

Financial Statements

Yemen Gulf Line Limited

For the year ended 31 December 2016



Registered number: 01724629

Company Information

Directors	D A Saeed Anam H B El-Kasar
Company secretary	Gray's Inn Secretaries Limited
Registered number	01724629
Registered office	Prince Albert House 2 Kingsmill Terrace London NW8 6BN
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
Bankers	Barclays Bank plc North West Larger Business Team 7th Floor 1 Marsden Street Manchester M2 1HW
Solicitors	SNR Denton UK LLP 1 Fleet Place London EC4M 7WS

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Directors' report

For the year ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the company during the year was that of shipping services.

Results and dividends

The loss for the year, after taxation, amounted to £23,676 (2015 - profit £15,117).

The directors have not recommended a dividend.

Directors

The directors who served during the year were:

D A Saeed Anam
H B El-Kasar

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Directors' report (continued)

For the year ended 31 December 2016

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end.


Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



D A Saeed Anam
Director

Date: 04/05/2017

Independent auditor's report to the members of Yemen Gulf Line Limited

We have audited the financial statements of Yemen Gulf Line Limited for the year ended 31 December 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' responsibilities statement on page 1, 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 Financial Reporting Council'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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Yemen Gulf Line Limited (continued)

Opinion on other matters 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 Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' report been prepared in accordance with applicable legal requirements.

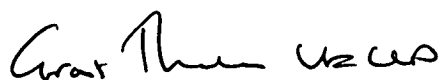
Matters on which we are required to report under the Companies Act 2006

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 Directors' report.

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; or
- the directors were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Philip R Westerman (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London
Date: 4/5/17

Statement of comprehensive income

For the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	1,326,852	1,951,211
Cost of sales		(1,230,224)	(1,836,431)
Gross profit		<u>96,628</u>	<u>114,780</u>
Administrative expenses		(120,304)	(99,663)
Operating (loss)/profit		<u>(23,676)</u>	<u>15,117</u>
Taxation on loss on ordinary activities	7	-	-
(Loss)/profit for the financial year		<u>(23,676)</u>	<u>15,117</u>
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u><u>(23,676)</u></u>	<u><u>15,117</u></u>

All amounts relate to continuing activities.

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 8 to 13 form part of these financial statements.

Statement of financial position

As at 31 December 2016

	Note	2016 £	2015 £
Current assets			
Debtors: Amounts falling due within one year	8	106,616	114,605
Cash at bank and in hand	9	44,504	34,470
		<u>151,120</u>	<u>149,075</u>
Creditors: Amounts falling due within one year	10	(691,923)	(666,202)
Net current liabilities		<u>(540,803)</u>	<u>(517,127)</u>
Total assets less current liabilities		<u>(540,803)</u>	<u>(517,127)</u>
Net liabilities		<u>(540,803)</u>	<u>(517,127)</u>
Capital and reserves			
Called up share capital	11	100,000	100,000
Profit and loss account		(640,803)	(617,127)
Shareholders' deficit		<u>(540,803)</u>	<u>(517,127)</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the FRS 102.

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


D A Saeed Anam

Director

Date: 04/05/2017

The notes on pages 8 to 13 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	100,000	(617,127)	(517,127)
Comprehensive income for the year			
Loss for the year	-	(23,676)	(23,676)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(23,676)	(23,676)
At 31 December 2016	100,000	(640,803)	(540,803)

Statement of changes in equity

For the year ended 31 December 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	100,000	(632,244)	(532,244)
Comprehensive income for the year			
Profit for the year	-	15,117	15,117
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	15,117	15,117
At 31 December 2015	100,000	(617,127)	(517,127)

The notes on pages 8 to 13 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2016

1. Company information

Yemen Gulf Line Limited is a private company limited by shares, registered and incorporated in England. The company's registered office is Prince Albert House, 2 Kingsmill Terrace, London, NW8 6BN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The directors of the company have received confirmation from the ultimate shareholders that they will continue to support the company and therefore that the going concern basis of preparation is considered appropriate.

