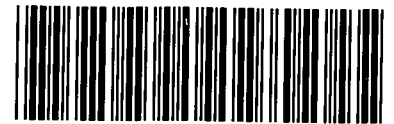


REGISTERED NUMBER: 02562245 (England and Wales)

**Report of the Directors and  
Audited Financial Statements  
for the Year Ended 31 December 2013  
for  
ABS Group Limited**

THURSDAY



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for the Year Ended 31 December 2013**

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**ABS Group Limited**  
**Company Information**  
**for the Year Ended 31 December 2013**

**DIRECTORS:** D A Walker  
D R Weinstein

**SECRETARIES:** M Mannix  
Ms S Barton

**REGISTERED OFFICE:** EQE House, The Beacons  
Warrington Road  
Birchwood  
Warrington  
Cheshire  
WA3 6WJ

**REGISTERED NUMBER:** 02562245 (England and Wales)

**AUDITORS:** Ernst & Young LLP, Statutory Auditor  
1 More London Place  
London  
SE1 2AF

**BANKERS:** Barclays Bank plc  
PO Box 35721 Level 27  
One Churchill Place London  
E14 5HP

**Report of the Directors  
for the Year Ended 31 December 2013**

The directors present their report with the financial statements of the Company for the year ended 31 December 2013.

**PRINCIPAL ACTIVITY**

The Company's principal activities in the period under review were providing third party inspection, verification, quality consulting and other technical services. The results for the year are set out on page 6 of the financial statements. During the year the Company operated through branches in the UK, Germany, Italy, France, Spain, the Netherlands, Denmark and Greece.

**DIRECTORS**

D A Walker has held office during the whole of the period from 1 January 2013 to the date of this report.

Other changes in directors holding office are as follows:

A Nassif - resigned 21 September 2013

D R Weinstein - appointed 4 November 2013

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities). 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 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 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are 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 each director 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.

**AUDITORS**

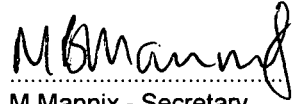
Ernst & Young LLP are deemed to be reappointed in accordance with an elective resolution made under section 386 of The Companies Act 1985 which continues in force under the Companies Act 2006.

**ABS Group Limited (Registered number: 02562245)**

**Report of the Directors  
for the Year Ended 31 December 2013**

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

**ON BEHALF OF THE BOARD:**

  
.....  
M Mannix - Secretary

Date: 16 JULY 2014

**Report of the Independent Auditors to the Members of  
ABS Group Limited (Registered number: 02562245)**

We have audited the financial statements of ABS Group Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 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 Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently, materially incorrect based on or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of  
ABS Group Limited (Registered number: 02562245)**

**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 the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in not preparing the Strategic Report.

*Ernst & Young LLP*

Denise Larnder (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
1 More London Place  
London  
SE1 2AF

Date: *21 July 2014*

**ABS Group Limited (Registered number: 02562245)**

**Profit and Loss Account  
for the Year Ended 31 December 2013**

	Notes	2013 £'000	2012 £'000
<b>TURNOVER</b>	3	7,505	5,189
Cost of sales		<u>5,754</u>	<u>4,116</u>
<b>GROSS PROFIT</b>		1,751	1,073
Administrative expenses		<u>978</u>	<u>876</u>
<b>OPERATING PROFIT</b>	4	773	197
Interest receivable and similar income		<u>13</u>	<u>-</u>
		786	197
Interest payable and similar charges		<u>-</u>	<u>32</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		786	165
Tax on profit on ordinary activities	6	<u>(134)</u>	<u>(172)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>920</u></u>	<u><u>337</u></u>

The notes form part of these financial statements



**ABS Group Limited (Registered number: 02562245)**

**Statement of Total Recognised Gains and Losses  
for the Year Ended 31 December 2013**

	2013 £'000	2012 £'000
<b>PROFIT FOR THE FINANCIAL YEAR</b>	920	337
Currency translation adjustments	(22)	57
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>898</u>	<u>394</u>

The notes form part of these financial statements

ABS Group Limited (Registered number: 02562245)

Balance Sheet  
31 December 2013

	Notes	2013 £'000	£'000	2012 £'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	8		8		3
Investments	9		-		-
			<u>8</u>		<u>3</u>
<b>CURRENT ASSETS</b>					
Deferred tax	10	313		172	
Debtors	11	13,048		13,340	
Cash at bank		243		203	
		<u>13,604</u>		<u>13,715</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	12	14,198		15,211	
<b>NET CURRENT LIABILITIES</b>					
			<u>(594)</u>		<u>(1,496)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u>(586)</u>		<u>(1,493)</u>
<b>PROVISIONS FOR LIABILITIES</b>					
	13		<u>174</u>		<u>165</u>
<b>NET LIABILITIES</b>					
			<u><u>(760)</u></u>		<u><u>(1,658)</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		1,767		1,767
Profit and loss account	15		(2,527)		(3,425)
<b>SHAREHOLDERS' FUNDS</b>					
			<u><u>(760)</u></u>		<u><u>(1,658)</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 16 July 2014 and were signed on its behalf by:

