

AarhusKarlshamn Hull Limited

Annual report for the year ended 31 December 2015

Registered Number 2193829



AarhusKarlshamn Hull Limited

Annual report

for the year ended 31 December 2015

Contents

Directors' report for the year ended 31 December 2015	1
Independent auditors' report to the members of AarhusKarlshamn Hull Limited	3
Income statement for the year ended 31 December 2015	5
Statement of comprehensive income for the year ended 31 December 2015	5
Statement of financial position as at 31 December 2015	6
Statement of changes in equity for the year ended 31 December 2015	7
Notes to the financial statements for the year ended 31 December 2015	8

AarhusKarlshamn Hull Limited

Directors' report for the year ended 31 December 2015

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2015

Principal activities and business review

The business did not trade in the year and is unlikely to do so in the future.

Results and dividends

The loss for the year amounted to £70,000 (2014: loss £128,000). The directors do not recommend the payment of an ordinary dividend (2014: £nil). The preference shareholders have waived their right to the preference dividends of £262,500 (2014: £262,500) in respect of the year ended 31 December 2015.

Financial risk management

In the opinion of the directors the company's operations do not expose it to any material financial risks in areas such as market price risk, credit risk, liquidity risk or interest rate risk.

Directors

The directors who held office during the year and up to the date of this report are given below:

T A Stephenson
DP Taylor

Independent Auditors

In the absence of any notice proposing to terminate their appointment, PricewaterhouseCoopers LLP will be deemed to be reappointed for the next financial year. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

AarhusKarlshamn Hull Limited

Directors' report for the year ended 31 December 2015 (continued)

Statement of directors' responsibilities (continued)

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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

The directors who hold office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and they have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

On behalf of the Board

A handwritten signature in black ink, appearing to read 'DP Taylor', with a long horizontal flourish extending to the right.

DP Taylor
Director
22 September 2016

Independent auditors' report to the members of AarhusKarlshamn Hull Limited

Report on the financial statements

Our opinion

In our opinion, AarhusKarlshamn Hull Limited's financial statements (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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the statement of financial position as at 31 December 2015;
- the income statement and statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exemptions to report arising from this responsibility.

Independent auditors' report to the members of AarhusKarlshamn Hull Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Peter Adams (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Hull
22 September 2016

AarhusKarlshamn Hull Limited

Income Statement for the year ended 31 December 2015

	Note	2015 £'000	2014 £'000
Administration expenses		-	(7)
Other operating income		1	1
Profit/(loss) on ordinary activities before taxation		1	(6)
Tax on profit/(loss) on ordinary activities	4	(71)	(122)
Loss for the financial year after taxation		(70)	(128)

There is no difference between the profit /(loss) on ordinary activities before taxation and the loss for the financial statements above for 2014 under FRS 101 and that presented in the 2015 financial statements under UK GAAP.

Statement of Comprehensive Income for the Year Ended 31 December 2015

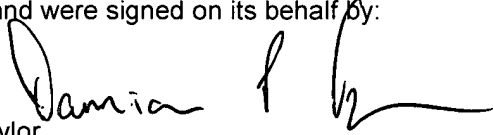
	2015 £'000	2014 £'000
Loss for the year	(70)	(128)
Total comprehensive income for the year	(70)	(128)

AarhusKarlshamn Hull Limited

Statement of Financial Position as at 31 December 2015

	Note	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Current assets					
Debtors	7	9,414		9,413	
Creditors: amounts falling due within one year	8	(1,114)		(1,043)	
Net current assets			8,300		8,370
Total assets less current liabilities			8,300		8,370
Creditors: amounts falling due after more than one year	8		(7,000)		(7,000)
Net assets			1,300		1,370
Capital and reserves					
Called up share capital	9		1,500		1,500
Profit and loss account			(200)		(130)
Total Shareholders' funds			1,300		1,370

The financial statements on pages 5 to 14 were approved by the board of directors on 22 September 2016 and were signed on its behalf by:


 DP Taylor
 Director
 AarhusKarlshamn Hull Limited
 Registered no: 2193829

AarhusKarlshamn Hull Limited

Statement of Changes in Equity for the year ended 31 December 2015

	Called up share capital £'000	Profit and loss account £'000	Total shareholders ' funds £'000
Balance at 1 January 2014	1,500	(2)	1,498
Loss for the year	-	(128)	(128)
Balance at 1 January 2015	1,500	(130)	1,370
Loss for the year	-	(70)	(70)
Balance as at 31 December 2015	1,500	(200)	1,300

The profit and loss account represents accumulated comprehensive income for the year and prior periods.

