

## **Everest Leasing Company Limited**

**Strategic Report, Directors' Report and Financial Statements  
for the year ended 31 December 2019**

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**Directors and advisors**

**Directors**

Simon Harding  
Pierre Jacqmarcq  
Michelle Mahmood

**Independent auditors**

PricewaterhouseCoopers LLP  
7 More London Riverside  
London SE1 2RT

**Registered Office**

Broadwalk House  
5 Appold Street  
London EC2A 2DA

**Bankers**

Credit Agricole CIB  
Broadwalk House  
5 Appold Street  
London EC2A 2DA

Crédit Agricole CIB S.A.  
12, place des Etats-Unis,  
CS 70052,  
92 547 Montrouge Cedex,  
France

## Strategic report for the year ended 31 December 2019

The directors present their strategic report on Everest Leasing Company Limited (the “company”) for the year ended 31 December 2019.

### Business Review

The principal activity of the company is to participate in marine leasing business. The company acts as both lessor and lessee for operating leases in respect of two vessels over a duration of 20 years.

The financial position of the entity at the year-end is set out in the balance sheet on page 9. The directors are satisfied with the financial position of the company at the year end, which is in line with planned activities and business model of the entity.

Following the outcome of the UK’s referendum on EU membership and the uncertainty whilst the UK negotiates its exit from the EU, the directors are reviewing the strategic options for the company in conjunction with the Credit Agricole CIB (“CACIB”) Group.

The directors have considered the impact of COVID-19 as part of their going concern review noted in the directors’ report.

The company made a loss of USD 699,061 (2018: USD 805,095).

### Principal risks and uncertainties

As part of the review, the directors have also considered the exposure of the company to a variety of risks and have various policies and procedures so as to mitigate or reduce these risks.

#### *Credit risk*

The most significant credit risk inherent in the company is the timely recovery of lease rentals from the lessee. This is closely monitored by the company as part of management’s credit control procedures.

The Company’s income is derived from the leases and so the ability of the lessee to pay the rentals has been assessed as part of the going concern review.

#### *Operational risk*

The company is aware that there are many risks of an operational nature both internal and external, which could affect its business. Procedures are in place to identify, monitor and report upon any incidences which may occur. This is a continuous process which receives an appropriate level of management attention.

#### *COVID-19*

As COVID-19 impacts the shipping industry it is therefore a risk to both the business and the lessee.

### Key performance indicators

Given the straight forward nature of the business and the information provided elsewhere in this report, the directors are of the opinion that the production of KPIs is not necessary for an understanding of the development, performance or position of the business.

Approved by the board of directors and signed on behalf of the board by:



Pierre Jacqmarcq

Director

20 July 2020

## **Directors' report for the year ended 31 December 2019**

The directors present their report and audited financial statements for the year ended 31 December 2019.

### **Going concern**

On the basis of current financial projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, the directors are that aware that the ongoing 2019 N-Coronavirus V pandemic is expected to affect an array of economic factors and have taken care to take this into consideration in the projections and accordingly the going concern basis is adopted in the preparation of the financial statements. The Company's income is derived from the leases and so the ability of the lessee to pay the rentals has been assessed as part of the going concern review. Currently, the Lessees have not been significantly affected by the outbreak of the pandemic, the exception being restrictions in relation to the changeover of crews and the timing of the maintenance of the vessels. As with other shipping companies, the Lessees are implementing cost-saving measures to reduce any cash burn during this period of forced, unprecedented inactivity in the global economy, however the business does not currently foresee any significant issues.

### **Financial performance**

During the year, no interim dividend was paid (2018: nil). The directors do not recommend the payment of a final dividend (2018: nil).

### **Financial risk management objectives and policies**

The principal risks and uncertainties are referred to in the strategic report on page 2.

### **Strategy and future development**

No significant change is anticipated to the company's principal business activity.

### **Directors**

The directors who were in office during the year and up to the date of signing the financial statements were:

Simon Harding  
Pierre Jacqmarcq (appointed 30 May 2019)  
Michelle Mahmood

### **Directors' indemnities**

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;

**Directors' report for the year ended 31 December 2019**

**Statement of directors' responsibilities in respect of the financial statements (continued)**

- make judgements and accounting estimates that are reasonable and prudent; 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for 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.

