



# YORK SHIPPING LIMITED

Company registered in England and Wales Number 07900747

REPORT AND FINANCIAL STATEMENTS FOR THE  
PERIOD ENDED 31ST DECEMBER 2012

Registered Office Bridge House, 38 Medina Road, Cowes, Isle of Wight

TUESDAY



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#160

## **York Shipping Limited**

### **DIRECTORS**

R Wester  
P Jones

### **REGISTERED OFFICE**

Bridge House, 38 Medina Road  
Cowes PO31 7DA  
Isle of Wight

### **BANKERS**

National Westminster Bank  
3 Hampshire Business Park  
PO Box 462 Templars Way  
Chandlers Ford SO53 3RY

### **AUDITOR**

Grant Thornton UK LLP  
No 1 Dorset Street  
Southampton  
Hampshire  
SO15 2DP

### **SOLICITORS**

Eversheds LLP  
Central Square South  
Orchard Street  
Newcastle upon Tyne  
NE1 3XX

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**REPORT OF THE DIRECTORS**

For the period ended 31 December 2012

The directors submit their report and the financial statements of York Shipping Limited for the period since incorporation on 6th January 2012

**Principal activity**

The company took delivery of two ships on 2 March 2012 and operated them for the remainder of the period to 31 December 2012. In view of the likely sale of one vessel in 2013 a provision has been made for the expected book loss on this sale.

**Results and dividends**

The audited financial statements for the period ended 31 December 2012 are set out on pages 5 to 10. The loss for the period after taxation was €3,378,895. The directors do not recommend payment of a dividend.

**Going Concern**

The company is dependent upon the continuing financial support of its immediate parent company Cansbrooke Shipping Holdings Limited being made available to enable it to continue operating and to meet its liabilities as they fall due. The immediate parent company has confirmed its intention to provide sufficient funds for this purpose, for a period of not less than one year from the date on which the accounts are approved. On this basis (and considering the future trading prospects of the business), the directors consider that it is appropriate to prepare the accounts on a going concern basis. The accounts do not include any adjustments that would result from a withdrawal of this support.

**Directors**

The directors in office during the period were P Jones and R Wester.

**Statement of Directors' responsibilities**

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 those financial statements the directors are required to:

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

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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Small Company Provisions**

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

**Auditor**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

R Wester  
Director

Registered Office  
Bridge House, 38 Medina Road  
Cowes  
Isle of Wight  
PO31 7DA

Company Registration Number  
07900747 in England and Wales

Date 26/6/13

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORK SHIPPING LIMITED**

We have audited the financial statements of York Shipping Limited for the period ended 31 December 2012 which comprise the profit and loss account the balance sheet and the related notes

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 Directors' Responsibilities Statement set out on page 1 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**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 2012 and of its loss for the period 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

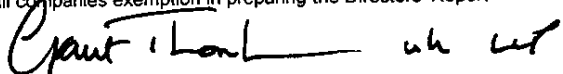
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements and the related notes

**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 preparing the Directors' Report



NORMAN ARMSTRONG  
SENIOR STATUTORY AUDITOR  
FOR AND ON BEHALF OF GRANT THORNTON UK LLP  
STATUTORY AUDITOR  
CHARTERED ACCOUNTANTS  
SOUTHAMPTON

Date 30 June 2013

## **ACCOUNTING POLICIES**

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### **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)

### **Reporting currency**

Since the company's earnings streams are primarily Euro, the Euro has been adopted as the reporting currency. The British Pound / Euro exchange rate applicable on 31 December 2012 was £1 / €1.2258

### **Turnover**

The Company generates turnover through its participation in a pool structure. Pool revenue is determined for each vessel in accordance with the profit sharing terms specified in each pool agreement.

Turnover is the revenue arising from the sales of services of gross freight. It is stated at the fair value of the consideration receivable by the Company in the ordinary course of business with outside customers, net of value added tax, rebates and discounts. Revenue from services provided by the Company is recognised when the Company has performed its obligations and in exchange obtained the right to consideration. Gross freight and related expenditure for trading and time charter motor vessel operations are accounted for on a daily basis as earned or incurred. Revenue is accrued or deferred according to the point of invoice.

### **Motor vessels**

Motor vessels are capitalised at cost and are stated at cost net of depreciation and of any provision for impairment.

