

**E D & F Man Terminals UK Limited**  
(formerly Westway Terminals UK Limited)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

3137807



# **E D & F MAN TERMINALS UK LIMITED (formerly Westway Terminals UK Limited)**

## **Directors**

P A M Verhaar  
P Holder  
G A van der Spek

## **Secretary**

St Pauls Secretaries Limited

1 St Pauls Square  
Old Hall Street  
Liverpool  
Merseyside  
L3 9SJ

## **Auditors**

Ernst & Young LLP  
100 Barbirolli Square  
Manchester  
M2 3EY

## **Bankers**

*JPMorgan Chase Bank N A*

125 London Wall  
London  
EC2Y 5AJ

*Lloyds TSB*

PO Box 72  
Bailey Drive  
Gillingham Business Park  
Kent  
ME8 0LS

## **Registered office**

1 St Pauls Square  
Old Hall Street  
Liverpool  
Merseyside  
L3 9SJ

## **Directors' Report**

The directors present their report and financial statements for the year ended 31 December 2012

### **Results and dividends**

The financial statements for the Company are shown on pages 7 to 16 The net profit for the year to 31 December 2012 after taxation amounted to £1,472,000 (2011 - £1,550,000)

The directors do not recommend a final dividend (2011 - £nil)

The financial statements are prepared in Sterling as this is the currency in which the majority of the Company's trading transactions are denominated

### **Principal activities, business review and future developments**

The Company's business activities, future developments and performance measurements are set out below

The principal activity of the Company is the provision of bulk liquid storage specialising in chemical and commodity markets The directors consider the future prospects of the Company are good

After the balance sheet date, on 4<sup>th</sup> January 2013, the Company transferred the assets and liabilities of two terminals (Liverpool Regents Road and Avonmouth) to Westway Holdings UK Limited through a dividend in kind Three terminals (Liverpool Sandhills, Grangemouth and Hull) remained in this company On 7<sup>th</sup> January 2013, the entire share capital of the Company was sold to Agman Investments Limited On 30<sup>th</sup> January 2013, the company was renamed as ED&F Man Terminals UK Limited Refer to note 17 for additional information

The Company monitors performance on an on-going basis The key performance indicator is considered to be profit after taxation

### **Principal risks and uncertainties**

The Company's business carries a number of risks and uncertainties including fluctuations in interest rates, counterparty risks, country risks and operational risks which include freight, insurance and legal risks The Company mitigates these risks where appropriate, by employing dedicated, in-house legal and insurance professionals, and through the group's internal audit function

### **Employees**

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that the appropriate training is arranged It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability

Consultation with employees or their representatives continues at all levels, with the aim of ensuring their views are taken into account when decisions are made which are likely to affect their interests

### **Donations**

During the year the Company did not made charitable donations (2011 - £nil) There were no political donations (2011 - £nil)

## **Directors' Report (continued)**

### **Directors**

The directors who held office during the year were as follows

E B van Holst (resigned 22 January 2013)  
C E McClain jr (resigned 22 January 2013)  
E L Mostertman (resigned 22 January 2013)

### **Disclosure of information to the auditors**

Having made enquiries of fellow directors and of the Company's auditors, the directors who were members of the board at the time of signing the directors' report confirms that, to the best of the directors' knowledge, there is no relevant audit information of which the Company's auditors are unaware. The directors have also taken all reasonable steps in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are also aware of that information.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors' to prepare financial statements for each financial year that 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors confirm that they have complied with these requirements.

### **Going concern**

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt a going concern basis in the financial statements.

## Directors' Report (continued)

### Auditors

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the members at the forthcoming Annual General Meeting

On behalf of the Board

P Holder  
Director

DATE 1 October 2013

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WESTWAY TERMINALS UK LIMITED (formerly Westway Terminals UK Limited)**

We have audited the company's financial statements for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 3, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## **Opinion on the financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 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.

## **Opinion on other matters 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

A handwritten signature in black ink, appearing to read 'Ernst & Young LLP', written in a cursive, stylized script.

