

AarhusKarlshamn Hull Limited

Annual report for the year ended 31 December 2014

Registered Number 2193829



AarhusKarlshamn Hull Limited

Annual report

for the year ended 31 December 2014

Contents

Directors' report for the year ended 31 December 2014	1
Independent auditors' report to the members of AarhusKarlshamn Hull Limited	3
Profit and loss account for the year ended 31 December 2014	5
Balance sheet as at 31 December 2014	6
Notes to the financial statements for the year ended 31 December 2014	7

AarhusKarlshamn Hull Limited

Directors' report for the year ended 31 December 2014

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2014. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities and business review

The business did not trade in the year and sold its last remaining plot of land at the Wincolmlee site.

Results and dividends

The loss for the year amounted to £128,000 (2013: profit £56,000). The directors do not recommend the payment of an ordinary dividend (2013: £nil). The preference shareholders have waived their right to the preference dividends of £262,500 (2013: £262,500) in respect of the year ended 31 December 2014.

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
DM Craven (resigned 30/09/2014)
DP Taylor (appointed 30/09/2014)

Statement of Directors' responsibilities in respect of the directors' report and financial statements

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- 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.

AarhusKarlshamn Hull Limited

Directors' report for the year ended 31 December 2014 (continued)

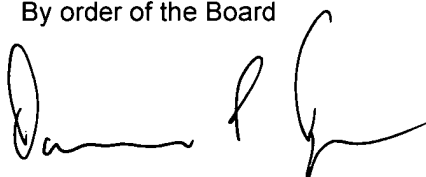
Independent Auditors

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.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board

A handwritten signature in black ink, appearing to be 'DP Taylor', written over a horizontal line.

DP Taylor
Director
1 June 2015

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 2014 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

AarhusKarlshamn Hull Limited's financial statements comprise:

- the profit and loss account for the year then ended;
- the balance sheet as at 31 December 2014; 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 applicable law and United Kingdom Accounting Standards (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 from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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 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) ("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 Directors' 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 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
1 June 2015

AarhusKarlshamn Hull Limited

Profit and loss account for the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Administration expenses		(7)	(13)
Other operating income		1	117
(Loss)/profit on ordinary activities before taxation		(6)	104
Tax on (loss)/profit on ordinary activities	4	(122)	(48)
(Loss)/profit for the financial year after taxation	9	(128)	56

There is no significant difference between the loss on ordinary activities before taxation and the loss for the year and their historical cost equivalents.

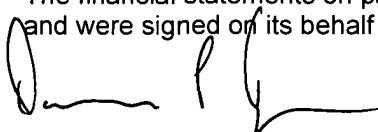
The company has no recognised gains and losses other than the loss above and therefore no separate statement of total recognised gains and losses has been presented.

AarhusKarlshamn Hull Limited

Balance sheet as at 31 December 2014

	Note	2014 £'000	2014 £'000	2013 £'000	2013 £'000
Fixed assets					
Tangible assets	5		-		29
Current assets					
Debtors	6	9,413		9,383	
Creditors: amounts falling due within one year	7	(1,043)		(914)	
Net current assets			8,370		8,469
Total assets less current liabilities			8,370		8,498
Creditors: amounts falling due after more than one year	7		(7,000)		(7,000)
Net assets			1,370		1,498
Capital and reserves					
Called up share capital	8		1,500		1,500
Profit and loss account	9		(130)		(16)
Revaluation reserve	9		-		14
Total Shareholders' funds	10		1,370		1,498

The financial statements on pages 7 to 16 were approved by the board of directors on 1 June 2015 and were signed on its behalf by:



DP Taylor
Director
AarhusKarlshamn Hull Limited
Registered no: 2193829

AarhusKarlshamn Hull Limited

Notes to the financial statements for the year ended 31 December 2014

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost accounting rules, as modified for the revaluation of certain fixed assets.

