

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

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COMPANIES HOUSE

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS

A Agbabiaka
B Agbabiaka
M Agbabiaka
O Osinaike
T Aliyev (appointed 11 November 2013)

COMPANY SECRETARY

London Registrars Ltd

REGISTERED NUMBER

02090667

REGISTERED OFFICE

12 Sheet Street
Windsor
Berkshire
SL4 1BG

INDEPENDENT AUDITORS

Felton Pumphrey
Chartered Accountants & Registered Auditors
12 Sheet Street
Windsor
Berkshire
SL4 1BG

BANKERS

National Westminster Bank Plc
12 High Street
Windsor
Berkshire
SL4 1LQ

Barclays Bank Plc
Queensmere Shopping Centre
Slough
SL1 4SG

International Bank of Azerbaijan
Baku
Azerbaijan

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

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MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

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

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgments 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.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was freight forwarding.

BUSINESS REVIEW

Murphy Shipping has gone through a very difficult year, which will required the directors to evaluate our core competence with a view to change our mode of Business and the possibility of closing down some of our branches and subsidiaries. We will cut overheads by 40% to achieve sustainability and prepare for growth in new market sectors which should yield growth in 2013.

RESULTS

The loss for the year, after taxation, amounted to £345,290 (2011 - loss £191,542)

DIRECTORS

The directors who served during the year were

A Agbabiaka
B Agbabiaka
M Agbabiaka
O Osinaike

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

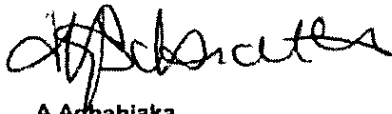
**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012**

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

This report was approved by the board on 10 March 2014 and signed on its behalf



A Agbabiaka
Director

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 6 to 17, together with the financial statements of Murphy Shipping & Commercial Services Limited for the year ended 31 December 2012 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts on pages 6 to 17 have been properly prepared in accordance with the regulations made under that section.

OTHER INFORMATION

On 11/3/14 we reported as auditors to the members of the company on the financial statements prepared under section 396 of the Companies Act 2006 and our audit report was as follows:

We have audited the financial statements of Murphy Shipping & Commercial Services Limited for the year ended 31 December 2012, set out on pages 5 to 19. 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, 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.

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

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 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.

BASIS OF ADVERSE OPINION ON FINANCIAL STATEMENTS

The company is required to prepare group accounts for the year. The company has several overseas subsidiaries and the preparation and audit of the financial statements of these companies has not been completed. These financial statements do not incorporate the results of these subsidiaries as this information is not available.

The company has a branch which operates in Azerbaijan. The audit of the branch accounts for the year ended 31 December 2012 has not been completed and we have had no access to the accounting information for the year ended 31 December 2012. The accounts do not therefore include any profit and loss items in respect of the branch. The following branch figures have been included within these accounts:

The profit and loss account includes branch turnover of £Nil (2011 £3,568,829), branch cost of sales of £Nil (2011 3,095,448), administration and other costs of £Nil (2011 £252,604) and a tax provision of £Nil (2011 £96,447). The balance sheet includes fixed assets of £62,394 (2011 £62,394), current assets of £2,150,737 (2011 £2,150,737), current liabilities of £374,536 (2011 £374,536) and long term liabilities of £105,778 (2011 £105,778).

We were unable to obtain sufficient appropriate audit evidence concerning these figures.

ADVERSE OPINION ON FINANCIAL STATEMENTS

In our opinion, because of the significance of the matters described in the Basis for Adverse Opinion paragraph, the financial statements:

- do not give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have not been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have not been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

Notwithstanding our adverse opinion on the financial statements, 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.

