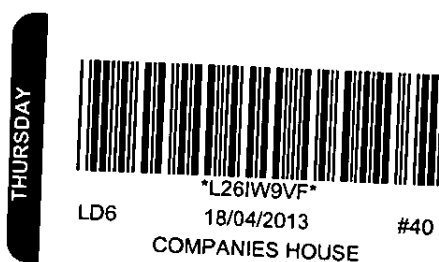


**CMA CGM (UK) Shipping Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2012**

**Registered Number: 2475827**



# CMA CGM (UK) Shipping Limited

## Annual report and financial statements for the year ended 31 December 2012

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# **CMA CGM (UK) Shipping Limited**

## **Directors' report for the year ended 31 December 2012**

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2012

### **Business review and principal activities**

As a ship operator, CMA CGM (UK) Shipping Limited ("the Company") supplies container shipping services worldwide. The Company also acts as general agents in the United Kingdom for its ultimate parent company, CMA CGM SA.

The profit before tax for the year was £13,591,000 (2011 £10,353,000). This was achieved on sales of £211,510,000 (2011 £311,086,000). The net tax charge for the year, including the Company's obligation under tonnage tax, was £701,000 (2011 £375,000).

The Company has fixed assets with a net book value of £116,996,000 (2011 £187,640,000) and net assets of £138,166,000 (2011 £125,276,000).

### **Business environment**

Seven container ships, trading worldwide on scheduled container services, were operated by the Company during the year. Three of the ships owned and operated by the company, CMA CGM Wagner, CMA CGM Strauss and CMA CGM Verdi, were sold during the year. The result from the shipping operations has reflected the improved trading conditions that have been experienced generally throughout the industry during 2012. This has led to increasing volumes and freight rates for the Company resulting in the margin increasing from 8% to 15% giving a profit before tax of £13,174,000 (2011 £10,390,000).

The results of the Company's UK agency operations were similarly affected with agency revenue of £12,545,000 (2011 £11,154,000) leading to a net profit before tax of £417,000 (2011 loss of £37,000).

### **Strategy**

In order to maintain the profitability of shipping operations, vessel employment is under constant review and a programme is underway to reduce operating costs. UK agency operations are expected to remain profitable.

### **Treasury policy**

The Group, of which the Company is a member, through its central treasury activities seeks to reduce financial risk, ensure sufficient liquidity and manage daily cash requirements.

### **Key performance indicators**

The group's directors use a range of key performance indicators to measure the business. The set of key performance indicators are constantly reviewed and change over time with the development of the business. The range of measures include:

- Ship operations: average freight rates and contribution per container carried by vessels, fixed costs and capacity utilisation per vessel voyage
- Agency operations: numbers of staff and their productivity measured by containers per head

# **CMA CGM (UK) Shipping Limited**

## **Directors' report for the year ended 31 December 2012 (continued)**

### **Post balance sheet events**

The short term investments included under debtors on the balance sheet represents CMA CGM (UK) Shipping Ltd's interest in the sub-participation agreements with ING Bank N V (EUR 17,000,000) and Societe Generale (EUR 40,000,000), both were repaid to the company in February 2013

One of the ships owned and operated by the company, CMA CGM Vivaldi has been sold since the year end, generating a profit on disposal of £3,738,000

### **Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to international competition, notably its effect on freight rates and fuel costs. The risks are managed through the regular review of results and prospects and are mitigated by changing vessel employment as necessary.

### **Financial risks**

The Company uses derivative financial instruments to hedge its exposure to fluctuations, primarily in interest rates within a number of the finance leases it has entered into. These derivatives form part of the wider CMA CGM SA Group management of financial risk, which is undertaken by our ultimate parent company.

In June 2012, as part of the sale of the three ships, the remaining two USD/GBP floating rate swaps agreements were liquidated at a cost to the Company of £743,147 (USD 1,163,000). The fair values of these swaps were dependent upon market rates of exchange at any given date.

### **Results and dividends**

The directors do not recommend the payment of a dividend (2011 nil). The profit for the year of £12,890,000 (2011 £9,978,000) is transferred to reserves.

