,903	18,907
Adjustments for:			
Foreign exchange losses	5	-	956
Finance income	6	(3,018)	(6,283)
Finance expense	6	1,354	1,247
Income tax expense	7	1,776	2,583
<b>Operating profit before changes in working capital</b>		<b>11,015</b>	<b>17,410</b>
Decrease/(Increase) in trade and other receivables		322,148	(262,917)
Decrease in trade and other payables		(43,478)	(52,851)
Effect of exchange rate fluctuations on working capital	5	-	(956)
<b>Cash generated from/(used in) operations</b>		<b>289,685</b>	<b>(299,314)</b>
Interest paid	6	(657)	(1,247)
Income tax paid		(8,116)	(18,150)
<b>Net cash generated from/(used in) operating activities</b>		<b>280,912</b>	<b>(318,711)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest received	6	3,015	2,666
<b>Net cash generated from investing activities</b>		<b>3,015</b>	<b>2,666</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
(Increase)/Decrease in group cash pool deposits		(283,927)	316,045
<b>Net cash (used in)/generated from financing activities</b>		<b>(283,927)</b>	<b>316,045</b>
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at 1 January		-	-
<b>Cash and cash equivalents carried forward</b>		<b>-</b>	<b>-</b>

The notes on pages 12 to 19 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

## 1 SIGNIFICANT ACCOUNTING POLICIES

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

**General information**

Maersk Crewing Limited ("the Company") is a private company limited by shares, incorporated in England and Wales and is domiciled in the United Kingdom. The registered office and principal place of business is The Pearl, 7 New Bridge Street West, Newcastle upon Tyne, NE1 8AQ.

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

**Basis of preparation**

The financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS interpretations committee (IFRS IC) as adopted by the European Union and in accordance with the Companies Act 2006 as applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost basis.

**New standards, amendments and interpretations**

No new standards or amendments to published standards have had a material impact on the financial statements for the financial year beginning on or after 1 January 2019.

**New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

**Accounting estimates and judgements**

The preparation of the financial statements requires management to exercise judgement in applying the Company's accounting policies. No judgements have been made during the year that have materially affected the reported numbers. There have been no major sources of estimation that may result in a significant risk of material adjustment to the carrying amount of assets and liabilities within the next financial year.

**Going concern**

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 A.P.Møller-Mærsk A/S. The Directors, having assessed the Company's financial position, the impact of Covid-19, and the responses of the Directors of the Company's immediate parent to their enquiries, have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis of accounting in preparing the financial statements.

**Functional and presentational currency**

These financial statements are presented in Great British pounds, which is the Company's functional currency.

**Foreign currencies**

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded in the functional currency using the exchange rates prevailing at the date of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Foreign exchange gains and losses from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Foreign exchange gains and losses that relate to borrowings are presented in the Income Statement within 'Financial income' or 'Financial expenses'. All other foreign exchange gains and losses are presented in the Income Statement within 'Other operating income'.

**Trade and other receivables**

Trade receivables are amounts due from customers in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

**Cash and cash equivalents**

The Company takes part in a cash pooling arrangement with A.P.Møller-Mærsk A/S which is aimed at concentration and management of liquidity at group level, supplying entities with liquid funds to cover daily payments. Cash held within the pool is presented within "Amounts due from related parties" within "Trade and other receivables".

**Prior Year Restatement**

The Statement of Financial Position as at 31 December 2018 and Statement of Cash Flows for the year ended 31 December 2018 have been restated to reflect that amounts held in the group cash pool, previously recognised as "Cash and cash equivalents", have been moved to "Amounts due from related parties" within "Trade and other receivables".

A summary of the impact of this prior year restatement, by line item, is shown below.

	As at 31 December 2018	Restatement	As at 31 December 2018 (restated)
	£	£	£
<b>Current Assets</b>			
Trade and other receivables	328,797	142,210	471,007
Cash and cash equivalents	142,210	(142,210)	-
	<u>471,007</u>	<u>-</u>	<u>471,007</u>

In the Statement of Cash Flows, cash and cash equivalents as at 1 January 2018 and 31 December 2018 have been restated to nil. The previously reported net movement in cash and cash equivalents of £316,045 has been reclassified as a "decrease in group cash pool deposits" within "cash flow from financing activities".

**Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from vendors. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**Revenue recognition**

The Company provides manning services to other A.P. Møller-Mærsk A/S group subsidiaries. As services are provided directly by the Company, the Company is solely responsible for fulfilling the performance obligations and acts as a principal in all revenue transactions. Revenue generated through the provision of manning services is recognised at the point in time when the performance obligations in relation to the services rendered are achieved. Performance obligations are provided consistently through the year with annual revenue being recognised at the point in time when control is deemed to have taken place.

**Expenses**

Net financing costs comprise interest payable, interest receivable and foreign exchange gains and losses on loans, borrowings and financial assets.

Interest income and interest payable are recognised in the Income Statement as they accrue, using the effective interest method.

Costs directly attributable to the provision of services have been moved out of administration expenses and re-presented as cost of sales. The prior year has therefore been restated to reflect this.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 1 SIGNIFICANT ACCOUNTING POLICIES (continued)

**Income tax expense and deferred tax**

Income tax on the profit or loss for the year comprises current tax and deferred tax. Income tax is recognised in the Income Statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current income 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 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.

**Dividends paid**

Dividends are recognised as a liability in the Statement of Financial Position in the year in which they are declared and approved by the board.

## 2 REVENUE

	2019 £	2018 £
A geographical analysis of revenue is as follows:		
Asia	255,957	108,757
UK	38,172	402,979
	<u>294,129</u>	<u>511,736</u>

## 3 EXPENSES

Expenses by nature	2019 £	2018 £
The operating profit is stated after charging:		
Management fees	20,000	185,898
Staff costs (Note 4)	147,575	273,604
Other expenses	115,539	34,824
	<u>283,114</u>	<u>494,326</u>

Auditors' remuneration	2019 £	2018 £
Included within administration expenses is the following:		
Audit of financial statements	<u>7,320</u>	<u>7,000</u>

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

## 4 STAFF NUMBERS AND COSTS

	2019	2018
Monthly average number of staff (administration)	<u>3</u>	<u>7</u>
	2019 £	2018 £
Wages and salaries	114,495	202,414
Social security costs	16,078	26,702
Other pension costs	17,002	44,488
Total staff costs	<u>147,575</u>	<u>273,604</u>



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4 STAFF NUMBERS AND COSTS (continued)

	2019 £	2018 £
Directors' emoluments	-	9,092

	2019 £	2018 £
The emoluments of the highest paid Director	-	9,092

There were no accrued pension contributions for Directors as at 31 December 2019 (2018: GBP nil).

All of the above emoluments in 2018 related to short-term employee benefits except for GBP 1,345 that were for post-employment benefits where contributions are made to a defined contribution pension scheme. The Directors do not participate in a defined benefit pension scheme.

In 2019, the Directors were not remunerated by the Company for their services as Directors of the Company. These Directors were remunerated by a fellow A.P.Møller-Mærsk A/S group subsidiary and there is no recharge to the Company as their services in respect of the entity are considered to be negligible in value.

## 5 OTHER OPERATING EXPENSE

	2019 £	2018 £
Foreign exchange losses	-	956

## 6 FINANCIAL INCOME AND EXPENSE

	2019 £	2018 £
Interest income	3,015	2,666
Foreign exchange gains	3	3,617
<b>Financial income</b>	<b>3,018</b>	<b>6,283</b>
Interest expense	(657)	(1,247)
Foreign exchange losses	(697)	-
<b>Financial expense</b>	<b>(1,354)</b>	<b>(1,247)</b>
<b>Net financial income</b>	<b>1,664</b>	<b>5,036</b>

## 7 INCOME TAX EXPENSE

Recognised in the Income Statement	2019 £	2018 £
<b>Current tax</b>		
Current tax on profits for the year	2,036	3,616
Adjustments in respect of prior years	(594)	(1,440)
	<b>1,442</b>	<b>2,176</b>
<b>Deferred tax</b>		
Origination and reversal of temporary timing differences	334	458
Adjustment in respect of prior years	-	(51)
<b>Income tax expense</b>	<b>1,776</b>	<b>2,583</b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 7 INCOME TAX EXPENSE (continued)