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**INDEPENDENT AUDITORS' REPORT TO MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

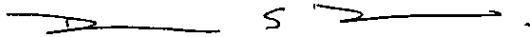
MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In respect solely of the limitation of our work referred to above

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit,
- we were unable to determine whether adequate accounting records have been kept, and
- returns adequate for our audit have not been received from branches not visited by us

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

- 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



Richard Rhodes (Senior statutory auditor)

for and on behalf of

Felton Pumphrey

Chartered Accountants

Registered Auditors

12 Sheet Street

Windsor

Berkshire

SL4 1BG

Date 11 March 2014

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
TURNOVER	1	884,187	5,272,729
GROSS PROFIT		495,245	1,147,866
Distribution costs		(747)	(150)
Administrative expenses		(838,684)	(1,223,756)
OPERATING LOSS	2	(344,186)	(76,040)
Interest payable and similar charges	5	(1,104)	(19,055)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(345,290)	(95,095)
Tax on loss on ordinary activities	6	-	(96,447)
LOSS FOR THE FINANCIAL YEAR	13	(345,290)	(191,542)

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

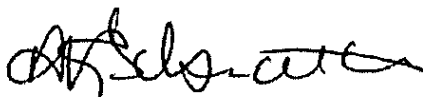
The notes on pages 9 to 17 form part of these financial statements

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED
REGISTERED NUMBER. 02090667

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	7		82,177		85,753
Investments	8		355,067		355,067
			<u>437,244</u>		<u>440,820</u>
CURRENT ASSETS					
Debtors amounts falling due after more than one year	9	482,206		482,206	
Debtors amounts falling due within one year	9	2,291,716		2,530,918	
Cash at bank and in hand		22,378		207,210	
		<u>2,796,300</u>		<u>3,220,334</u>	
CREDITORS , amounts falling due within one year	10	(1,840,829)		(1,973,149)	
NET CURRENT ASSETS			<u>955,471</u>		<u>1,247,185</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,392,715</u>		<u>1,688,005</u>
CREDITORS , amounts falling due after more than one year	11		(44,585)		5,415
NET ASSETS			<u><u>1,348,130</u></u>		<u><u>1,693,420</u></u>
CAPITAL AND RESERVES					
Called up share capital	12		75		75
Capital redemption reserve	13		25		25
Profit and loss account	13		1,348,030		1,693,320
SHAREHOLDERS' FUNDS	14		<u><u>1,348,130</u></u>		<u><u>1,693,420</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 10 March 2014



A Agbabiaka
Director

The notes on pages 9 to 17 form part of these financial statements

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	15	(55,882)	34,862
Returns on investments and servicing of finance	16	(1,104)	(19,055)
Taxation		-	(108,218)
Capital expenditure and financial investment	16	(2,875)	(716)
CASH OUTFLOW BEFORE FINANCING		<u>(59,861)</u>	<u>(93,127)</u>
Financing	16	-	(22,733)
DECREASE IN CASH IN THE YEAR		<u><u>(59,861)</u></u>	<u><u>(115,860)</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 £	2011 £
Decrease in cash in the year	(59,861)	(115,860)
Cash outflow from decrease in debt and lease financing	-	22,733
MOVEMENT IN NET DEBT IN THE YEAR	<u>(59,861)</u>	<u>(93,127)</u>
Net funds at 1 January 2012	83,275	176,402
NET FUNDS AT 31 DECEMBER 2012	<u><u>23,414</u></u>	<u><u>83,275</u></u>

The notes on pages 9 to 17 form part of these financial statements

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Going concern

The financial statements are prepared on a going concern basis

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, they continue to adopt the going concern basis of accounting in preparing the financial statements

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	-	20% straight line
Motor vehicles	-	33 3% straight line
Fixtures & fittings	-	15% straight line
Office equipment	-	15% straight line

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment

1.6 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1. ACCOUNTING POLICIES (continued)

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

2 OPERATING LOSS

The operating loss is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	6,451	24,680
Operating lease rentals		
- other operating leases	164,743	89,140
Difference on foreign exchange	(5,185)	11,004
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	277,188	387,344
Social security costs	29,582	31,765
Other pension costs	5,860	37,012
	<u> </u>	<u> </u>
	<u>312,630</u>	<u>456,121</u>

