

REGISTERED NUMBER: 10129074 (England and Wales)

REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
HEIDMAR UK TRADING LIMITED



G. George Associates Limited
Chartered Certified Accountants
and Statutory Auditors
12 Gateway Mews
Ring Way
London
N11 2UT

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2021

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors	3
Statement of Profit or Loss	7
Statement of Profit or Loss and Other Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Statement of Cash Flows	12
Notes to the Financial Statements	13

HEIDMAR UK TRADING LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 December 2021

DIRECTOR:	J Sims-Stirling
SECRETARY:	Cornhill Secretaries Limited
REGISTERED OFFICE:	5 Market Yard Mews 194-204 Bermondsey Street London SE1 3TQ
REGISTERED NUMBER:	10129074 (England and Wales)
AUDITORS:	G. George Associates Limited Chartered Certified Accountants and Statutory Auditors 12 Gateway Mews Ring Way London N11 2UT

REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 December 2021

The director presents his report with the financial statements of the company for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the commercial management of vessels sub chartered from the tanker pools within the Heidmar Group.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR

J Sims-Stirling held office during the whole of the period from 1 January 2021 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with UK-adopted international accounting standards. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



J Sims-Stirling - Director

20 December 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEIDMAR UK TRADING LIMITED

Opinion

We have audited the financial statements of Heidmar UK Trading Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Profit or Loss, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; 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 Auditors' 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 UK, including the FRC'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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEIDMAR UK TRADING LIMITED

Matters on which we are required to report by exception

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 Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEIDMAR UK TRADING LIMITED

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 a Report of the Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

-The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

-We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates. We further considered the risk of acts by the company that could be contrary to the applicable laws and regulations, including fraud. We assessed the extent of compliance with the laws and regulations identified through making enquiries of management and through our commercial knowledge and experience of the shipping industry.

-We considered the company's compliance with laws and regulations that have a significant impact on the financial statements including, but not limited to UK-adopted international accounting standards, Companies Act 2006 and UK tax legislation.

-We assessed the susceptibility of the company's financial statements to material misstatement due to non-compliance, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

-We addressed the risk of fraud through management bias and override of controls. Our procedures included, but were not limited to, performing analytical procedures to identify any unusual or unexpected relationships and testing journal entries to identify unusual transactions.

-In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing financial statement disclosures to underlying supporting documentation and enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed the laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEIDMAR UK TRADING LIMITED

Use of our report

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 a Report of the Auditors 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.



Philip Onissiphorou (Senior Statutory Auditor)
for and on behalf of G. George Associates Limited
Chartered Certified Accountants
and Statutory Auditors
12 Gateway Mews
Ring Way
London
N11 2UT

Date: 20/12/2022

HEIDMAR UK TRADING LIMITED (REGISTERED NUMBER: 10129074)

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 December 2021

	Notes	31.12.21 \$	31.12.20 \$
CONTINUING OPERATIONS			
Revenue		3,649,879	11,315,874
Cost of sales		<u>(3,649,879)</u>	<u>(11,315,874)</u>
GROSS PROFIT		-	-
Other operating income		2,464	18,703
Administrative expenses		<u>(15,496)</u>	<u>(18,204)</u>
OPERATING (LOSS)/PROFIT		<u>(13,032)</u>	<u>499</u>
(LOSS)/PROFIT BEFORE INCOME TAX	5	(13,032)	499
Income tax	6	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE YEAR		<u><u>(13,032)</u></u>	<u><u>499</u></u>

The notes form part of these financial statements

HEIDMAR UK TRADING LIMITED (REGISTERED NUMBER: 10129074)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 December 2021

	31.12.21 \$	31.12.20 \$
(LOSS)/PROFIT FOR THE YEAR	(13,032)	499
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(13,032)</u>	<u>499</u>

The notes form part of these financial statements

HEIDMAR UK TRADING LIMITED (REGISTERED NUMBER: 10129074)

STATEMENT OF FINANCIAL POSITION
31 December 2021

	Notes	31.12.21 \$	31.12.20 \$
ASSETS			
CURRENT ASSETS			
Trade and other receivables	7	550,230	1,004,143
Cash and cash equivalents	8	762	5,527
		<u>550,992</u>	<u>1,009,670</u>
TOTAL ASSETS		<u><u>550,992</u></u>	<u><u>1,009,670</u></u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	9	1	1
Retained earnings	10	(7,547)	5,485
TOTAL EQUITY		<u>(7,546)</u>	<u>5,486</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	558,538	1,004,184
TOTAL LIABILITIES		<u>558,538</u>	<u>1,004,184</u>
TOTAL EQUITY AND LIABILITIES		<u><u>550,992</u></u>	<u><u>1,009,670</u></u>