Reconciliation of effective tax rate	2019 £	2018 £
Profit before income tax	<u>12,679</u>	<u>21,490</u>
Tax on profit before income tax at the standard UK rate of corporation tax of 19% (2018: 19%)	2,409	4,083
Expenses not deductible for tax purposes	-	44
Adjustments in respect of prior years	(594)	(1,491)
Effect of change in tax rates	(39)	(53)
<b>Income tax expense</b>	<u><b>1,776</b></u>	<u><b>2,583</b></u>

Finance Act 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. The March 2020 Budget announced that the reduction in the UK rate to 17% will now not occur and the Corporation Tax Rate will remain at 19%. As substantive enactment is after the balance sheet date, deferred tax balances as at 31 December 2019 continue to be measured at a rate of 17%. The rate change has an impact of £39 in the current year.

**Current tax liability**

The current tax liability of £5,051 (2018: £11,732) represents the amount of income taxes payable in respect of current and prior years. Within income tax payable is an amount of £3,022 (2018: £8,116) which is due to a fellow A.P.Møller-Mærsk A/S group subsidiary and is included within Note 14.

## 8 DEFERRED TAX ASSETS

Deferred tax assets are attributable to the following:	2019 £	2018 £
Capital allowances	<u>1,520</u>	<u>1,854</u>

The Company had no unrecognised deferred tax assets at 31 December 2019 (2018: nil).

**Movement in temporary differences during the year**

	At 1 January 2018 £	Recognised in Income Statement £	At 31 December 2018 £
Capital allowances	<u>2,261</u>	<u>(407)</u>	<u>1,854</u>

	At 1 January 2019 £	Recognised in Income Statement £	At 31 December 2019 £
Capital allowances	<u>1,854</u>	<u>(334)</u>	<u>1,520</u>

Amounts expected to be recovered or settled:	2019 £	2018 £
No more than twelve months after the reporting year	306	334
More than twelve months after the reporting year	<u>1,214</u>	<u>1,520</u>
	<u><b>1,520</b></u>	<u><b>1,854</b></u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

9 TRADE AND OTHER RECEIVABLES	2019	2018 (restated)
	£	£
Trade receivables	-	18
Amounts due from group undertakings (Note 14)	428,623	465,272
Other receivables and prepayments	3,468	5,717
	<u>432,091</u>	<u>471,007</u>

Included within amounts due from related parties are funds held in the group cash pool (2019: GBP 425,442. 2018: GBP 142,210).

The carrying amount of the above receivables is a reasonable approximation of fair value. There are no amounts past due at the end of the reporting year. Management's policy is to assess all trade and other receivables for recoverability on a regular basis. All trade and other receivables, including amounts due from group undertakings, are due within less than one year from the reporting date and are interest free.

10 SHARE CAPITAL	2019	2018
	£	£
<b>Allotted, called up and fully paid:</b>		
10,000 (2018: 10,000) ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

All shares rank pari passu with all holders having full voting rights, as well as the right to dividends and to participate in a distribution (not liable to redemption).

11 TRADE AND OTHER PAYABLES	2019	2018
	£	£
Trade payables	343	30,351
Amount payable to group undertaking (Note 14)	2,302	20,570
Other payables and accruals	16,916	12,118
	<u>19,561</u>	<u>63,039</u>

The Company's exposure to liquidity risk related to trade and other payables is disclosed in Note 12. The carrying value of all the above payables is equivalent to fair value. Trade and other payables, including amounts payable to group undertakings, are payable within less than one year from the reporting date and are interest-free.

## 12 FINANCIAL RISK MANAGEMENT

Financial instruments held by the Company comprise of cash balances, receivables and payables. The Company is not exposed to any significant risks with regards to its financial instruments.