Julian Yates, Senior Statutory Auditor  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
Manchester

Date 3 October 2013

**E D & F MAN TERMINALS UK LIMITED (formerly Westway Terminals UK Limited)**

**Profit and Loss Account**

For the year ended 31 December 2012

Company Number: 3137807

		Year to 31 December 2012	Year to 31 December 2011
	Notes	£'000	£'000
Turnover	1	7,177	7,096
- continuing operations		4,152	3,929
- discontinued operations		3,025	3,167
Cost of sales		(1,015)	(853)
- continuing operations		(818)	(799)
- discontinued operations		(196)	(54)
<b>Gross profit</b>		<b>6,162</b>	<b>6,243</b>
- continuing operations		3,334	3,130
- discontinued operations		2,828	3,113
Operating expenses		(4,394)	(4,312)
- continuing operations		(2,704)	(2,555)
- discontinued operations		(1,690)	(1,757)
<b>Operating profit</b>	2	<b>1,768</b>	<b>1,931</b>
- continuing operations		630	575
- discontinued operations		1,138	1,356
<b>Profit on ordinary activities before interest and taxation</b>		<b>1,768</b>	<b>1,931</b>
Interest receivable	5	35	37
<b>Profit on ordinary activities before taxation</b>		<b>1,803</b>	<b>1,968</b>
Taxation	6	(331)	(418)
<b>Profit for the year</b>		<b>1,472</b>	<b>1,550</b>

All disclosures relate only to continuing and discontinued operations

The Company has no recognised gains or losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented

Historical cost profits and losses are not materially different from those shown above



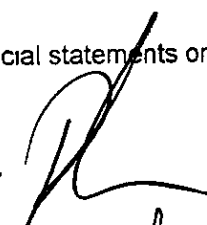
## Balance Sheet

At 31 December 2012

	Note	2012 £'000	2011 £'000
<b>Fixed assets</b>			
Tangible fixed assets	7	<u>4,315</u> 4,315	<u>4,614</u> 4,614
<b>Current assets</b>			
Stocks		59	33
Debtors	8	4,553	4,851
Cash at bank and in hand		<u>1,589</u> 6,201	<u>182</u> 5,066
<b>Creditors: amounts falling due within one year</b>	9	<u>(1,218)</u>	<u>(1,657)</u>
<b>Net current assets</b>		<u>4,983</u>	<u>3,409</u>
<b>Total assets less current liabilities</b>		9,298	8,023
Deferred tax	11	(432)	(629)
<b>Net assets</b>		<u>8,866</u>	<u>7,394</u>
<b>Capital and Reserves</b>			
Called up share capital	12	1,601	4,101
Profit and loss account	13	<u>7,265</u>	<u>3,293</u>
<b>Shareholders' funds</b>	14	<u>8,866</u>	<u>7,394</u>

The financial statements on pages 7 to 16 were approved by the Board and were signed on its behalf by

P Holder  
Director  
Date

  
1 October 2013

## Notes to the Financial Statements

### 1. Accounting policies

#### Basis of accounting

The financial statements are prepared under the historical cost and in accordance with the Companies Act 2006 and applicable UK accounting standards

#### Turnover

Turnover, all of which arises from continuing operations within the UK, represents amounts invoiced by the company in respects of goods, services and commissions, excluding value added tax

#### Cash flow statement

During the year, the Company was a wholly owned subsidiary undertaking of a parent, Westway Group Inc, which produces a consolidated cash flow. Subsequently, it is currently a wholly owned subsidiary undertaking of the ultimate parent, ED&F Man Holdings Limited, which produces a consolidated cash flow. Consequently the Company has taken advantage of the exemption in FRS 1 from preparing a cash flow statement

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or an average rate for the period. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account

#### Tangible fixed assets

Tangible fixed assets held for use are stated in the balance sheet at their cost or valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses

Depreciation is provided on a straight line basis to write off tangible fixed assets over their useful economic lives. The rates used are as follows:

Leasehold buildings	–	over 20 years,
Equipment and production plant	–	3 to 30 years,
Computer equipment	–	4 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

#### Trade and other debtors

Trade and other debtors are carried at the original invoice amount, less allowance for credit losses. Provision is made when there is objective evidence that the Company will be unable to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote

#### Trade and other creditors

Trade and other creditors are carried at payment or settlement amounts

## Notes to the Financial Statements (continued)

### 1. Accounting policies (continued)

#### Pensions

Certain of the Company's employees are members of a defined contribution occupational pension scheme, administered by E D & F Man Holdings Limited up to 31 December 2012

Company contributions are charged to the profit and loss account when they become payable

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### Leases

Operating lease rentals are charged to the profit and loss account over the term of the lease on a straight line basis

### 2. Operating profit

Operating profit is stated after charging

	Year to 31 December 2012 £'000	Year to 31 December 2011 £'000
Depreciation of owned tangible fixed assets	780	751
Auditors' remuneration – audit services – UK	23	23
Operating lease rentals – plant and machinery	21	14
– land and buildings	414	403