### **Basis of Preparation**

In view of the current economic climate and the slower than expected rate of recovery evidenced within the commercial shipping sector, the Directors are conscious of the fact that the currently reduced day rates being achieved may be an indicator of impairment and have therefore. Recoverable amounts have been determined based on value in use calculations on a vessel by vessel basis, using cash flow projections based on forecasts that have been extended to cover four years and which are considerate of current trading conditions and the cyclical nature of the industry.

Cash flows are assumed to increase at an inflation rate of 2% per annum with growth of 3.5% per annum from 1 January 2017 reflecting long term expectations in those markets in which the group operates. Each vessel is assumed to have a useful economic life of 25 years and the average age of the fleet is 4 years. Whilst impairment models might not normally extend beyond a five year horizon, cash flow projections have been extended to the assumed 25 year life unless a shorter period is expected based on specific investment conditions.

The discount rate used is 10% reflecting the weighted average cost of capital and the risk factors specific to the group. The most significant assumptions used in calculating the value in use are the discount rate, the inflation rate, growth rate and the expectation of future earnings. In addition to reviewing the value in use calculations, external valuations have been obtained from an independent valuer.

As a consequence of the review and the expected sale of one of the company's assets for an amount below book value, an impairment charge of €1,748,770 has been recognised against one of the company's tangible assets.

### **Depreciation**

Depreciation is calculated to write down the cost less estimated residual value, assumed to be zero, of tangible fixed assets by equal instalments over their expected economic useful lives.

Depreciation of trading motor vessels is calculated to write off the cost of each vessel to nil on a straight-line basis over the expected useful life of each vessel. Each vessel is assumed to have a 25 year economic life from delivery and the cost of the vessel is amortised over the remainder of that year from purchase. Each year, the directors review the remaining economic life of all vessels to ensure depreciation is provided on the most appropriate basis.

### **Cashflow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cashflow statement on the grounds that the company is a small company.

## **ACCOUNTING POLICIES**

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### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

### **Survey Costs**

Survey expenses are charged in arriving at the operating results in the year in which they are incurred.

### **Financial instruments**

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**YORK SHIPPING LIMITED** (England and Wales registered company number 07900747)

**PROFIT AND LOSS ACCOUNT**

For the period from 6 January 2012 to 31 December 2012

	Note	Period to 31st December 2012 €'000
Turnover	1	5,137
Cost of sales		(5,426)
<b>Gross profit / (loss)</b>		<b>(289)</b>
Administrative expenses		(173)
Depreciation and provision for impairment	1	(2,586)
<b>Operating loss</b>		<b>(3,048)</b>
Interest payable	2	(328)
<b>Loss on ordinary activities before taxation</b>		<b>(3,376)</b>
Taxation on loss on ordinary activities	4	(3)
<b>Retained loss for the financial period</b>		<b>(3,379)</b>
<b>Statement of retained loss</b>		
Balance at incorporation		-
Retained loss for the period		(3,379)
<b>Balance at 31st December 2012</b>		<b>(3 379)</b>

All transactions arose from continuing operations

The company has no recognised gains or losses other than the result for the period accordingly no separate statement of total recognised gains and losses is presented

The accompanying accounting policies and notes form an integral part of these financial statements

**YORK SHIPPING LIMITED** (England and Wales registered company number 07900747)

**BALANCE SHEET**  
as at 31 December 2012

	Note	31 December 2012 €'000
<b>Fixed assets</b>		
Tangible fixed assets	5	12 497
<b>Current assets</b>		
Debtors amounts due within one year	6	800
<b>Current liabilities</b>		
Creditors amounts due within one year	7	(3,794)
<b>Net current liabilities</b>		(2,994)
<b>Total assets less current liabilities</b>		9 503
Creditors amounts due after more than one year	8	(6,906)
<b>Net assets</b>		2,597
<b>Capital and reserves</b>		
Called up share capital	9	5,976
Profit and loss account deficit	10	(3,379)
<b>Equity shareholders' funds</b>	10	2 597

The financial statements were prepared in accordance with the special provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board, and authorised for issue on 26/6/2013, and signed on its behalf by

R WESTER  
DIRECTOR

The accompanying accounting policies and notes form an integral part of these financial statements



**NOTES TO THE FINANCIAL STATEMENTS**  
for the period ended 31 December 2012

**1 Turnover and loss on ordinary activities before taxation**

The directors consider that the company is involved in one activity being the operation of two trading motor vessels. The directors consider that disclosure of the geographical market analysis would be seriously prejudicial to the interests of the company therefore this information is not provided.