D A Walker  
D A Walker - Director

The notes form part of these financial statements

Notes to the Financial Statements  
for the Year Ended 31 December 2013

1. **GOING CONCERN**

The financial statements have been prepared on a going concern basis, notwithstanding the deficit on net assets. In the general interests of the Company, the parent company ABS Group Inc. has undertaken to continue to provide financial and other support to ABS Group Limited for at least the next 12 months from the signing of these accounts and thereafter for the foreseeable future to enable it to continue to trade.

2. **ACCOUNTING POLICIES**

**Basis of preparation**

As the Company is a wholly owned subsidiary of The American Bureau of Shipping, the Company has taken advantage of the exemption contained in Financial Reporting Standard (FRS) 8: 'Related Party Disclosures' and has therefore not disclosed transactions or balances with other wholly owned entities which form part of the group, or investees of the group qualifying as related parties. The American Bureau of Shipping produces consolidated financial statements. The address of the company can be found within note 17.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

Turnover, which is stated net of value added tax, represents the value of services provided to clients during the year, after provision for contingencies and anticipated future losses on contracts, including amounts not invoiced. The turnover and pre-tax profit is attributable to the provision of third party inspection, verification, quality consulting and other technical services to a broad range of clients in the energy sector.

**Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Computer equipment	-	over lower of 3 to 5 years or the lease term
Fixtures and fittings	-	10% Straight line

**Deferred tax**

A deferred tax asset is recognised in the accounts when there is reasonable certainty that at least some of the brought forward losses will be offset by future profits.

The charge for taxation is based on the profit for the year and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2013

2. ACCOUNTING POLICIES - continued

**Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Assets and liabilities in overseas branches are translated into Sterling at the rates of exchange ruling at the balance sheet date. Profit and loss accounts of such branches are translated at the average rates of exchange during the year. Any differences are taken to reserves and included in the Statement of Total Recognised Gains and Losses.

Intercompany balances are treated as monetary assets or liabilities. The revaluation of prior year balances is included in the Statement of Total Recognised Gains and Losses.

**Pensions**

The Company operates a defined contribution pension scheme. Contributions to this scheme are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

One employee participates in a defined benefit pension scheme operated by another group company, ABS Europe Limited, providing benefits based on final pensionable pay. The assets of the scheme are held in separate trustee administered funds. Contributions have been paid by ABS Group Limited to ABS Europe Limited. The required disclosure regarding these costs is included in the financial statements of ABS Europe Limited. The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

**Long term contracts**

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Payments on account in excess of turnover recognised are included in creditors within accruals and deferred income.

**Investments**

Investments are valued at the lower of cost and net realisable value.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2013

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the Company.

An analysis of turnover by geographical market is given below:

	2013	2012
UK	1.40%	2.02%
Europe	84.54%	77.66%
Rest of World	14.06%	20.31%
	<u>100.00%</u>	<u>100.00%</u>

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	2013 £'000	2012 £'000
Depreciation - owned assets	3	2
Pension costs	60	42
	<u>63</u>	<u>44</u>

	2013 £	2012 £
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

5. **AUDITORS' REMUNERATION**

	2013 £'000	2012 £'000
Fees payable to the Company's auditor for the audit of the Company's financial statements	28	23
	<u>28</u>	<u>23</u>

6. **TAXATION**

**Analysis of the tax credit**

The tax credit on the profit on ordinary activities for the year was as follows:

	2013 £'000	2012 £'000
Current tax:		
UK corporation tax	3	-
Overseas corporation tax	4	-
Total current tax	7	-
Deferred tax	(141)	(172)
Tax on profit on ordinary activities	<u>(134)</u>	<u>(172)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2013

6. TAXATION - continued

**Factors affecting the tax credit**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	<u>786</u>	<u>165</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.250% (2012 - 24.500%)	183	40
Effects of:		
Expenses not deductible for tax purposes	(1)	(2)
Capital allowances in excess of depreciation	(3)	(1)
Creation/(utilisation) of tax losses	(169)	(31)
Other timing differences	(7)	(6)
Overseas tax	4	-
	<u>7</u>	<u>-</u>
Current tax credit	<u>7</u>	<u>-</u>

**Factors that may affect future tax charges**

The Company has a recognised deferred tax asset of £312,965 (2012: £171,523) in respect of tax losses, accelerated capital allowances and other timing differences and an unrecognised deferred tax asset of £314,765 (2012: £713,069) in respect of tax losses. Legislation was introduced in Finance Act 2013 to reduce the main rate of corporation tax from 23% to 21% with effect from 1 April 2014, and from 21% to 20% with effect from 1 April 2015. The effect of these reductions is reflected in the recognised deferred tax asset of £312,965 and the unrecognised deferred tax asset of £314,765.