The financial statements were approved by the director and authorised for issue on 20 December 2022 and were signed by:



J Sims-Stirling - Director

The notes form part of these financial statements

HEIDMAR UK TRADING LIMITED (REGISTERED NUMBER: 10129074)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 December 2021

	Called up share capital \$	Retained earnings \$	Total equity \$
Balance at 1 January 2020	1	4,986	4,987
Changes in equity			
Total comprehensive income	-	499	499
Balance at 31 December 2020	1	5,485	5,486
Changes in equity			
Total comprehensive income	-	(13,032)	(13,032)
Balance at 31 December 2021	1	(7,547)	(7,546)

The notes form part of these financial statements

HEIDMAR UK TRADING LIMITED (REGISTERED NUMBER: 10129074)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 December 2021

		31.12.21	31.12.20
		\$	\$
Cash flows from operating activities			
Cash generated from operations	1	(4,765)	1,496
Net cash from operating activities		(4,765)	1,496
(Decrease)/increase in cash and cash equivalents		(4,765)	1,496
Cash and cash equivalents at beginning of year	2	5,527	4,031
Cash and cash equivalents at end of year	2	762	5,527

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 December 2021

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	31.12.21	31.12.20
	\$	\$
(Loss)/profit before income tax	(13,032)	499
Decrease in trade and other receivables	453,913	3,271,300
Decrease in trade and other payables	(445,646)	(3,270,303)
Cash generated from operations	(4,765)	1,496

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2021

	31.12.21	1.1.21
	\$	\$
Cash and cash equivalents	762	5,527

Year ended 31 December 2020

	31.12.20	1.1.20
	\$	\$
Cash and cash equivalents	5,527	4,031

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2021

1. STATUTORY INFORMATION

Heidmar UK Trading Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The functional currency of the Company and these statements are expressed in United States dollars ("US\$").

Status as a Principal

In 2021, the Company re-evaluated its status as an Agent on adoption of IFRS 15 for the tanker pools within the Heidmar group, versus a Principal. It was determined that the Company is a Principal, sub chartering vessels from the Heidmar Tanker pools, and performing voyages for third party customers.

Going concern

The financial statements have been prepared in accordance with the going concern basis of accounting. The Company is part of the Heidmar Inc. group and it is subject to financial support available to it from its parent and other group companies if required.

After making enquiries and in light of the above, together with the Company's results, financial position and the medium-term plans, the directors have reasonable expectations that the Company has adequate resources to continue operations for a period of at least twelve months from the date when the financial statements are authorized for issue. The going concern basis for these financial statements has therefore continued to be adopted.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 December 2021

2. ACCOUNTING POLICIES - continued

Revenue recognition

Revenue represents the amounts, excluding value added tax, derived from providing shipping services to customers during the year.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

Commission revenues are recognised when services are performed. The commission is a percentage of the gross revenue. The gross revenues are recognized as follows:

Voyage income on freight

Voyage income is recognised when services are rendered. Freight revenues from the operations of vessels are recognised in the period earned. Such revenues and the related operating costs, applicable to voyages in progress at the end of a reporting period, are recognised pro-rata over the estimated duration of the voyage on the percentage of completion method of accounting. With the adoption of IFRS 15, the company recognized freight revenue pro-rated based on a load port to discharge basis. Revenue earned on voyages in progress at the end of the reporting period but not yet billed is reflected on the accompanying balance sheets as unbilled receivables within other receivables and prepayments.

Voyage demurrage

Voyage demurrage is the amount charged to customers for exceeding free time allowed for taking delivery of a shipment from the shipping or transporting company's warehouse. It is recognised based on the excess time incurred at pre-determined contractual rates at the end of the voyage. Demurrage revenues from the operations of vessels are recognised in the period earned. Such revenues and the related operating costs, applicable to voyages in progress at the end of a reporting period, are recognised pro-rata over the estimated duration of the voyage on the percentage of completion method of accounting. With the adoption of IFRS 15, the company recognized demurrage revenue pro-rated based on a load port to discharge basis. Revenue earned on voyages in progress at the end of the reporting period but not yet billed is reflected on the accompanying balance sheets as unbilled receivables within other receivables and prepayments.