AarhusKarlshamn Hull Limited

Notes to the financial statements for the year ended 31 December 2015

1. General information

AarhusKarlshamn Hull Limited ("the Company") no longer trades. The Company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is King George Dock, Hull, HU9 5PX.

2. Accounting policies

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.

Basis of accounting

The financial statements of AarhusKarlshamn Hull Limited have been prepared in accordance with The Companies Act 2006 as applicable to companies using Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). FRS 101 sets out a reduced disclosure framework for a "qualifying entity" as defined in the standard which addresses the financial reporting requirements and disclosure exemption in the individual statements of qualifying entities that otherwise apply the recognition measurement and disclosure requirements if EU adopted IFRS.

The Company is a qualifying entity for the purposes of FRS 101. Note 10 gives details of the company's ultimate parent and from where its consolidated financial statements prepared in accordance with EU adopted IFRS may be obtained.

These are the first financial statements of the company prepared in accordance with FRS 101. The company's date of transition into FRS 101 is January 2014. The company has notified its shareholders in writing about, and they do not object to, the use of the disclosure exemptions used by the company in these financial statements.

FRS 101 sets out amendments to EU-adopted IFRS that are necessary to achieve compliance with the Act and related Regulations. The impact of these to the company's previously adopted accounting policies in accordance with UK GAAP on the shareholders equity at the date of transition and as at 31 December 2014 and on the profit or loss for the year ended 31 December 2014 is disclosed in note 11.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IAS 7, 'Statement of cash flows'
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 10 (f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 16 (statement of compliance with all IFRS)
 - 38A (requirement for minimum of two primary statements, including cash flow statements)
 - 38B-D (additional comparative information)
 - 40A-D (requirement for a third statement of financial position)
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)

AarhusKarlshamn Hull Limited

Notes to the financial statements

For the year ended 31 December 2015 (Continued)

2 Accounting policies (Continued)

Basis of accounting (continued)

- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraphs 6 to 21 of IFRS 1, 'First time adoption of International Financial Reporting Standards' (requirement to present an opening Statement of Financial Position at the date of transition).
- IFRS 7 'Financial Instruments: Disclosures'
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) Paragraph 79(a)(iv) of IAS 1;
 - (ii) Paragraph 73(e) of IAS 16 Property, plant and equipment
 - (iii) Paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The financial statements have been prepared under the historical cost convention. A summary of the more important accounting policies is set out below.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Going concern

The company no longer trades although it receives support from its Parent company. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Consolidation

The company is a wholly owned subsidiary of Karlshamns UK Holdings Limited. The company's ultimate parent company is AAK AB. It is included in the consolidated financial statements of AAK AB, which are publicly available. Therefore the company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2015 (Continued)

3. Critical accounting estimates and judgements

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 Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment in the carrying amounts of assets and liabilities within the next financial year.

4. Operating profit

	2015 £'000	2014 £'000
(Loss)/profit on ordinary activities before taxation is stated after crediting		
Profit on sale of tangible assets	-	1

In 2015 and 2014 auditors' remuneration was borne by AAK (UK) Limited.

5. Directors' and employees

The directors received no emoluments in respect of services to the company during the financial year (2014: £nil) and the company had no employees in either year.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2015 (Continued)

6. Tax on profit / (loss) on ordinary activities

	2015	2014
	£'000	£'000
Current tax		
UK corporation tax charge on profit / (loss) for the year	70	70
Adjustment in respect of previous years	1	52
Tax charge	71	122

Factors affecting the tax charge for the year:

The current tax charge is higher (2014: higher) than the standard rate of corporation tax in the UK 20.25% (2014: 21.50%). The differences are explained below:

Profit/(loss) on ordinary activities before taxation	1	(6)
Expected tax charge at 20.25% (2014: 21.50%)	-	(1)
Transfer pricing adjustments	70	71
Adjustment in respect of previous years	1	52
Total tax	71	122

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased from 21% to 20% from 1 April 2015.