**Directors' confirmations**

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for 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.

**Independent auditors**

The company's incumbent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in the next financial year.

Approved by the board of directors and signed on behalf of the board by:



Pierre Jacqmarcq  
Director  
20 July 2020

## **Independent auditors' report to the members of Everest Leasing Company Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Everest Leasing Company Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Directors' Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2019; the profit and loss account, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## **Independent auditors' report to the members of Everest Leasing Company Limited**

### **Reporting on other information (continued)**

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### **Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements set out on page 3 to 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Mike Wallace (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

20 July 2020

**Profit and loss account for the year ended 31 December 2019**

	Note	2019 USD	2018 USD
Turnover	5	24,253,631	24,191,797
Cost of sales	6	(25,501,267)	(25,501,267)
<b>Operating loss</b>		<b>(1,247,636)</b>	<b>(1,309,470)</b>
Interest receivable and similar income	8	418,742	301,686
<b>Loss before taxation</b>		<b>(828,894)</b>	<b>(1,007,784)</b>
Tax on loss	9	129,833	202,689
<b>Loss for the financial year</b>		<b>(699,061)</b>	<b>(805,095)</b>

**Statement of Comprehensive income for the year ended 31 December 2019**

	2019 USD	2018 USD
<b>Loss for the financial year</b>	<b>(699,061)</b>	<b>(805,095)</b>
<b>Total comprehensive expense for the year</b>	<b>(699,061)</b>	<b>(805,095)</b>

The results of the company derive from continuing operations.

The notes on pages 11 to 17 form an integral part of the financial statements.

**Balance sheet as at 31 December 2019**

	Note	2019 USD	2018 USD
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	9,432,072	9,500,636
Debtors: amounts falling due after more than one year	10	30,026,468	34,355,503
Investments	11	19,394,386	15,880,056
		<u>58,852,926</u>	<u>59,736,195</u>
Creditors: amounts falling due within one year	12	(50,877)	-
<b>Net current assets</b>		<u>58,802,049</u>	<u>59,736,195</u>
<b>Total assets less current liabilities</b>		<u>58,802,049</u>	<u>59,736,195</u>
<b>Liabilities</b>	13	(47,814,691)	(48,049,776)
<b>Net Assets</b>		<u>10,987,358</u>	<u>11,686,419</u>
<b>Capital and reserves</b>			
Called up share capital	16	50,000	50,000
Profit and loss account		10,937,358	11,636,419
<b>Total shareholders' funds</b>		<u>10,987,358</u>	<u>11,686,419</u>

The financial statements on pages 8 to 17 were approved by the Board of Directors on 20 July 2020 and signed on its behalf by:-



Michelle Mahmood

Director

20 July 2020

**Statement of changes in Equity for the year ended 31 December 2019**

	<i>Called up share capital</i>	<i>Profit and loss account</i>	<i>Total shareholders' funds</i>
	<i>USD</i>	<i>USD</i>	<i>USD</i>
Balance as at 1 January 2018	50,000	12,441,514	12,491,514
Loss and total comprehensive expense	-	(805,095 )	(805,095)
Balance as at 31 December 2018	50,000	11,636,419	11,686,419
Balance as at 1 January 2019	50,000	11,636,419	11,686,419
Loss and total comprehensive expense	-	(699,061)	(699,061)
Balance as at 31 December 2019	50,000	10,937,358	10,987,358

## Notes to the financial statements for the year ended 31 December 2019

### 1. General Information

The principal activity of the company is to participate in marine leasing business. The company acts as both lessor and lessee for operating leases in respect of two vessels over a duration of 20 years.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Broadwalk House, 5 Appold Street, London EC2A 2DA.

### 2. Statement of compliance

The individual financial statements of Everest Leasing Company Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

### 3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

#### (b) Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company Crédit Agricole CIB S.A., includes the company's cash flows in its own consolidated financial statements.

The company is exempt from disclosing related party transactions under FRS 102 as they are with other companies that are wholly owned within the Group.