## Notes to the Financial Statements (continued)

### 3 Staff costs

	Year to 31 December 2012 £'000	Year to 31 December 2011 £'000
Wages and salaries	981	1,031
Social security costs	142	140
Pension costs	60	58
	<u>1,183</u>	<u>1,229</u>
	Number	Number
The average monthly number of employees during the year, including directors, was	<u>31</u>	<u>35</u>

### 4 Directors' remuneration

	Year to 31 December 2012 £'000	Year to 31 December 2011 £'000
Remuneration	-	93
Amounts charged in respect of pension schemes	-	4
	<u>-</u>	<u>97</u>
In respect of the highest paid director		
Remuneration	-	93
Amounts charged in respect of pension schemes	-	4
	<u>-</u>	<u>97</u>
	2012 Number	2011 Number
Members of money purchase pension schemes	<u>-</u>	<u>1</u>

E B van Holst, C F McClain jr and E L Mostertman were Directors of Westway Terminals UK Ltd and received remuneration from Westway Holdings Netherlands BV, Westway Group Inc and Westway Holdings Netherlands BV respectively. None of the Directors receives any remuneration in relation to their services to this company, due to the minimal amount of services performed on behalf of the entity.

### 5 Interest receivable

	Year to 31 December 2012 £'000	Year to 31 December 2011 £'000
Interest receivable on – loans to group undertakings	<u>35</u>	<u>37</u>

## Notes to the Financial Statements (continued)

### 6 Tax

#### (a) Tax on ordinary activities

		Year to 31 December 2012 £'000	Year to 31 December 2011 £'000
	Note		
UK corporation tax at 24.5% (2011– 26.5%)		515	558
Adjustments in respect of prior years		13	(36)
Current tax		<u>528</u>	<u>522</u>
Deferred taxation			
Origination and reversal of timing differences	11	(197)	(104)
Tax on ordinary activities		<u>331</u>	<u>418</u>

	Year to 31 December 2012 £'000	Year to 31 December 2011 £'000
Reconciliation of the taxation charge		
Profit before tax	<u>1,803</u>	<u>1,968</u>
Profit at UK tax rate of 24.5% (2011 – 26.5%)	442	522
Non deductible provision	-	-
Capital allowances lower than depreciation	68	33
Expenses not deductible for tax purposes	5	3
Adjustments in respect of prior years	13	(36)
Total current taxation	<u>528</u>	<u>522</u>

#### (b) Factors that may affect future tax charges

In his Budget of 20 March 2013 the Chancellor of the Exchequer announced certain changes which have an effect on the company's future tax position. The proposals included phased reductions in the corporation tax rate to 20% from 1 April 2015. The corporation tax rate was reduced to 24% from 1 April 2012 and the enactment of the 2012 Finance Bill confirmed a reduction to the corporation tax rate to 23% from 1 April 2013. In July 2013 the 2013 Finance Bill was enacted which confirmed further reductions to 21% from 1 April 2014 and 20% from 1 April 2015.

At the balance sheet date, only the reduction in the rate to 23% had been substantively enacted and therefore deferred tax has been provided for at this rate. The rate changes will also impact the amount of future cash tax payments to be made by the company.

The effect on the Company of these proposed changes to the UK tax system will be reflected in the Company's financial statements in future years as appropriate.

## Notes to the Financial Statements (continued)

## 7 Tangible fixed assets

	Land & Buildings Leasehold £'000	Equipment & Vehicles £'000	Total £'000
<b>Cost</b>			
At 1 January 2012	1,144	12,383	13,527
Additions	481	-	481
Reclasses	(497)	497	-
<b>At 31 December 2012</b>	<b>1,128</b>	<b>12,880</b>	<b>14,008</b>
<b>Accumulated depreciation</b>			
At 1 January 2012	691	8,222	8,913
Charge for the year	131	649	780
<b>At 31 December 2012</b>	<b>822</b>	<b>8,871</b>	<b>9,693</b>
<b>Net book value</b>			
<b>At 31 December 2012</b>	<b>306</b>	<b>4,009</b>	<b>4,315</b>
At 1 January 2012	453	4,161	4,614

The net book value of leasehold properties includes £305,644 (2011 - £453,465) in respect of leases with less than 50 years to run

## 8 Debtors

	2012 £'000	2011 £'000
Trade debtors	197	718
Amounts owed by group undertakings	3,057	3,236
Amounts from related parties	1,086	688
Prepayments	213	209
	<b>4,553</b>	<b>4,851</b>