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

	2012 No.	2011 No
Operations	2	3
Warehouse	1	2
Drivers	3	3
Accounts	2	2
Admin & IT	2	2
Management	2	2
Baku Staff	10	10
	<u> </u>	<u> </u>
	<u>22</u>	<u>24</u>

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

4. DIRECTORS' REMUNERATION

	2012 £	2011 £
Remuneration	<u>25,105</u>	<u>25,104</u>
Company pension contributions to defined contribution pension schemes	<u>1,200</u>	<u>1,200</u>

During the year retirement benefits were accruing to 1 director (2011 - 1) in respect of defined contribution pension schemes

5. INTEREST PAYABLE

	2012 £	2011 £
On bank loans and overdrafts	<u>1,104</u>	<u>19,055</u>

6 TAXATION

	2012 £	2011 £
Foreign tax on income for the year	-	96,447
Tax on loss on ordinary activities	<u>-</u>	<u>96,447</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - *higher than*) the standard rate of corporation tax in the UK of 24 50% (2011 - 28%) The differences are explained below

	2012 £	2011 £
Loss on ordinary activities before tax	<u>(345,290)</u>	<u>(95,095)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 24 50% (2011 - 28%)	(84,596)	(26,627)
Effects of:		
Other	84,596	123,074
Current tax charge for the year (see note above)	<u>-</u>	<u>96,447</u>

Factors that may affect future tax charges

There are no factors that may affect future tax charges

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

7. TANGIBLE FIXED ASSETS

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Office equipment £
Cost				
At 1 January 2012	152,957	149,333	84,603	31,411
Additions	-	-	2,875	-
At 31 December 2012	<u>152,957</u>	<u>149,333</u>	<u>87,478</u>	<u>31,411</u>
Depreciation				
At 1 January 2012	152,957	102,399	60,553	16,642
Charge for the year	-	-	6,451	-
At 31 December 2012	<u>152,957</u>	<u>102,399</u>	<u>67,004</u>	<u>16,642</u>
Net book value				
At 31 December 2012	<u>-</u>	<u>46,934</u>	<u>20,474</u>	<u>14,769</u>
At 31 December 2011	<u>-</u>	<u>46,934</u>	<u>24,050</u>	<u>14,769</u>
				Total £
Cost				
At 1 January 2012				418,304
Additions				2,875
At 31 December 2012				<u>421,179</u>
Depreciation				
At 1 January 2012				332,551
Charge for the year				6,451
At 31 December 2012				<u>339,002</u>
Net book value				
At 31 December 2012				<u>82,177</u>
At 31 December 2011				<u>85,753</u>

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

8. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Loans to subsidiaries £	Total £
Cost or valuation			
At 1 January 2012 and 31 December 2012	40,299	314,768	355,067
Net book value			
At 31 December 2012	40,299	314,768	355,067
At 31 December 2011	40,299	314,768	355,067

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Murphy World Transport LLC - incorporated in Russia	Ordinary	100%
MGPS Project Services Limited - incorporated in Nigeria	Ordinary	100%
Murphy Shipping and Commercial Services Limited - incorporated in Turkmenistan	Ordinary	100%
Murphy International Bonded Warehouse JV - incorporated in Azerbaijan	Ordinary	90%

Information regarding the profit/loss for the year and the aggregate of share capital and reserves at the year end is not available

9. DEBTORS

	2012 £	2011 £
Due after more than one year		
Amounts owed by group undertakings	373,362	373,362
Other debtors	108,844	108,844
	<u>482,206</u>	<u>482,206</u>
Due within one year		
Trade debtors	905,333	1,172,296
Other debtors	1,384,735	1,358,622
Prepayments and accrued income	1,648	-
	<u>2,291,716</u>	<u>2,530,918</u>