#### (c) Foreign currency

##### *Functional and presentation currency*

The company's functional and presentation currency is United States dollar ("USD"). It is also the currency in which the receipts from operating activities are usually retained. All monetary assets and liabilities in currencies, other than USD, are translated into USD at the rate of exchange prevailing at the balance sheet date. All transactions in currencies, other than USD, are translated into USD at the rate of exchange prevailing at the date of transaction..

#### (d) Taxation

##### (i) *Current tax*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the effective tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### (ii) *Deferred tax*

Deferred tax is recognised in respect of differences between the taxation and the accounting attributes of leasing transactions and on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

**Notes to the financial statements for the year ended 31 December 2019**

**3. Summary of significant accounting policies (continued)**

**(d) Taxation (continued)**

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

**(e) Revenue recognition**

**(i) Interest Income**

Interest income is recognised using the effective interest method. This method applies the effective interest rate to the carrying amount of the loan. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the loan to the carrying amount of the loan.

**(ii) Lease rental income/expense**

The company acts as a lessor and a lessee in marine leasing activities. Rentals received under operating leases are recognised in the profit and loss account on a straight line basis over the lease term. Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**(f) Financial liabilities**

The company has a debt financing facility with Credit Agricole CIB London Branch on a EURIBOR plus margin interest rate basis. This facility is currently undrawn.

**(g) Current asset investments - short term deposits**

The company carries current investments in short term deposits at amortised cost.

**(h) Initial direct costs**

Initial direct costs that are directly associated with negotiating and consummating leasing transactions such as commissions, arrangement fees, legal fees, costs of preparing and processing documents for new leases acquired are written off immediately to the Profit and Loss account.

Costs associated with arranging loan facilities for the lease such as premiums paid towards obtaining loan guarantees are apportioned over the term of the underlying loan facilities.

**(i) Finance costs**

After initial recognition, debt is reduced by repayments made in the period. Finance costs of debt are recognised in the profit and loss account over the term of such instruments.

**4. Critical accounting judgements and estimation uncertainty**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors' conclusion is that there are no critical judgements or assumptions.

**5. Turnover**

Turnover represents ship lease rental income receivable for the year.

Notes to the financial statements for the year ended 31 December 2019

6. Cost of sales

	2019 USD	2018 USD
Rentals paid	25,501,267	25,501,267
	<u>25,501,267</u>	<u>25,501,267</u>

7. Directors' remuneration, employee information and audit fees

The company employed no staff during the year (2018: None).

The directors did not receive any remuneration in respect of their services to the company during the year (2018: £Nil).

The auditors' remuneration in the current and prior year for the statutory audit of the company's financial statements (2019: £8,079; 2018: £7,150) is settled by Credit Agricole CIB Marine Leasing Holdings Limited, the company's immediate parent company. There were no non-audit services provided to the company during the current or prior year.

8. Interest receivable and similar income

	2019 USD	2018 USD
Interest receivable on current investments	<u>418,742</u>	<u>301,686</u>

9. Tax on loss

(a) Tax charge/(credit) included in profit and loss

	2019 USD	2018 USD
<i>Current tax:</i>		
UK Corporation tax on losses for the year	<u>105,252</u>	<u>(297,977)</u>
Total current tax	<u>105,252</u>	<u>(297,977)</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	<u>(235,085)</u>	<u>95,288</u>
Total deferred tax	<u>(235,085)</u>	<u>95,288</u>
<b>Tax credit on loss</b>	<u><b>(129,833)</b></u>	<u><b>(202,689)</b></u>

Notes to the financial statements for the year ended 31 December 2019

9. Tax on loss (continued)

(b) Reconciliation of tax charge

The tax assessed for the year is lower (2018: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2019 of 19.00% (2018: 19.00%).