The directors who held office during the year are given below:

F T Salem

L Kastrup

M Parker

H Burnage

I Bassett

G J Fraser (resigned 28 September 2012)

R Waterman (appointed 6 March 2013)

### **Statement of directors' responsibilities**

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

# **CMA CGM (UK) Shipping Limited**

## **Directors' report for the year ended 31 December 2012 (continued)**

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 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.

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**

- So far as the directors are aware, there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- The directors have taken the steps that they ought to have taken as the directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Independent auditors**

PricewaterhouseCoopers LLP have indicated their willingness to continue as auditors. A resolution to reappoint PricewaterhouseCoopers LLP will be proposed at the annual general meeting.

By order of the board



M Cranfield  
Company secretary  
4 April 2013

# **CMA CGM (UK) Shipping Limited**

## **Independent auditors' report to the members of CMA CGM (UK) Shipping Limited**

We have audited the financial statements of CMA CGM (UK) Shipping Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes. 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3 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.

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.

### **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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 profit 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

## **CMA CGM (UK) Shipping Limited**

### **Independent auditors' report to the members of CMA CGM (UK) Shipping Limited (continued)**

#### **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

#### **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



Robert Girdlestone (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
St Albans  
4 April 2013

## CMA CGM (UK) Shipping Limited

### Profit and loss account for the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Turnover	1	211,510	311,086
Cost of sales		(179,474)	(289,696)
Gross profit		32,036	21,390
Net operating expenses	2	(17,040)	(4,304)
Operating profit		14,996	17,086
Interest receivable and similar income	5	2,526	23
Interest payable and similar charges	6	(3,931)	(6,756)
Profit on ordinary activities before taxation	7	13,591	10,353
Tax charge on profits subject to corporation tax	8	(651)	(300)
Tax charge on profits subject to tonnage tax	8	(50)	(75)
Tax on profit on ordinary activities	8	(701)	(375)
Profit for the financial year	18	12,890	9,978

All results derive from continuing operations

The company has no recognised gains and losses other than those included above, and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial years stated above, and their historical cost equivalents

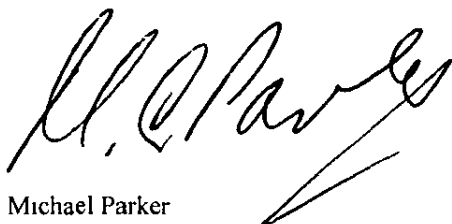


# CMA CGM (UK) Shipping Limited

## Balance sheet as at 31 December 2012

	Note	2012 £'000	2011 £'000
<b>Fixed assets</b>			
Intangible assets	9	-	8
Tangible assets	10	105,916	176,068
Investments	11	11,080	11,564
		<b>116,996</b>	<b>187,640</b>
<b>Current assets</b>			
Debtors	12	370,788	259,479
Stocks	13	5,287	8,427
Short term deposits and cash at bank and in hand	14	3,657	7,809
		<b>379,732</b>	<b>275,715</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(329,910)</b>	<b>(272,962)</b>
<b>Net current assets</b>		<b>49,822</b>	<b>2,753</b>
<b>Total assets less current liabilities</b>		<b>166,818</b>	<b>190,393</b>
<b>Creditors: amounts falling due after more than one</b>	16	<b>(28,652)</b>	<b>(65,117)</b>
<b>Net assets</b>		<b>138,166</b>	<b>125,276</b>
<b>Capital and reserves</b>			
Called up share capital	17	200	200
Profit and loss account	18	137,966	125,076
<b>Total shareholders' funds</b>	19	<b>138,166</b>	<b>125,276</b>

The financial statements on pages 6 to 20 were approved by the board of directors on 4 April 2013 and were signed on its behalf by



Michael Parker

**Chairman**

CMA CGM (UK) Shipping Ltd  
Registered Number 2475827

# **CMA CGM (UK) Shipping Limited**

## **Statement of accounting policies for the year ended 31 December 2012**

### **Basis of accounting**

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The principal accounting policies which have been applied consistently throughout the year and are presented below, have been reviewed by the Board of Directors in accordance with Financial Reporting Standard ("FRS") 18 "Accounting Policies".

The company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements.

The functional currency of the Company is Great Britain Pound ('GBP').

### **Cash flow statement**

The company is a wholly-owned subsidiary and is included in the consolidated financial statements of CMA CGM SA, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996), cash flow statements.