During the year the main rate of corporation tax reduced from 21% to 20% from 1 April 2015. The main rate of corporation tax will further reduce to 19% from 1 April 2017 and reduce again to 18% from 1 April 2019. The relevant deferred tax balances have been remeasured

7. Debtors

	2015	2014
	£'000	£'000
Amounts owed by group undertakings	9,414	9,413

Amounts owed by group companies are interest free, carry no security and are repayable on demand.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2015 (Continued)

8. Creditors

Amounts falling due within one year	2015 £'000	2014 £'000
Amounts owed to group undertakings	1,041	972
Corporation taxation	71	69
Accrued expenses and prepaid income	2	2
	1,114	1,043

Amounts owed to group undertakings are interest free, carry no security and are repayable on demand.

Amounts falling due after more than one year	2015 £'000	2014 £'000
7,000,000 (2014: 7,000,000) redeemable preference shares of £1 each	7,000	7,000
	7,000	7,000

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2015 (Continued)

8 Creditors (continued)

The following is a summary of the rights under the company's articles of association relating to voting, income, capital, conversion and redemption rights which attach to the preference shares.

Voting

The preference shares shall entitle the holders to receive notice of but shall not entitle the holders to attend and vote at any general meeting of the company unless:

the preference dividend shall be in arrears for at least six months, or
the company shall have defaulted in its redemption obligations, or
the business of the meeting includes a resolution for the winding up of the company.

In the event of the above the preference shareholder will be entitled to one vote for every preference share held by him.

Income

The preference shares carry the right to a fixed annual cumulative preferential dividend of 3.75p (net) payable in arrears in equal instalments on 1 January and 1 July each year. The preference shareholders have waived their right to the dividends of £262,500 in respect of the year ended 31 December 2015.

Capital

The preference shares rank ahead of the ordinary shares on a winding up or other return of capital (other than by purchase or redemption of shares) in respect of £1 per share together with any arrears and accruals of dividend at the date of the repayment.

Conversion

The preference shares are non-convertible.

Redemption

Subject to the provisions of the Companies Act, the company may at any time on giving no less than thirty days notice in writing, redeem all or any of the Preference Shares. On 31 December 2095 the company shall redeem any shares remaining in issue and outstanding on that date. The preference shares so redeemed shall be redeemed at £1 per share together with any arrears or accruals of dividend to the date of redemption.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2015 (Continued)

9 Called up share capital

	2015	2014
	£'000	£'000
Authorised and allotted:		
1,500,000 (2014:1,500,000) ordinary shares of £1 each	1,500	1,500

10 Ultimate and immediate parent undertaking

The largest and smallest higher Group of undertakings for which Group financial statements are drawn up and of which the Company is a member is AAK AB (formerly AarhusKarlshamn AB), a company incorporated in Sweden, the address of which is AAK AB, Skeppsgatan 19, SE-211 19 Malmö, Sweden. The company's ultimate parent and controlling party is also AAK AB.

The Company's immediate parent Company and controlling party is Karlshamns UK Holdings plc, a company registered in England and Wales.

The Company's ultimate parent Company and controlling party is AAK AB, a Company incorporated in Sweden, the address of which is AAK AB, Skeppsgatan 19, SE-211 19 Malmö, Sweden.

11 Transition to FRS 101

There has been no impact on the Income Statement or the Statement of Comprehensive Income resulting from the adoption of FRS 101 *Reduced Disclosure Framework* for the year ended 31 December 2014.

There has been no impact on total equity as at 1 January 2014 and 31 December 2014 resulting from the adoption of FRS 101 *Reduced Disclosure Framework*. As a result, a reconciliation of the profit for the financial year ended 31 December 2014 and of total equity as at 1 January 2014 and 31 December 2014 has not been presented.