The Finance Bill 2014, published on 25 March 2014, confirms the UK government's previously stated intention to reduce the main rate of corporation tax to a uniform rate of 20% with effect from 1 April 2015.

7. REMUNERATION OF DIRECTORS

The directors spend the majority of their time managing other entities within the ABS group of companies. There was no remuneration from other entities recharged to the Company during 2013.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2013

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
<b>COST</b>			
At 1 January 2013	96	36	132
Additions	6	2	8
Exchange differences	1	-	1
	<hr/>	<hr/>	<hr/>
At 31 December 2013	103	38	141
<b>DEPRECIATION</b>			
At 1 January 2013	95	34	129
Charge for year	1	2	3
Exchange differences	1	-	1
	<hr/>	<hr/>	<hr/>
At 31 December 2013	97	36	133
<b>NET BOOK VALUE</b>			
At 31 December 2013	<u>6</u>	<u>2</u>	<u>8</u>
At 31 December 2012	<u>1</u>	<u>2</u>	<u>3</u>

9. FIXED ASSET INVESTMENTS

The Company's investments at the balance sheet date in the share capital of companies include the following:

**ABS Consulting (Hellas)**

Country of incorporation: Greece

Nature of business: Non-trading

Class of shares:	%
Ordinary	holding 100.00

The cost (£106,000) of the investment in ABS Consulting (Hellas) has been fully provided.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2013

10. DEFERRED TAX

	2013 £'000	2012 £'000
Deferred tax	313	172
Balance as at 1 January 2013		172
Credit/(charge) to profit and loss during the year		141
Balance as at 31 December 2013		313

The recognised deferred tax asset of £312,965 (2012: £171,523) comprises:

	2013 £'000	2012 £'000
Accelerated capital allowances	3	-
Other short term timing differences	6	-
Unrelieved trading losses	304	172
	313	172

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Trade debtors	860	732
Amounts owed by group undertakings	11,077	12,375
Amounts recoverable on contracts	1,022	159
Other debtors	89	74
	13,048	13,340

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Trade creditors	65	298
Amounts owed to group undertakings	13,546	14,695
UK corporation tax	3	-
Social security and other taxes	58	61
Accruals and deferred income	526	157
	14,198	15,211

13. PROVISIONS FOR LIABILITIES

	2013 £'000	2012 £'000
Other provisions		
Severance provision	174	165



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2013

13. PROVISIONS FOR LIABILITIES - continued

	Other provisions £'000
Balance at 1 January 2013	165
Provided during year	5
Exchange adjustments	4
	<hr/>
Balance at 31 December 2013	174
	<hr/> <hr/>

Provisions have been made for: the severance payment to the two employees of the Italian branch (£24k) as is required under Italian employment law; and for the purchase of a pension scheme for the three active employees of the Spanish branch.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2013	2012
Number:	Class:	Nominal value:	£'000	£'000
1,766,682	Ordinary	£1	1,767	1,767
			<hr/> <hr/>	<hr/> <hr/>

15. RESERVES

	Profit and loss account £'000
At 1 January 2013	(3,425)
Profit for the year	920
Exchange adjustment	(22)
	<hr/>
At 31 December 2013	(2,527)
	<hr/> <hr/>

16. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

The total pension cost for the year was £60,078 (2012: £42,183). Contributions unpaid but accrued at the balance sheet date were £6,052 (2012: £5,833).

One employee of the Company is a member of a defined benefit pension scheme providing benefits based on final pensionable pay operated by the related company, ABS Europe Limited. The employer pension costs have been paid by ABS Group Limited to ABS Europe Limited. The appropriate disclosures regarding these costs are included in the financial statements of ABS Europe Limited.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2013**

**17. ULTIMATE PARENT COMPANY**

The Company is a subsidiary undertaking of The American Bureau of Shipping, an entity incorporated by special statute in the United States of America.

The largest group in which the results of the Company are consolidated is that headed by The American Bureau of Shipping. The consolidated financial statements are available from the following address:

ABS Plaza  
16855 North Chase Drive  
Houston  
TX 77060  
USA

The smallest group in which they are consolidated is that headed by ABS Europe Limited, a company incorporated in the United Kingdom. The consolidated financial statements are available from the following address:

ABS Europe Limited  
No.1 Frying Pan Alley  
London  
E1 7HR  
United Kingdom