

Registered No. SC159842

Stirling Shipping Company Limited

Annual Report and Financial Statements

31 December 2015



Directors

J M Gellert
C Camburn

Secretary

S M Alais

Auditor

Ernst & Young LLP
One Cambridge Business Park
Cambridge CB4 0WZ

Bankers

DNB Bank ASA
8th Floor, The Walbrook Building,
25 Walbrook,
London EC4N 8AF

Solicitors

Monro Wright & Wasbrough LLP
7-8 Great James Street
London WC1N 3DF

Registered Office

C/o Stirling & Gilmour
Pavilion Court
45 Kilbowie Road
Clydebank
Dunbartonshire G81 1BL

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Strategic report

The directors present their Strategic report for the year ended 31 December 2015.

Principal activity and review of the business

The principal activity of the company is that of a parent undertaking. The only key performance indicators are deemed to be interest receivable, which amounted to £17,000 (2014 – £10,000), and income received from subsidiary undertakings which in the year was £3,900,000 (2014 - £nil).

Principal risks and uncertainties

Financial risks

The company is not subject to liquidity risk and is able to meet obligations associated with financial liabilities.

On behalf of the Board



C Camburn
Director

Date: 22 SEPTEMBER 2016

Registered No. SC159842

Directors' report

The directors present their report and financial statements for the year ended 31 December 2015.

Results and dividends

The profit for the year after taxation amounted to £3,918,000 (2014 – profit of £11,000). The directors declared and paid a dividend of £3,400,000 in the year (2014 – £nil).

Future development

The company will continue to act as a parent undertaking for the foreseeable future.

Directors

The directors who served the company during the year were as follows:

J M Gellert
C Camburn

Going concern

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue to operational existence for the foreseeable future. Accordingly they continue to adopt a going concern basis in preparing the annual report and financial statements.

Directors and officers indemnity insurance

The company has taken out insurance to indemnify, against third party proceedings, the directors of the company whilst serving on the board of the company and of any subsidiary, associate or joint venture. This cover, together with that taken out by certain subsidiaries, where relevant, indemnifies all employees of the group who serve on the boards of all subsidiaries, associates and joint ventures. These indemnity policies subsisted throughout the year and remain in place at the date of this report.

Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to reappoint Ernst & Young LLP as auditor will be put to the members at the Annual General Meeting.

On behalf of the Board



C Camburn
Director

Date: 20 SEPTEMBER 2016

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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) including FRS 102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland'. 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

Independent auditor's report

to the members of Stirling Shipping Company Limited

We have audited the financial statements of Stirling Shipping Company Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 16. 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) including FRS 102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland'.

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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 Annual Report and Financial Statements 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 misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland'; 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report

to the members of Stirling Shipping Company Limited (continued)

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.

Ernst & Young LLP

Rachel Wilden (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Cambridge

Date: *30 September 2016*

Income statement

for the year ended 31 December 2015

		2015	2014
	Notes	£000	£000
Turnover		–	–
Cost of sales		–	–
Gross profit		–	–
Operating income		1	1
Operating profit	2	1	1
Interest receivable and similar income	4	17	10
Income from group undertakings - dividend		3,900	–
Profit on ordinary activities before taxation		3,918	11
Tax on profit on ordinary activities	5	–	–
Profit for the financial year		3,918	11

All amounts for the year and prior year relate to the continuing operations of the company.

Statement of comprehensive income

for the year ended 31 December 2015

There is no other comprehensive income or loss, other than the profit attributable to the shareholders of the company, and therefore the total comprehensive income for the year amounts to £3,918,000 (2014 – £11,000).