The differences are explained below:

	2019 USD	2018 USD
Loss before tax	(828,894)	(1,007,784)
Loss multiplied by the standard rate of tax in the UK of 19.00% (2018: 19.00 %)	(157,490)	(191,479)
Effects of: Deferred tax liability brought forward at 17.00% used at 19% (2018: 19.00 %)	27,657	(11,210)
<b>Total tax credit for the year</b>	<b>(129,833)</b>	<b>(202,689)</b>

10. Debtors

	2019 USD	2018 USD
Group relief receivable	-	150,347
Lease rental receivable	5,024,211	5,011,168
Amounts owed by group undertakings	78,826	79,954
Prepayments and accrued income	34,355,503	38,614,670
	<b>39,458,540</b>	<b>43,856,139</b>

Amounts falling due after more than one year included above are:

	2019 USD	2018 USD
Prepayment of operating lease rentals	30,026,468	34,355,503
	<b>30,026,468</b>	<b>34,355,503</b>

Notes to the financial statements for the year ended 31 December 2019

11. Investments

	2019 USD	2018 USD
Short Term Deposits	19,394,386	15,880,056
	<u>19,394,386</u>	<u>15,880,056</u>

Investment in short term deposits is with a group undertaking and has an original maturity of 3 months or less. At the balance sheet date, the deposit has a maturity of 1 month and bears interest at 1.88% (2018: 2.32%)

12. Creditors: amounts falling due within one year

	2019 USD	2018 USD
Group relief payable	50,877	-
	<u>50,877</u>	<u>-</u>

13. Liabilities

The movement in the deferred tax liability during the year is analysed as follows: -

	2019 USD	2018 USD
Deferred tax liability at start of the year	48,049,776	47,954,488
Deferred tax charge for the year (Note 9)	(235,085)	95,288
Deferred tax liability at the end of the year	<u>47,814,691</u>	<u>48,049,776</u>

The UK corporation tax rate used by the company to compute the deferred tax liability at 31 December 2019 is 17% (2018: 17.00%). This is the average enacted or substantively enacted rate that is expected to apply when the deferred tax liability is settled.

The deferred tax represents the timing difference which results in the difference between the book value and tax written down value of the ships.

Notes to the financial statements for the year ended 31 December 2019

**14. Capital and other commitments**

As a lessee, the company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2019	2018
	USD	USD
Payments due		
Not later than 1 year	21,242,099	21,242,099
Later than one year and not later than 5 years	84,968,397	84,968,397
Later than 5 years	90,368,852	111,610,951
	<u>196,579,348</u>	<u>217,821,447</u>

**15. Operating leases**

Operating leases rental receivables - company as lessor

The future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2019	2018
	USD	USD
Not later than 1 year	23,904,578	23,875,487
Later than one year and not later than 5 years	95,734,675	95,501,949
Later than 5 years	101,854,885	125,484,713
	<u>221,494,138</u>	<u>244,862,149</u>

**16. Called up share capital**

	2019	2018
	USD	USD
<i>Authorised</i>		
50,000 (2018: 50,000) ordinary shares of US\$1 each	<u>50,000</u>	<u>50,000</u>
<i>Allotted, issued and fully paid</i>		
50,000 (2018: 50,000) ordinary shares of US\$1 each	<u>50,000</u>	<u>50,000</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

**17. Events since the balance sheet date**

Since the balance sheet date, there has been a global pandemic from the outbreak of Coronavirus which is causing widespread disruption to financial markets and normal patterns of business activity across the world. The Directors assess this event as to be a non-adjusting post balance sheet event. The Directors are not aware of the Lessees being significantly affected by the outbreak of the pandemic, with the exception that there have been restrictions in relation to the changeover of crews and the timing of the maintenance of the vessels. As with other shipping companies, the Lessees are implementing cost-saving measures to

**Notes to the financial statements for the year ended 31 December 2019**

reduce any cash burn during this period of forced, unprecedented inactivity in the global economy, however the business does not currently foresee any significant issues.

**18. Controlling parties**

The immediate parent undertaking is Credit Agricole CIB Marine Leasing Holdings Limited. The ultimate parent undertaking and controlling party is Crédit Agricole S.A., a company incorporated in France.

Crédit Agricole S.A. is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2019. The consolidated financial statements of Crédit Agricole S.A. are available from 12 place des États-Unis, 92545 Montrouge Cedex, France.

Crédit Agricole CIB S.A. is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Crédit Agricole CIB S.A. can be obtained from 12, place des Etats-Unis, CS 70052, 92547 Montrouge Cedex, France.