### **Turnover and operating expenses**

Turnover represents the amounts invoiced, excluding value added tax, in respect of services which have been rendered to customers during the year and for commission received from its parent company in respect of transport services. In accordance with accounting principles of the group, shipping revenues, commissions and related expenses are recognised by the completed voyage method. Shipping revenues are earned by way of shares of the pooled income earned by all vessels employed on the services in which the Company's ships are deployed. Expenses relating to the Company's vessels and overheads are reported on an accruals basis.

### **Tangible fixed assets**

The cost of tangible fixed assets is their historical purchase cost less accumulated depreciation, together with any incidental costs of acquisition. Depreciation on fixed assets is calculated on the reducing balance basis, at the following annual rates:

Ships	25 years straight line to scrap value
Computer equipment	50%
Fixtures and fittings	16.66%
Leasehold improvements	16.66%

### **Intangible fixed assets**

Intangible fixed assets are regarded as having limited useful economic lives. Their cost is amortised on a reducing balance basis, at the following annual rates:

Software	50%
----------	-----

# **CMA CGM (UK) Shipping Limited**

## **Statement of accounting policies for the year ended 31 December 2012 (continued)**

### **Inventories**

Stocks relate to vessel fuel and are stated at the lower of cost and net realisable value on first in first out basis. Cost is deemed the most recent purchase price of the fuel within the constraints of volume.

### **Finance leases**

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

### **Capitalisation of finance costs**

Interest costs incurred on loans for pre-delivery instalments are, on ship delivery, capitalised within fixed assets.

### **Investments**

Investments are stated at cost less any provision for impairment.

### **Operating leases**

Annual rentals relating to operating leases are charged to the profit and loss account on a straight-line basis over the shorter of the asset life and the lease term.

### **Foreign currencies**

Transactions denominated in foreign currencies are translated into GBP at the rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated at the rate ruling at that date. The gain or loss on exchange is taken to the profit and loss account except for where the exposure for the difference is borne by the parent company CMA CGM SA.

The prevailing exchange rate of US\$1.617 £1 and EUR1.225 £1 on the balance sheet date has been used in the preparation of the financial statements.

### **Pension costs**

The company operates two contracted-out defined contribution pension schemes. The costs of these schemes are charged to the profit and loss account as incurred. There are no material outstanding or prepaid contributions at the balance sheet date.

### **Intergroup balances**

Intergroup balances are recorded at the carrying value at the balance sheet date. Balances can be either interest bearing or non-interest bearing. The interest rate applicable to the balances at the period end date are stated in the notes to the financial statements where arising.

# **CMA CGM (UK) Shipping Limited**

## **Statement of accounting policies for the year ended 31 December 2012 (continued)**

### **Deferred taxation**

Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements are dealt with in different years for tax purposes

Deferred tax is measured at the 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 substantively enacted by the balance sheet date. Deferred tax is not discounted

Deferred tax assets are recognised only to the extent that, based on available evidence, it is considered probable that there will be suitable tax profits from which the future reversal of the underlying timing differences can be deducted

### **Related party transactions**

The company is exempt under the terms of Financial Reporting Standard 8 "Related party disclosure", from disclosing related party transactions with entities that are part of the CMA CGM SA group and are 100% owned by the group

### **Accrued revenue**

The agency import and export commissions are calculated and accrued on the completed voyage basis

### **Government grants**

Government grants are recognised in the balance sheet as deferred revenue. The revenue is credited to the profit and loss account on achievement of specified grant criteria being achieved over the next five years

### **Impairment of non-financial assets**

When value in use calculations are undertaken, management and the group estimate the expected future cash flows of the asset or cash-generating unit and choose a suitable discount rate and a perpetual long-term growth rate in order to calculate the present value of those cash flows. These estimates take into account certain assumptions about the global economic situation and the future growth of the container shipping industry

# CMA CGM (UK) Shipping Limited

## Notes to the financial statements for the year ended 31 December 2012

### 1 Turnover

The company has operated four container ships which trade on a worldwide basis throughout the year. Three additional ships were in operation at the start of the year but were subsequently sold during the first half of 2012.

The company continues in the business of shipping agent and freight forwarding, with all business being transacted in the UK.