**Credit and Liquidity Risk**

Financial instruments held by the Company comprise cash balances, receivables and payables. Cash, receivables and payables are due from fellow A.P.Møller-Mærsk A/S group subsidiaries and are therefore not exposed to the same risks as external market instruments. Exposure to credit risk and liquidity risk is therefore also limited. The Company applies the simplified approach to providing the expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade and other receivables. An assessment of the expected credit loss was performed and the impact was found to be immaterial.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 12 FINANCIAL RISK MANAGEMENT (continued)

## 2019

	Note	Effective interest rate %	Less than 1 year £	2-5 years £	Over 5 years £	Total £
Trade payables	11	nil	343	-	-	343
Amount payable to group undertaking	11	nil	2,302	-	-	2,302

## 2018

	Note	Effective interest rate %	Less than 1 year £	2-5 years £	Over 5 years £	Total £
Trade payables	11	nil	30,351	-	-	30,351
Amount payable to group undertaking	11	nil	20,570	-	-	20,570

**Foreign exchange risk**

The Company operates internationally and is exposed to currency risk on sales and purchases, and cash balances that are in currencies other than the functional currency. As the Company transacts mainly in its functional currency, foreign exchange risk is low for all years presented.

The financial assets of the Company that are not denominated in the functional currency are as follows:

Amounts due from group undertakings	2019 £	2018 £
USD	19,477	20,209

**Sensitivity**

The sensitivity of profit or loss to changes in the USD/GBP exchange rate arises from the retranslation of cash balances denominated in USD.

	2019 £	2018 £
USD/GBP exchange rate - increase 5% (3%)	965	(684)
USD/GBP exchange rate - decrease 5% (3%)	(965)	684

**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 Company regularly reviews its capital structure and is not subject to external controls on its capital structure. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, reduce capital to shareholders, issue new shares or sell assets to reduce debt. The board monitors the return on capital as well as the level of dividends to ordinary shareholders. As the Company has no debt or cash and cash equivalents, capital is defined as 'equity' as shown in the balance sheet.

## 13 CONTROLLING PARTIES

**Immediate holding company**

Maersk Crewing Limited's immediate parent company is Maersk Line UK Limited, a company incorporated in England and Wales, the registered address of which is The Pearl, 7 New Bridge Street West, Newcastle upon Tyne, NE1 8AQ.

**Ultimate controlling party**

The ultimate parent and controlling party is A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal. The first group in which the results of the Company are consolidated is A.P. Møller-Mærsk A/S. The largest group in which the results of the Company are consolidated is A.P. Møller Holding A/S. Copies of the consolidated financial statements can be obtained from the companies' websites at [www.maersk.com](http://www.maersk.com) and [www.apmoller.com](http://www.apmoller.com).

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 14 RELATED PARTY TRANSACTIONS

**Identity of related parties**

The Company has a related party relationship with fellow A.P.Møller-Mærsk A/S group subsidiaries, its Directors and executive officers.

**Transaction with key management personnel**

There were no transactions with key management other than those identified in Note 4.

**Other related party transactions**

Transaction with related parties were as follows:

	2019	2018
	£	(restated) £
<b>Transaction values</b>		
Sale of services - Fellow A.P.Møller-Mærsk A/S group subsidiaries	293,235	494,877
Purchase of services - Immediate parent	(20,000)	-
Purchase of services - Fellow A.P.Møller-Mærsk A/S group subsidiaries	(97,890)	(185,898)
Interest income - Fellow A.P.Møller-Mærsk A/S group subsidiaries	3,015	2,666
Interest expense - Fellow A.P.Møller-Mærsk A/S group subsidiaries	-	(478)
<b>Balances outstanding</b>		
Trade and other receivables - Fellow A.P.Møller-Mærsk A/S group subsidiaries	428,623	465,272
Trade and other payables - Fellow A.P.Møller-Mærsk A/S group subsidiaries	(2,302)	(20,570)
Tax payable - Fellow A.P.Møller-Mærsk A/S group subsidiaries	(3,022)	(8,116)

All outstanding balances with related parties are non-secured and there is no provision for bad debts relating to the fellow group subsidiaries.

## 15 SUBSEQUENT EVENTS

The Directors have assessed the actual and projected impact of Covid-19 on the business. As intercompany partners still require the services of the Company at this time, there has been no immediate decline in demand and no risk identified in recoverability. The Directors do not foresee a material impact on the business in the foreseeable future.