Statement of changes in equity

for the year ended 31 December 2015

	<i>Called-up share capital £000</i>	<i>Share premium £000</i>	<i>Profit and loss account £000</i>	<i>Total equity £000</i>
At 31 December 2013	821	4,839	(414)	5,246
Profit for the year and total comprehensive income	—	—	11	11
At 31 December 2014	821	4,839	(403)	5,257
Profit for the year and total comprehensive income	—	—	3,918	3,918
Dividend paid	—	—	(3,400)	(3,400)
At 31 December 2015	821	4,839	115	5,775

Statement of financial position

at 31 December 2015

	Notes	2015 £000	2014 £000
Fixed assets			
Investments	7	352	352
Current assets			
Investments	8	602	4,918
Debtors	9	5,970	–
Cash at bank and in hand	10	41	1,177
		6,613	6,095
Creditors: amounts falling due within one year	11	(1,190)	(1,190)
Net current assets		5,423	4,905
Total assets less current liabilities, being net assets		5,775	5,257
Capital and reserves			
Called up share capital	12	821	821
Share premium account		4,839	4,839
Profit and loss account		115	(403)
Equity shareholders' funds		5,775	5,257

Approved and signed on behalf of the board



C Camburn
Director

Date: 22 SEPTEMBER 2016

Notes to the financial statements

at 31 December 2015

1. Accounting policies

Statement of compliance

Stirling Shipping Company Limited is a limited liability company incorporated in Scotland. The Registered Office is c/o Stirling & Gilmour, Pavilion Court, 45 Kilbowie Road, Clydebank, Dunbartonshire G81 1BL.

The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2015.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 14.

Basis of preparation and change in accounting policy

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The report and financial statements cover the year to 31 December 2015. The company's financial statements are presented in sterling which is the functional currency of the company.

As a qualifying entity (as defined by FRS 102) the company has taken advantage of the following disclosure exemptions:

- (a) The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
- (b) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- (c) The requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29.
- (d) The requirement of Section 33 Related Party Disclosures paragraph 33.7.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors are of the opinion that the key judgements and sources of estimation uncertainty in the preparation of these accounts were the following:

Key sources of estimation uncertainty

Impairment of investments in subsidiaries and amounts recoverable from group undertakings

Management evaluates the carrying amounts of the company's investments in subsidiary companies and also in amounts receivable from group undertakings to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any).

Going concern

At 31 December 2015 the company had net current assets of £5.4 million.

The financial statements have been prepared on a going concern basis which assumes that the company will continue to have sufficient funds to operate and to meet its liabilities and obligations for the foreseeable future. The company has sufficient current assets comprising cash and receivables that will allow the company to meet its liabilities as and when they become due. Therefore, the directors are satisfied that the company is a going concern.

Notes to the financial statements

at 31 December 2015

1. Accounting policies (continued)

In making their assessment the directors take into account all available information about future events which is at least but not limited to 12 months from the date the financial statements are approved and signed.

Group financial statements

In accordance with the exemption granted by section 401 of the Companies Act 2006 the company has not prepared group financial statements. Stirling Shipping Company Limited's results are included within the group financial statements (prepared under US GAAP) of the company's ultimate parent undertaking and controlling party SEACOR Holdings Inc.

These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash at bank and in hand

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Investments

Fixed asset investments represent investments in the company's subsidiaries. These are shown at cost less any provision for impairment.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

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

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

Functional currency

The directors have determined both the functional and presentational currency of the company to be £GBP.

Foreign currencies

Transactions denominated in foreign currencies are recorded in sterling at the actual exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the income statement.

2. Operating profit

Auditor's remuneration for the audit of the financial statements is borne by another group undertaking in both the current and prior year.

Notes to the financial statements

at 31 December 2015

3. Directors' remuneration

The company had no employees during 2015 and 2014 and no director received any remuneration or pension contributions from the company for the year or the prior year.

All directors of the company are also directors of other group undertakings. The directors received total remuneration (from other group undertakings) for the year of £1,027,027 (2014 – £815,318). The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the other group undertakings. No director was a member of a pension scheme to which the company contributes in either the current or prior year.

	2015 No.	2014 No.
Number of directors who received shares in respect of qualifying services	–	–
Number of directors who exercised share options over shares in the ultimate parent undertaking	1	2
Number of directors accruing benefits under defined benefit pension schemes	–	–
Number of directors accruing benefits under defined contribution pension schemes*	1	1

*contributions paid by another group company

4. Interest receivable and similar income

	2015 £	2014 £
Bank interest receivable	12	10
Interest receivable on intercompany balances	5	–
	17	10

5. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2015 £000	2014 £000
Current tax:		
UK corporation tax on the profit for the year	–	–
Total current tax	–	–
Deferred tax:		
Origination and reversal of timing differences	–	–
Total tax on profit on ordinary activities	–	–