Voyage miscellaneous revenues

Voyage miscellaneous revenue is the income earned from deviations from each chartered voyage. It is recognised when services are rendered. Miscellaneous revenues from the operations of vessels are recognised in the period earned. Such revenues and the related operating costs, applicable to voyages in progress at the end of a reporting period, are recognised pro-rata over the estimated duration of the voyage on the percentage of completion method of accounting. With the adoption of IFRS 15, the company recognized miscellaneous revenue pro-rated based on a load port to discharge basis. Revenue earned on voyages in progress at the end of the reporting period but not yet billed is reflected on the accompanying balance sheets as unbilled receivables within other receivables and prepayments.

Cash and cash equivalents

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 December 2021

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. 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 Company after deducting all of its liabilities

Financial assets & liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. As at the year-end for 2020 and 2021, the Company held no external debt with third parties and holds no interest bearing debt. Financial assets and liabilities are limited to short term creditors realised over the usual course of operations.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Ifrs 15 revenue from contracts with customers

Company adopted IFRS15, Revenue from Contracts with Customers, for recognizing revenue and voyage expenses related to Time charter income. Revenue recognition as per IFRS 15 is based on principles that govern the recognition of revenue at an amount an entity expects to be entitled when products or services are transferred to customers.

Time charter income is comprised of freight, demurrage and miscellaneous revenue, where a contract is made in the spot market for the use of a vessel for a specific voyage for a specified charter rate. Revenue generated from voyage charter agreements is within the scope of IFRS 15. For vessels operating in the spot market, the company recognizes revenue 'over time' as the customer (i.e. the charterer) is simultaneously receiving and consuming the benefits of the vessel. The company considers that there is one performance obligation per voyage, inclusive of freight, demurrage and miscellaneous revenue.

Under IFRS 15, the performance obligation has been identified as the transportation of cargo from one point to another. Therefore, in a spot market voyage under IFRS 15, revenue is now recognized on a pro-rata basis commencing on the date that the cargo is loaded and concluding on the date of discharge.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 December 2021

2. ACCOUNTING POLICIES - continued

Financial instruments, financial risks and capital risks management

a. Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	31.12.21	31.12.20
	\$	\$
Financial assets		
Loans and receivables (including cash and cash equivalents)	550,992	1,009,670
Financial liabilities		
Amortised cost	558,538	1,004,184

b. Financial instruments subject to offsetting. Enforceable master netting arrangements and similar arrangements

The company does have trade financial instruments which are subject to offsetting, enforceable master netting arrangements or similar netting arrangements.

c. Financial risk management policies and objectives

The company's financial instruments include trade and other receivables and trade and other payables. The risk associated with these financial instruments includes interest rate risk, credit risk and liquidity risk. The company has adopted risk management policies which seek to mitigate these risks in a cost effective manner and to minimise their potential adverse effects on the financial performance of the company.

(i) Foreign exchange risk management

The company is not exposed to any significant foreign currency risk as the company mainly transacts in United States dollars ("US\$") which is the functional currency of the company.

(ii) Interest rate risk management

The company is not exposed to any significant interest rate risk as it does not have any significant interest-bearing financial investments.

(iii) Credit risk management

The company has no significant concentration of credit risk as the tanker pool companies have indemnified this entity against credit risk from the customer. The carrying amount of all other financial assets represents the maximum credit risk exposure of the company. The majority of the debtors are due to voyage expenses and are absorbed by the Pool companies.

(iv) Liquidity risk management

Liquidity risk reflects the risk that company will have inadequate resources to meet its financial liabilities as they fall due. Liquidity risk is managed by matching the payment and receipt cycle. The company's operations are financed mainly through equity and operating activities.

At 31 December 2021, the company has current assets below current liabilities by US\$7,546.

All the financial assets and financial liabilities as at 31 December, 2021 are interest-free and repayable on demand or due within one year from the end of the reporting period.

d. Capital risk management policies and objectives

The company manages its capital to ensure that it will be able to continue as a going concern. The capital structure of the company consists of issued capital and retained earnings.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 December 2021

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors consider there are no significant accounting judgements or estimates made in drawing these financial statements.

4. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2021 nor for the year ended 31 December 2020.

The average number of employees during the year was NIL (2020 - NIL).

	31.12.21	31.12.20
	\$	\$
Directors' remuneration	-	-
	<u> </u>	<u> </u>

5. (LOSS)/PROFIT BEFORE INCOME TAX

The loss before income tax (2020 - profit before income tax) is stated after charging:

	31.12.21	31.12.20
	\$	\$
Cost of inventories recognised as expense	3,649,879	11,315,874
	<u> </u>	<u> </u>

6. INCOME TAX

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2021 nor for the year ended 31 December 2020.

7. TRADE AND OTHER RECEIVABLES

	31.12.21	31.12.20
	\$	\$
Current:		
Trade debtors	524,172	1,001,792
Other debtors	24,018	2,351
VAT	2,040	-
	<u> </u>	<u> </u>
	550,230	1,004,143
	<u> </u>	<u> </u>

8. CASH AND CASH EQUIVALENTS

	31.12.21	31.12.20
	\$	\$
Bank accounts	762	5,527
	<u> </u>	<u> </u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 December 2021**

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31.12.21	31.12.20
Number:	Class:		\$	\$
1	Ordinary	\$1	1	1
			<u>1</u>	<u>1</u>

10. RESERVES

	Retained earnings \$
At 1 January 2021	5,485
Deficit for the year	(13,032)
At 31 December 2021	<u>(7,547)</u>

11. TRADE AND OTHER PAYABLES

	31.12.21	31.12.20
	\$	\$
Current:		
Trade creditors	522,150	-
Other creditors	205	416,451
Accrued expenses	36,183	587,733
	<u>558,538</u>	<u>1,004,184</u>

12. CONTINGENT LIABILITIES

On 5 March 2021, the company entered into a security agreement with the Macquarie Bank Limited to act as a pledgor for a working capital credit facility in the aggregate amount of initially US\$10,000,000 granted to Blue Fin Tankers Inc., an affiliated company incorporated under the laws of the Republic of Marshall Islands, under the common control of the ultimate holding company, Rhea Marine Ltd. The facility is secured by fixed charges over the whole assets and undertakings of the company. As at 31 December 2021 no amount was drawn down from the facility.

13. RELATED PARTY DISCLOSURES

Included in other debtors falling due within one year is an amount of \$24,018 (2020: \$nil) receivable from affiliates and holding companies. These amounts are unsecured, interest free and receivable on demand.

Included in trade creditors falling due within one year is an amount of \$509,908 (2020: \$nil) payable to affiliates and holding companies.

Included in other creditors falling due within one year is an amount of \$205 (2020: \$311,614) payable to affiliates and holding companies. These amounts are unsecured, interest free and repayable on demand.

Included in commission income is an amount of \$2,464 (2020: \$1,339) receivable from Pool Companies.

Included in other income is an amount of \$nil (2020: \$17,364) receivable from Pool Companies.

Included in time charter expenses is an amount of \$3,649,879 (2020: \$11,315,874) payable to Pool Companies.

HEIDMAR UK TRADING LIMITED (REGISTERED NUMBER: 10129074)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 December 2021

14. POST BALANCE SHEET EVENTS

On 27 July 2022, the company entered into a security agreement with the Macquarie Bank Limited to act as a pledgor for a working capital credit facility in the aggregate amount of initially up to US\$50,000,000 granted to Pool Companies under the common control of the ultimate holding company, Rhea Marine Ltd. The facility is secured by fixed charges over the whole assets and undertakings of the company. As at date of this report no amount was drawn down from the facility.

15. ULTIMATE CONTROLLING PARTY

As at 31 December, 2021, the Company was a wholly owned subsidiary of Heidmar Investments LLC formed in the Republic of the Marshall Islands. The Company's intermediate holding company was Heidmar Inc., a company incorporated in Liberia and redomiciled in the Republic of the Marshall Islands. The Company's ultimate holding company was Rhea Marine Ltd, a company incorporated in the Republic of the Marshall Islands.

The ultimate controlling party is Pankaj Ramesh Khanna, a non-UK resident individual.

16. AUDITORS' REMUNERATION

Fees payable to the auditor for the audit of the Company's financial statements was \$14,464(2020: \$14,586).

Fees payable to the auditor for the non-audit services to the Company relate to taxation compliance services and amounted to \$2,755 (2020: \$2,778).