



Financial Statements

Yemen Gulf Line Limited

For the year ended 31 December 2017



Registered number: 01724629

Yemen Gulf Line Limited

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 30 Finsbury Square London EC2A 1AG
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 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activity

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

Results and dividends

The profit for the year, after taxation, amounted to £32,888 (2016 - loss £23,676).

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 and 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Directors' report (continued)

For the year ended 31 December 2017

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 each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves 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: 06/09/2018

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

Opinion

We have audited the financial statements of Yemen Gulf Line Limited for the year ended 31 December 2017, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the 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.



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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions 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 the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report by the Companies Act 2006

In the light of the 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 in relation to which 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 the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.



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

Responsibilities of directors for the financial statements

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, and for such internal control as the directors 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.

Auditor's 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 Auditor's 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Grant Thornton UK LLP

Richard Hagley BSC FCA (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London
Date: *6 September 2018*

Statement of comprehensive income

For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	4	983,498	1,326,852
Cost of sales		(890,123)	(1,230,224)
Gross profit		93,375	96,628
Administrative expenses		(60,487)	(120,304)
Operating profit/(loss)	5	32,888	(23,676)
Tax on profit/(loss)	7	-	-
Profit/(loss) for the financial year		32,888	(23,676)
Other comprehensive income for the year			
Total comprehensive income for the year		32,888	(23,676)

All amounts relate to continuing activities.

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

The notes on pages 9 to 14 form part of these financial statements.

Statement of financial position

As at 31 December 2017

	Note	2017 £	2016 £
Current assets			
Debtors: amounts falling due within one year	8	106,430	106,616
Cash at bank and in hand	9	55,771	44,504
		<u>162,201</u>	<u>151,120</u>
Creditors: amounts falling due within one year	10	(670,116)	(691,923)
Net current liabilities		<u>(507,915)</u>	<u>(540,803)</u>
Total assets less current liabilities		<u>(507,915)</u>	<u>(540,803)</u>
Net liabilities		<u>(507,915)</u>	<u>(540,803)</u>
Capital and reserves			
Called up share capital	11	100,000	100,000
Profit and loss account		(607,915)	(640,803)
Shareholders' deficit		<u>(507,915)</u>	<u>(540,803)</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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: 06/09/2018

The notes on pages 9 to 14 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	100,000	(640,803)	(540,803)
Comprehensive income for the year			
Profit for the year	-	32,888	32,888
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	32,888	32,888
At 31 December 2017	100,000	(607,915)	(507,915)

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)

The notes on pages 9 to 14 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2017

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 unless otherwise specified within these accounting policies 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 financial statements are presented in Sterling (£).

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 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 2017

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 Statement of financial position 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 Statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the Statement of comprehensive income. 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 2017

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.

	2017 £	2016 £
Outside UK	983,498	1,326,852

Turnover relates entirely to sales Made in the Middle East, to companies who fall within the HSA group of companies.

The company is part of, and related by common control to, the Hayel Saeed Anam (HSA) group of companies.

5. Operating profit/(loss)

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

	2017 £	2016 £
Auditor's remuneration	3,116	3,033
Net (gain)/loss on foreign currency translation	(58,366)	16,321
Pension costs	3,570	1,573

During the year, no director received any emoluments (2016 -£NIL).

6. Employees

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	63,945	54,135
Social security costs	3,929	6,111
Other pension costs	3,570	1,573
	71,444	61,819

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

	2017 No.	2016 No.
Operation and sales staff	1	1
Management and administration staff	1	1
	2	2

Notes to the financial statements

For the year ended 31 December 2017

7. Taxation

	2017 £	2016 £
Taxation on profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016 - higher than) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit/(loss) on ordinary activities before tax	32,888	(23,676)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	6,330	(4,735)
Effects of:		
Group relief	(6,330)	4,735
Total tax charge for the year	-	-

Factors that may affect future tax charges

	Unprovided 2017 £	Unprovided 2016 £
Unrelieved trade losses carried forward	(94,057)	(99,648)
Unrelieved capital losses carried forward	(162,011)	(162,011)
	(256,068)	(261,659)

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 2017

8. Debtors

	2017 £	2016 £
Trade debtors	-	255
Amounts owed by group undertakings	104,658	104,658
Other debtors	1,772	1,703
	<u>106,430</u>	<u>106,616</u>

9. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>55,771</u>	<u>44,504</u>

10. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	46,428	36,853
Amounts owed to group undertakings	612,031	643,696
Accruals and deferred income	11,657	11,374
	<u>670,116</u>	<u>691,923</u>

11. Share capital

	2017 £	2016 £
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 2017

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.

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 and ultimate controlling party is Capital House Investments Limited, incorporated in the Cayman Islands.