The analysis of turnover for the year ended 31 December 2012 is as follows:

	2012 £'000	2011 £'000
Shipping agency	12,545	11,154
Ship operations	198,965	299,932
	<b>211,510</b>	<b>311,086</b>

The profit on ordinary activities before taxation of the two business streams in the year ended 31 December 2012 were for Ship operations a profit of £13,174,000 (2011 £10,390,000) and for Shipping Agency a profit of £417,000 (2011 loss £37,000).

The net assets of the two business streams for the year ended 31 December 2012 were for Ship operations £141,522,000 (2011 £129,289,000) and for Shipping Agency a deficit of £3,356,000 (2011 £4,013,000).

### 2 Net operating expenses

	2012 £'000	2011 £'000
Continuing operations		
Administrative expenses	(18,065)	(4,322)
Gain arising on conversion of foreign currency obligations under finance leases at year end exchange rates	1,025	18
	<b>(17,040)</b>	<b>(4,304)</b>

Included in the administrative expenses are foreign exchange movements which are disclosed in note 7.

# CMA CGM (UK) Shipping Limited

## Notes to the financial statements for the year ended 31 December 2012 (continued)

### 3 Directors' emoluments

Note UK resident directors only	2012	2011
French resident directors are remunerated by CMA CGM SA	£'000	£'000
Aggregate emoluments	426	397
Company's pension scheme contribution to money purchase plan	24	21
Three directors (2011 three) have retirement benefits accruing under the company's defined contribution schemes		
Highest paid director		
Aggregate emoluments	160	132
Company's pension scheme contribution to money purchase plan	11	8

### 4 Employee information

The average monthly number of persons (including executive directors) employed during the year was 230 (2011 238) All employees are involved in the administration of shipping and freight

	2012	2011
	£'000	£'000
Staff costs (for the above persons):		
Wages and salaries	6,235	6,134
Social security costs	652	685
Other pension costs (see Note 20)	309	319
	7,196	7,138

### 5 Interest receivable and similar income

	2012	2011
	£'000	£'000
Bank interest receivable	34	23
On bank loans and other loans	2,492	-
	2,526	23

Amounts due from group undertakings are unsecured and repayable on demand Interest is calculated on a daily basis of Libor Interest on the sub-participation loans to ING Bank N V (EUR 17,000,000) and Societe Generale Bank (EUR 40,000,000) is calculated on a quarterly basis of EUR Libor plus 300 basis points Interest on the Bonds is calculated at 8.5% of the senior notes nominal value

## CMA CGM (UK) Shipping Limited

### Notes to the financial statements for the year ended 31 December 2012 (continued)

#### 6 Interest payable and similar charges

	2012 £'000	2011 £'000
On bank loans, overdrafts and other loans	971	-
On amounts owed to group undertakings	821	1,050
Finance leases and hire purchase contracts	2,139	5,706
	<b>3,931</b>	<b>6,756</b>

Amounts due to group undertakings are unsecured and repayable on demand. Interest is calculated on a daily basis of Libor plus 35 basis points. Interest on the Deutsche Bank Loan (other loans) is calculated on a quarterly basis at a fixed rate of 8%.

#### 7 Profit on ordinary activities before taxation

	2012 £'000	2011 £'000
Profit on ordinary activities before taxation is stated after charging/(crediting)		
Amortisation charge		
- intangible fixed assets	8	8
Depreciation charge		
- owned fixed assets	88	111
- on assets held under finance leases	6,399	8,184
(Profit)/loss on disposal of fixed assets	(1,496)	-
Auditors' remuneration		
- audit services	67	48
- other services	2	2
Hire of assets under operating leases		
- land and buildings	957	999
- other	220	189
Foreign exchange loss/(gain) on trading	8,610	(3,297)
(Gain) arising on conversion of foreign currency obligations under finance leases at year end exchange rates	(1,025)	(18)

The profit on disposal of fixed assets relates to the three ships sold during 2012.

## CMA CGM (UK) Shipping Limited

### Notes to the financial statements for the year ended 31 December 2012 (continued)

#### 8 Taxation on profit on ordinary activities

	2012 £'000	2011 £'000
Current UK corporation tax on profits for the year	492	(5)
Adjustments in respect of prior years	159	-
Group tax relief	-	305
Tonnage tax payable	50	75
<b>Tax on profit on ordinary activities</b>	<b>701</b>	<b>375</b>

The Company has elected to be taxed on shipping revenues under the tonnage tax regime. This election charges tax according to the tonnage of vessels in operation rather than the results of those activities.