Notes to the financial statements

at 31 December 2015

5. Tax (continued)

(b) Factors affecting the total tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.25% (2014 – 21.5%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	3,918	11
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 – 21.5%)	793	2
<i>Effects of:</i>		
Income not taxable	(790)	–
Effects of group relief/other reliefs	(3)	(2)
Total tax for the year (note 5(a))	–	–

(c) Factors that may affect future tax charges

In his budget of 8 July 2015, the Chancellor of the Exchequer announced a reduction in the corporation tax rate to 19% for the Financial Year beginning 1 April 2017 and a further reduction to 18% for the Financial Year beginning 1 April 2020. These changes received Royal Assent on 18 November 2015. As these changes were substantively enacted at the balance sheet date, deferred tax has been calculated accordingly in these financial statements.

The Finance Bill 2016 provides for a further reduction in the corporation tax rate to 17% for the Financial Year beginning 1 April 2020. This change was substantially enacted on 6 September 2016. As this rate was not substantively enacted at the balance sheet date it has not been reflected in these financial statements. The impact of the future rate change is not considered to be material.

6. Dividends

The dividend paid per share in the year was 4.14p per share (2014: £nil).

Notes to the financial statements

at 31 December 2015

7. Investments

	<i>Subsidiary undertakings £000</i>
Cost	
At 1 January 2015	3,071
Disposal	<u>(2,719)</u>
At 31 December 2015	<u>352</u>
Impairment	
At 1 January 2015	2,719
Disposal	<u>(2,719)</u>
At 31 December 2015	<u>–</u>
Carrying value at 31 December 2015	<u>352</u>
Carrying value at 1 January 2015	<u>352</u>

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

<i>Subsidiaries</i>	<i>Percentage of equity owned</i>	<i>Nature of business</i>	<i>Country of incorporation</i>
Stirling Offshore Limited	100%	Ship owning	Scotland
Stirling Marine Limited	100%	Liquidated	Scotland

Stirling Marine Limited was liquidated during the year.

8. Current asset investments

	<i>2015 £000</i>	<i>2014 £000</i>
Short term deposits	<u>602</u>	<u>4,918</u>

The short term deposits were transferrable into cash within one day of instructing the financial intermediary. The deposits were held with JP Morgan limited.

9. Debtors

	<i>2015 £000</i>	<i>2014 £000</i>
Amount due from group undertakings	<u>5,970</u>	<u>–</u>

Notes to the financial statements

at 31 December 2015

10. Cash at bank and in hand

	2015	2014
	£000	£000
Cash at bank and in hand	41	1,177

11. Creditors: amounts falling due within one year

	2015	2014
	£000	£000
Amounts due to group undertakings	1,190	1,190

12. Issued share capital

	No.	2015 £000	No.	2014 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	551,044	551	551,044	551
'A' ordinary shares of £1 each	236,162	236	236,162	236
'B' ordinary shares of £1 each	33,477	34	33,477	34
	820,683	821	820,683	821

The Ordinary shares, 'A' Ordinary shares and 'B' Ordinary shares rank pari passu in all respects and carry one vote per share.

There was no movement in issued share capital in the current or previous year.

13. Equity reserves

Called-up share capital represents the nominal value of shares that have been issued.

Share premium account includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account includes all current and prior period retained profits and losses.

14. Transition to FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. On adoption of FRS 102 there were no recognition or measurement adjustments and hence a reconciliation of equity as at 1 January 2014 or 31 December 2014 has not been presented.

Notes to the financial statements

at 31 December 2015

15. Related party transactions

The company has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the group wholly owned by Seacor Holdings Inc.

16. Ultimate parent undertaking and controlling party

In the directors' opinion the company's ultimate parent undertaking and controlling party is SEACOR Holdings Inc., which is incorporated in the USA. SEACOR Holdings Inc. is the largest and smallest group for which group financial statements are prepared. Copies of its group financial statements, which include the company, are available from 2200 Eller Drive, Fort Lauderdale, Florida 33316.

The company's immediate parent undertaking is Stirling Shipping Holdings Limited. Stirling Shipping Holdings Limited has not prepared group financial statements having taken advantage of the exemption available under section 401 of the Companies Act 2006.