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

10. CREDITORS.

Amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts	4,379	129,350
Trade creditors	1,181,111	1,150,445
Amounts owed to group undertakings	218,296	218,296
Other taxation and social security	323,749	261,679
Other creditors	47,912	49,764
Accruals and deferred income	65,382	163,615
	<u>1,840,829</u>	<u>1,973,149</u>

11. CREDITORS:

Amounts falling due after more than one year

	2012 £	2011 £
Other loans	(5,415)	(5,415)
Other creditors	50,000	-
	<u>44,585</u>	<u>(5,415)</u>

12. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
75 Ordinary £1 shares of £1 each	<u>75</u>	<u>75</u>

13. RESERVES

	Capital redempt'n reserve £	Profit and loss account £
At 1 January 2012	25	1,693,320
Loss for the financial year		(345,290)
At 31 December 2012	<u>25</u>	<u>1,348,030</u>

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	1,693,420	1,884,962
Loss for the financial year	(345,290)	(191,542)
Closing shareholders' funds	<u>1,348,130</u>	<u>1,693,420</u>

15. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating loss	(344,186)	(76,040)
Depreciation of tangible fixed assets	6,451	24,680
Profit on disposal of tangible fixed assets	-	(1,085)
Decrease in debtors	239,202	308,237
Increase/(decrease) in creditors	42,651	(242,853)
Increase in amounts owed to group undertakings	-	21,923
Net cash (outflow)/inflow from operating activities	<u>(55,882)</u>	<u>34,862</u>

16. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest paid	(1,104)	(19,055)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,875)	(1,801)
Sale of tangible fixed assets	-	1,085
Net cash outflow from capital expenditure	<u>(2,875)</u>	<u>(716)</u>
	2012 £	2011 £
Financing		
Repayment of other loans	-	(22,733)

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

17. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2012 £	Cash flow £	Other non-cash changes £	31 December 2012 £
Cash at bank and in hand	207,210	(184,832)	-	22,378
Bank overdraft	(129,350)	124,971	-	(4,379)
	<u>77,860</u>	<u>(59,861)</u>	<u>-</u>	<u>17,999</u>
Debt:				
Debts falling due after more than one year	5,415	-	-	5,415
	<u>83,275</u>	<u>(59,861)</u>	<u>-</u>	<u>23,414</u>
Net funds	<u><u>83,275</u></u>	<u><u>(59,861)</u></u>	<u><u>-</u></u>	<u><u>23,414</u></u>

18. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,860 (2011- £37,102). Contributions totalling 738 (2011 - £738) were payable to the fund at the balance sheet date and are included in creditors.

19. OPERATING LEASE COMMITMENTS

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2012 £	2011 £
Expiry date:		
Between 2 and 5 years	<u><u>47,500</u></u>	<u><u>47,500</u></u>

MURPHY SHIPPING & COMMERCIAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

20. RELATED PARTY TRANSACTIONS

As at the year end the Company owed £622,297 (2011 £621,036) to Murphy Shipping and Commercial Services Limited Nigeria, a company under the control of the Agbabiaka family

As at the year end the Company was owed £129,344 (2011 £120,759) by MGPS Project Services Limited and £46,496 (2011 £46,496) by Murphy Shipping and Commercial Services Limited in Turkmenistan, both subsidiary companies

During the year total transactions with MGPS Project Services Limited amounted to sales of £Nil (2011 £20,157) Total sales to Murphy Shipping and Commercial Services Limited in Turkmenistan amounted to £Nil (2011 £98,329) Transactions with Murphy Shipping and Commercial Services Limited Nigeria amounted to sales of £Nil (2011 £46,113) and purchases of £Nil (2011 £670,777) Transactions with Murphy International Bonded Warehouse JV amounted to sales of £Nil (2011 £63,297) At the year end debtors included £2,578 owing from the directors