The tax assessed for the year ended 31 December 2012 of 24.5% (2011: 26.5%)

	2012 £'000	2011 £'000
<b>Profit on ordinary activities before tax</b>	<b>13,591</b>	<b>10,353</b>
Multiplied by standard rate of corporation tax in the UK 24.5% (2011: 26.5%)	3,330	2,743
Effects of		
(Profits) subject to tonnage tax	(2,838)	(2,733)
Utilisation of tax losses	-	(15)
Adjustments in respect of previous periods	159	-
Group tax relief	-	305
Tonnage tax payable	50	75
<b>Current tax charge for the year</b>	<b>701</b>	<b>375</b>

There is no unrecognised deferred tax asset for the current year (2011: nil)



## CMA CGM (UK) Shipping Limited

### Notes to the financial statements for the year ended 31 December 2012 (continued)

#### 8 Taxation on profit on ordinary activities (continued)

##### Factor affecting future tax charges

A reduction in the UK corporation tax rate from 26% to 24% was substantively enacted in March 2012, effective from 1 April 2012. In addition to this a further reduction in the corporation tax rate to 23% was substantively enacted in July 2012, effective from 1 April 2013.

The Government announced its intention to further reduce the main rate of corporation tax by an additional one per cent from 1 April 2014. As this legislation was not substantively enacted by the balance sheet date it has not been reflected within these financial statements, however it is expected that the changes would not have a significant impact on the value of the company's deferred tax balances at the balance sheet date.

#### 9 Intangible assets

	Software	Total
	£'000	£'000
<b>Cost</b>		
At 1 January 2012	18	18
<b>At 31 December 2012</b>	<b>18</b>	<b>18</b>
<b>Accumulated amortisation</b>		
At 1 January 2012	10	10
Charged for the year	8	8
<b>At 31 December 2012</b>	<b>18</b>	<b>18</b>
<b>Net book amount</b>		
<b>At 31 December 2012</b>	<b>-</b>	<b>-</b>
At 31 December 2011	8	8

## CMA CGM (UK) Shipping Limited

### Notes to the financial statements for the year ended 31 December 2012 (continued)

#### 10 Tangible assets

	Ships £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
<b>Cost</b>				
At 1 January 2012	232,482	158	1,324	233,964
Additions	2,150	4	-	2,154
Disposal	(90,919)	-	-	(90,919)
<b>At 31 December 2012</b>	<b>143,713</b>	<b>162</b>	<b>1,324</b>	<b>145,199</b>
<b>Accumulated depreciation</b>				
At 1 January 2012	56,882	130	884	57,896
Charged for the year	6,399	15	73	6,487
Disposal	(25,100)	-	-	(25,100)
<b>At 31 December 2012</b>	<b>38,181</b>	<b>145</b>	<b>957</b>	<b>39,283</b>
<b>Net book amount</b>				
<b>At 31 December 2012</b>	<b>105,532</b>	<b>17</b>	<b>367</b>	<b>105,916</b>
At 31 December 2011	175,600	28	440	176,068

All ships included in the table above are held on finance leases. The amount of finance costs capitalised during the year to 31 December 2012 is nil (2011: nil).

#### 11 Fixed asset investments

	2012 £'000	2011 £'000
Bonds	11,080	11,564
<b>Net book value of investment</b>	<b>11,080</b>	<b>11,564</b>

CMA CGM S.A. bonds with a nominal value of US\$37,500,000. Interest is received annually at 8.5% of the senior notes nominal value. The bonds are due to mature in 2017.

# CMA CGM (UK) Shipping Limited

## Notes to the financial statements for the year ended 31 December 2012 (continued)

### 12 Debtors

	2012	2011
	£'000	£'000
<b>Amounts falling due within one year</b>		
Trade debtors	16,780	17,022
Amounts owed by group undertakings	304,037	240,222
UK Corporation tax	218	-
Short term investments	46,518	-
Other debtors	551	984
Prepayments and accrued income	2,684	1,251
	<b>370,788</b>	<b>259,479</b>

Amounts owed by group undertakings are unsecured and repayable on demand. Interest is calculated on a daily basis of Libor. The short term investments represent the sub-participation loans to ING Bank N.V. (EUR 17,000,000) and Societe Generale Bank (EUR 40,000,000) entered into in June 2012 and October 2012 respectively. Interest is calculated on a quarterly basis of EUR Libor plus 300 basis points.