Cash flow statement

Under Financial Reporting Standard 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of a group whose consolidated financial statements are publicly available.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings 4 %

No depreciation is provided on freehold land.

Deferred taxation

Deferred tax is recognised in respect of 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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets relating to the carry forward of unused tax losses are recognised to the extent that it can be regarded as more likely than not that future taxable profits will be available against which the unused tax losses can be utilised.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2014 (Continued)

2. (Loss)/profit on ordinary activities before taxation

	2014 £'000	2013 £'000
<hr/> (Loss)/profit on ordinary activities before taxation is stated after crediting		
Profit on sale of tangible assets	1	117

In 2014 and 2013 auditors' remuneration was borne by AAK (UK) Limited (formerly AarhusKarlshamn UK Limited).

3. Directors' and employees

The directors received no emoluments in respect of services to the company during the financial year (2013: £nil) and the company had no employees in either year.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2014 (Continued)

4. Tax on profit on ordinary activities

	2014	2013
	£'000	£'000
UK corporation tax at 21.49% (2013: 23.25%)	70	23
Adjustment in respect of previous years	52	25
Tax charge	122	48

Factors affecting the tax charge for the year:

The current tax charge is higher (2013: higher) than the standard rate of corporation tax in the UK 21.49% (2013: 23.25%). The differences are explained below:

(Loss)/profit on ordinary activities before taxation	(6)	104
Expected tax charge at 21.49% (2013: 23.25%)	(1)	24
Expenses not deductible for tax purposes	71	(1)
Adjustment in respect of prior years	52	25
Current tax	122	48

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2014 (Continued)

5. Tangible assets

	Freehold land and buildings £'000
Cost or valuation	
At 1 January 2014	29
Disposals	(29)
At 31 December 2014	-
Accumulated depreciation	
At 1 January 2014 and 31 December 2014	-
Net book amount	
At 31 December 2014	-
At 31 December 2013	29

The gross book value of freehold land and building includes £nil (2013: £29,000) of land that is not depreciated.

6. Debtors

	2014	2013
	£'000	£'000
Amounts owed by group undertakings	9,413	9,383

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 2014 (Continued)

7. Creditors

Amounts falling due within one year	2014	2013
	£'000	£'000
Amounts owed to group undertakings	972	864
Corporation taxation	69	48
Accrued expenses and prepaid income	2	2
	1,043	914

Amounts owed to group undertakings are interest free and repayable on demand.

Amounts falling due after more than one year	2014	2013
	£'000	£'000
7,000,000 (2013: 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 2014 (Continued)

7 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 2014.

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 2014 (Continued)

8 Called up share capital

	2014	2013
	£'000	£'000
Authorised and allotted:		
1,500,000 (2013: 1,500,000) ordinary shares of £1 each	1,500	1,500

9 Movement on reserves

	Profit and loss £'000	Revaluation Reserve £'000	Total £'000
At 1 January 2014	(16)	14	(2)
Loss for the financial year	(128)	-	(128)
Reserves transfer	14	(14)	-
At 31 December 2014	130	-	(130)

10 Reconciliation of movements in shareholders' funds

	2014	2013
	£'000	£'000
Opening shareholders' funds	1,498	1,442
(Loss)/profit for the financial year	(128)	56
Closing shareholders' funds	1,370	1,498

11 Related party disclosures

The company has taken advantage of the exemption under FRS 8, 'Related Party Disclosures' not to disclose related party transactions with fellow group companies. The exemption is available as it is a wholly owned subsidiary and its financial information is included in the consolidated financial statements of the ultimate parent company (see note 12).

AarhusKarlshamn Hull Limited

Notes to the financial statements

For the year ended 31 December 2014 (Continued)

12 Cash Flow Statement

The company is a wholly owned subsidiary company of a group headed by AAK AB (formerly AarhusKarlshamn AB), a company incorporated in Sweden and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996) 'Cash flow statements'.

13 Ultimate and immediate parent undertaking

The largest 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.