	Period to 31st December 2012 €'000
Loss on ordinary activities before taxation is stated after charging	
Depreciation charge for the period - owned assets	837
Impairment charge for the period - owned assets	1,749
Auditors' remuneration - audit services	3

**2 Net Interest**

	Period to 31st December 2012 €'000
On bank loans	328

**3 Directors and employees**

The company had no employees and the directors received no remuneration during the period. The directors were remunerated by Carsbrooke Shipping Limited in the current and preceding years where their emoluments are disclosed. It is not practicable to allocate this between their services as directors of this company and other group companies.

**4 Tax on loss on ordinary activities**

	Period to 31st December €'000
The tax charge is based on the profit for the period and comprises	
Current period provision	3
Tax on loss on ordinary activities	3

The tax assessed for 2012 differs from the company rate of corporation tax in the UK of 24.5%. The differences are explained as follows:

	Period to 31st December €'000
Loss on ordinary activities before tax	(3,376)
Loss on ordinary activities multiplied by rate of corporation tax in the United Kingdom of 24.5%	(827)
Earnings on vessels assessable under tonnage tax	827
Tax on tonnage tax profits	3
Difference in tax rates / (marginal relief) / forex rates	(0)
Tax charge	3

**NOTES TO THE FINANCIAL STATEMENTS**  
for the period ended 31 December 2012

**5 Tangible fixed assets**

	Ship equipment €'000	Motor vessels €'000	Total €'000
<b>Cost or valuation</b>			
At incorporation	-	-	-
Additions	19	15,064	15,083
	<u>19</u>	<u>15,064</u>	<u>15,083</u>
At 31 December 2012			
	<u>19</u>	<u>15,064</u>	<u>15,083</u>
<b>Depreciation</b>			
At incorporation	-	-	-
Charge for period	-	837	837
Impairment	-	1,749	1,749
	<u>-</u>	<u>2,586</u>	<u>2,586</u>
At 31 December 2012			
	<u>-</u>	<u>2,586</u>	<u>2,586</u>
<b>Net book value</b>			
At incorporation	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2012			
	<u>19</u>	<u>12,478</u>	<u>12,497</u>

**6 Debtors**

	31 December 2012 €'000
<b>Amounts falling due within one year</b>	
Other Debtors	800
	<u>800</u>

**7 Creditors**

	31 December 2012 €'000
<b>Amounts falling due within one year</b>	
Instalments due on bank loans	1,063
Corporation tax	3
Amounts owed to associated undertakings	2,642
Accruals	86
	<u>3,794</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
for the period ended 31 December 2012

**8 Creditors**

	<b>31 December 2012 €'000</b>
<b>Amounts falling due after more than one year</b>	
Bank loans	6,906
	<u>6,906</u>
	<b>€'000</b>
Bank loans including current instalments are repayable as follows	
Within one year	1,063
After one and within two years	1,063
After two and within five years	5,843
After five years	-
	<u>7,969</u>

All bank loans have a limited guarantee in place and by indemnities provided by each of the underlying shareholders pro rata. The bank finance is secured by mortgages over both of the owned vessels.

**9 Called up share capital**

	<b>31 December 2012 €'000</b>
<b>Authorised</b>	
5,000,100 ordinary shares of £1.00	5,976
	<u>5,976</u>
	<b>€'000</b>
<b>Allotted, called up and fully paid</b>	
5,000,100 ordinary shares of £1.00	5,976
	<u>5,976</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
for the period ended 31 December 2012

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**10 Reconciliation of movements in Equity Shareholders Funds**

	Profit & Loss Account €'000	Share capital €'000	Total €'000
At incorporation	-	-	-
Movement during the period	(3 379)	5,976	2,597
At 31 December 2012	(3 379)	5,976	2,597

**11 Capital Commitments**

At 31st December 2012 the company has no capital commitments

**12 Related parties**

The company has taken advantage of the exemption contained in FRS 8 not to disclose transactions with other wholly owned members of the group

**13 Contingent liabilities**

There were no contingent liabilities at 31 December 2012

**14 Ultimate holding company and controlling party**

The immediate parent undertaking and ultimate controlling party of this company is Cansbrooke Shipping Holdings Limited a company incorporated in the United Kingdom

The smallest and largest group of undertakings for which group accounts have been drawn up is that headed by Cansbrooke Shipping Holdings Limited. Copies of the consolidated financial statements can be obtained from Bridge House, 38 Medina Road, Cowes, Isle of Wight PO31 7DA.