### 13 Stocks

	2012	2011
	£'000	£'000
Fuel remaining on board ships	5,287	8,427

### 14 Short term deposits and cash at bank and in hand

As at 31 December 2012, £3,317,000 (2011: nil) of the total balance is held on deposit by Deutsche Bank in relation to security for the loan that was drawn down in February 2012.

As at 31 December 2012, £340,000 (2011: £429,000) of the total balance was readily available for the general purposes of the company.

# CMA CGM (UK) Shipping Limited

## Notes to the financial statements for the year ended 31 December 2012 (continued)

### 15 Creditors: amounts falling due within one year

	2012	2011
	£'000	£'000
Obligations under finance leases	21,702	57,560
Trade creditors	9,727	12,759
Amounts owed to group undertakings	281,301	193,523
Other taxation and social security	199	-
Bank Loans	9,081	-
Accruals and deferred income	7,900	9,120
	<b>329,910</b>	<b>272,962</b>

Amounts owed to group undertakings are unsecured and repayable on demand. Interest is calculated on a daily basis of Libor plus 35 basis points. Interest on the Deutsche Bank Loan is calculated on a quarterly basis at a fixed rate of 8%.

### 16 Creditors: amounts falling due after more than one year

	2012	2011
	£'000	£'000
Obligations under finance leases (see below)	28,652	65,117

Obligations under finance leases	2012	2011
	£'000	£'000
In more than one year but not more than two years	13,243	7,991
In more than two years but not more than five years	15,409	33,553
In more than five years	-	23,573
	<b>28,652</b>	<b>65,117</b>

Finance leases are in respect of ships. The lease terms are 25 years at interest rates currently between 0.2% to 6%.

Financing banks hold mortgages over the respective ships in which they have interests.

In addition, floating charges over all the assets of the Company are held, by way of additional security, by one of the banks to whom the Company has obligations under finance leases.

## CMA CGM (UK) Shipping Limited

### Notes to the financial statements for the year ended 31 December 2012 (continued)

#### 17 Called up share capital

	2012	2011
Authorised	£'000	£'000
200,000 ordinary shares of £1 each	200	200
Allotted and fully paid		
200,000 ordinary shares of £1 each	200	200

#### 18 Profit and loss account

	2012	2011
	£'000	£'000
At 1 January	125,076	115,098
Profit for the financial year	12,890	9,978
At 31 December	137,966	125,076

#### 19 Reconciliation of movements in shareholders' funds

	2012	2011
	£'000	£'000
Opening shareholders' funds	125,276	115,298
Profit for the financial year	12,890	9,978
Closing shareholders' funds	138,166	125,276

#### 20 Pension costs

The assets of the pension scheme are held separately from the company in two independently administered funds. The pension charge for the year represents contributions payable by the company to the funds which amounted to £308,853 (2011 £319,216). Both schemes are defined contribution schemes.

#### 21 Contingent liabilities

The Bonds have been pledged to Deutsche bank as security for the £9,081,000 loan, under the terms of a repository agreement which ends in October 2013.

## **CMA CGM (UK) Shipping Limited**

### **Notes to the financial statements for the year ended 31 December 2012 (continued)**

#### **22 Financial commitments**

At 31 December 2012, the company had annual commitments under non-cancellable operating leases expiring as follows

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Expiring within one year	47	41	9	7
Expiring between two and five years inclusive	1,162	904	180	169
Expiring in more than five years	-	-	-	-
	<b>1,209</b>	<b>945</b>	<b>189</b>	<b>176</b>

#### **23 Ultimate and immediate parent company**

The immediate parent undertaking is CMA CGM (UK) Holdings Limited. The ultimate parent undertaking and controlling party is CMA CGM SA, a company incorporated in France. CMA CGM SA is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2012. The consolidated financial statements of CMA CGM SA may be obtained from CMA CGM SA, 4, quai d'Arenc, 13235 Marseille Cedex 02, France.