## 9 Creditors – amounts falling due within one year

	2012 £'000	2011 £'000
Trade creditors	195	272
Amounts owed to group undertakings	181	144
Amounts due to related parties	-	-
Corporation tax	268	382
Other taxation and social security	300	393
Accruals and deferred income	275	466
	<b>1,219</b>	<b>1,657</b>

## Notes to the Financial Statements (continued)

### 10 Financial commitments

	Plant, Machinery and Cars		Land and Buildings	
	2012 £'000	2011 £'000	2012 £'000	2011 £'000
<b>Operating leases</b>				
Annual commitments at 31 December expiring				
Within one year	23	25	290	306
Between two and five years	4	27	1,160	1,160
After five years	-	-	563	853
	<u>27</u>	<u>52</u>	<u>2,013</u>	<u>2,319</u>

### 11 Provisions for liabilities and charges

	Deferred Taxation £'000
At 1 January 2012	629
Utilised during the year	(197)
<b>At 31 December 2012</b>	<u>432</u>

	2012 £'000	2011 £'000
<b>Analysis of deferred taxation</b>		
In respect of tax allowances over depreciation	432	629
	<u>432</u>	<u>629</u>

### 12 Share capital

#### Allotted, issued and fully paid:

	Number	2012 £'000	2011 £'000
Ordinary shares of £1	4,101,000	<u>1,601</u>	<u>4,101</u>

	2012 £'000
<b>At 1 January 2012</b>	4,101
Share capital reduction	(2,500)
<b>At 31 December 2012</b>	<u>1,601</u>

On 18<sup>th</sup> December 2012, a capital reduction of 2,500,000 ordinary shares with an aggregate nominal value of £2,500,000 was authorised by special resolution by the Board. The capital reduction was made in order to pay a dividend in kind to the immediate parent Westway Holdings UK Limited.

## Notes to the Financial Statements (continued)

### 13 Movements on reserves

	Profit and Loss £'000
At 1 January 2012	3,293
Share capital reduction	2,500
Profit for the year	1,472
At 31 December 2012	<u>7,265</u>

### 14 Reconciliation of movements in shareholders' funds

	Total Shareholders' Funds 2012 £'000	Total Shareholders' Funds 2011 £'000
Opening shareholders' funds	7,394	5,844
Profit for the year	1,472	1,550
Closing shareholders' funds	<u>8,866</u>	<u>7,394</u>

### 15 Related party transactions

The Company is a wholly owned subsidiary undertaking of a parent, Westway Group Inc. Consequently the Company has taken advantage of the exemption in FRS 8 not to disclose related party transactions with other wholly owned members of Westway Group Inc.

During the year the Company had the following related party transactions with related companies

#### E D & F Man Liquid Products UK Limited

Ultimately, E D & F Man Holdings Limited owns 49.5% of the ordinary shares in Westway Group Inc. Therefore, as a subsidiary of E D & F Holdings Limited, E D & F Man Liquid Products UK Limited is considered as a related party, because of its significant influence.

The company supplied storage services to the value of £2,742,843 (2011 - £2,501,106) and received administration services to the value of £33,888 (2011 - £50,762). The amount included in debtors was £571,686 (2011 - £355,669) and included in creditors £ nil (2011 nil).

#### Advanced Liquid Feeds

Ultimately, E D & F Man Holdings Limited owns 49.5% of the ordinary shares in Westway Group Inc. Therefore, as a subsidiary of E D & F Holdings Limited, Advanced Liquid Feeds Ltd is considered as a related party, because of its significant influence.

The company supplied storage services to the value of £1,237,397 (2011 - £1,195,196). The amount included in debtors was £514,232 (2011 - £332,011) and included in creditors £ nil (2011 £ nil).



## Notes to the Financial Statements (continued)

### 16 Ultimate parent undertaking

The immediate parent company since 7<sup>th</sup> January 2013 is Agman Holdings Limited

The ultimate parent undertaking is E D & F Man Holdings Limited, a company registered in the United Kingdom. The financial statements of E D & F Man Holdings Limited are available from

E D & F Man Holdings Ltd  
Cottons Centre  
Hay's Lane  
SE1 2QE London  
U K

### 17 Events after the balance sheet date

Subsequent to the year end, on 7<sup>th</sup> January 2013, the entire share capital of the Company was acquired by Agman Investments Limited. Immediately prior to the sale, a dividend in kind of £6.8m was transferred to the immediate parent undertaking, Westway Holdings UK Limited. The dividend mainly involved the assets and activities of two terminals, Liverpool Regents Road and Avonmouth.

On 30<sup>th</sup> January 2013, the company changed its name from Westway Terminals UK Limited to ED&F Man Terminals UK Limited.