The following principal accounting policies have been applied:

2.2 Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Confirmation has been received of Longulf Limited's continued commitment to support the company to enable it to fulfil its liabilities as they fall due. The company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.3 Cash flow

The directors have taken advantage of the exemption in FRS 102 from including a cash flow statement in the financial statements on the grounds that the company is small.

2.4 Turnover

Turnover comprises amounts invoiced in respect of shipping services supplied during the year, excluding value added tax where applicable.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 Deferred taxation

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Notes to the financial statements

For the year ended 31 December 2016

2. Accounting policies (continued)

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss.

2.7 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the Income statement. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

There are no material judgments or estimates in preparation of these financial statements.

Notes to the financial statements

For the year ended 31 December 2016

4. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company. An analysis of turnover is given below.

	2016 £	2015 £
Outside UK	<u>1,326,852</u>	<u>1,951,211</u>

The turnover relates entirely to sales made in the Middle East, to companies who fall within the HSA group of companies.

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2016 £	2015 £
Auditor's remuneration	3,033	3,033
Net loss on foreign currency translation	16,321	4,418
Pension costs	<u>1,573</u>	<u>1,307</u>

During the year, no director received any emoluments (2015 -£NIL).

6. Employees

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	54,135	44,978
Social security costs	6,111	5,077
Other pension costs	<u>1,573</u>	<u>1,307</u>
	<u>61,819</u>	<u>51,362</u>

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

	2016 No.	2015 No.
Operation and sales staff	1	1
Management and administration staff	1	1
	<u>2</u>	<u>2</u>

Notes to the financial statements

For the year ended 31 December 2016

7. Taxation

	2016 £	2015 £
Taxation on (loss)/profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	(23,676)	15,117
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	(4,735)	3,061
Effects of:		
Utilisation of tax losses	-	(3,061)
Group relief	4,735	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

	Unprovided 2016 £	Unprovided 2015 £
Unrelieved trade losses carried forward	(99,648)	(105,510)
Unrelieved capital losses carried forward	(162,011)	(171,541)
	(261,659)	(277,051)

No deferred tax asset has been recognised for trading losses. Such tax would only become recoverable in the event that the company becomes profitable in future years. The future profitability of this company cannot be seen with any certainty.

No deferred tax asset has been recognised for capital losses. Such tax would only become recoverable in the event that any capital losses which arise on the sale of the assets would be relievable against capital gains either in the period in which they arise or in future years.

Notes to the financial statements

For the year ended 31 December 2016

8. Debtors

	2016 £	2015 £
Trade debtors	255	397
Amounts owed by group undertakings	104,658	104,658
Other debtors	1,703	2,259
Prepayments and accrued income	-	7,291
	<u>106,616</u>	<u>114,605</u>

9. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>44,504</u>	<u>34,470</u>

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	36,853	8,965
Amounts owed to group undertakings	643,696	647,936
Accruals and deferred income	11,374	9,301
	<u>691,923</u>	<u>666,202</u>

11. Share capital

	2016 £	2015 £
Allotted, called up and fully paid 100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Notes to the financial statements

For the year ended 31 December 2016

12. Related party transactions

Under FRS 102 the company is exempt from the requirement to disclose transactions with other group companies on the basis that it is a wholly owned subsidiary and its results are consolidated into that of the parent company.

The immediate parent undertaking is Longulf Limited, which is registered England and Wales and owns 100% of the issued share capital of the company.

The entire share capital of Longulf Limited is held by Europa Holdings Limited, an entity incorporated in the Cayman Islands. The directors consider that the smallest and the largest group of undertakings with a group accounts reporting requirement is that headed by Longulf Limited.

The ultimate parent undertaking is Capital House Investments Limited, incorporated in the Cayman Islands.