CARISBROOKE SHIPPING

CARISBROOKE SHIPPING HOLDINGS LIMITED

Company registered in England and Wales Number 3783705

REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2015

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

Carisbrooke Shipping Holdings Limited

DIRECTORS
H J Tveitan
W Wester
P C Over
N J Tipple (resigned 21 April 2016)
R W Wester (resigned 9 February 2016)

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

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Chandlers Ford
SO53 3RY

Rabobank
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AUDITOR
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Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3XX

Carisbrooke Shipping Holdings Limited

INDEX **PAGE**

The directors present their Strategic Report for Carisbrooke Shipping Holdings Limited for the year ended 31 December 2015

Directors' statement

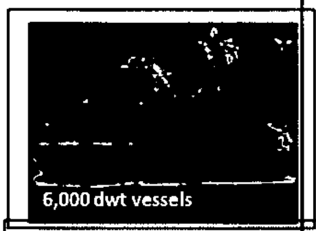
Carisbrooke Shipping's history dates back to 1969, since which time the group have preserved family values and accumulated a wealth of shipping expertise to develop as a quality service provider, creating value for all its stakeholders In 2015 Carisbrooke Shipping employed an average of 118 employees (although has further reduced in the early part of 2016) and in 2015 own/operate over 50 general cargo and multipurpose vessels from the headquarters office in Cowes (United Kingdom) and a second office in Zwijndrecht (The Netherlands) The vessels are modern with an average age of around 7 years, fuel efficient and have excellent safety records

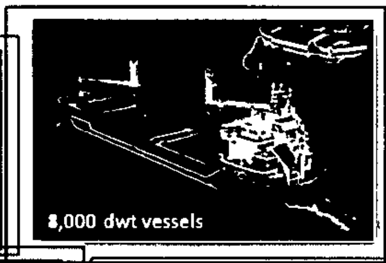
The fleet owned and / or managed during the year consisted of vessels ranging from 5,000 dwt up to 13,400 dwt and trade worldwide with particular emphasis on Southern and Northern Europe North Coast South America & Caribbean, Brazil, West Africa, Southeast Asia and occasional calls in the St Lawrence River and the US Gulf Carisbrooke Shipping introduced eight new built 'Green' vessels in 2012 Green' vessels are characterised by innovative technical and design solutions that help significantly to reduce fuel consumption and are environmentally friendly

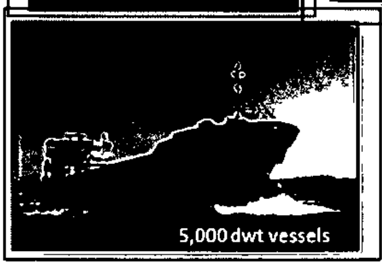
Carisbrooke Shipping vessels carry a wide range of commodities European coastal market (short sea 5,000-8,000 dwt vessels) is characterised by the transport of grain coal scrap fertilizers and steel Multipurpose open-hatch and box-shaped holds enable some part of vessels to carry not only bulk cargoes, but also containers, palletised cargo forest products and project cargoes such as pipes windmill blades and leisure yachts With a modern flexible fleet that provides outstanding performance and competitive pricing, Carisbrooke Shipping can carry virtually any type of cargo for any customer

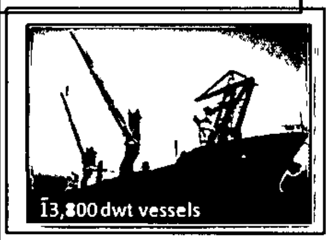
Ensuring safety is one of the most important goals of Carisbrooke Shipping The safety on board and overall ship s risk reduction at sea is achieved by continuous internal and external audits compliance with the International Safety Management code and other international shipping standards All the company s ships are RightShip vetted with the average score of 4 8 out of 5 Moreover continuous monitoring and analysis of safety results leads to regular targeted training campaigns that are dedicated to reduce the already low number of deficiencies accidents and off-hire days

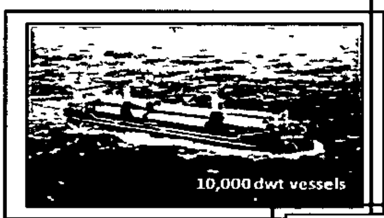
Carisbrooke Shipping manages a young and economic fleet of over 50 vessels These vessels can be classed into two main pools in accordance with qualities of the specific vessel 'General Bulk Cargo and Multipurpose Multipurpose ships are capable of carrying a wide range of cargoes, from wood pipes project cargo such as windmill blades to bulk cargo General cargo vessels are mainly built to carry bulk cargoes

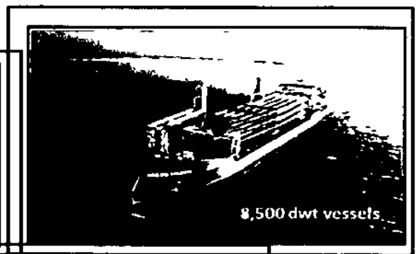


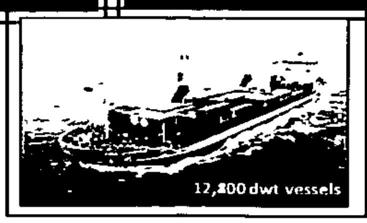












Directors' statement (cont)

Around 43% of World fleet is older than 15 years Olcer vessels incur higher maintenance costs and their performance often is poorer compared to the ships that are built according to the latest technology, energy and environment requirements Carisbrooke Shipping 'Green' vessels are designed to comply with the strictest environmental regulations, consuming around 25% less fuel, they have latest energy monitoring, water ballast treatment and weather optimal systems

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Review of the business

The audited financial statements for the year ended 31 December 2015 are set out on pages 9 to 38 The loss for the year after taxation was €6,386,000 (year to 31 December 2014 was a profit of €6,665,000) with the group recognising impairments of €2,761,000 on group investments, however €956,000 of impairment reversals also recognised on motor vessels during the year

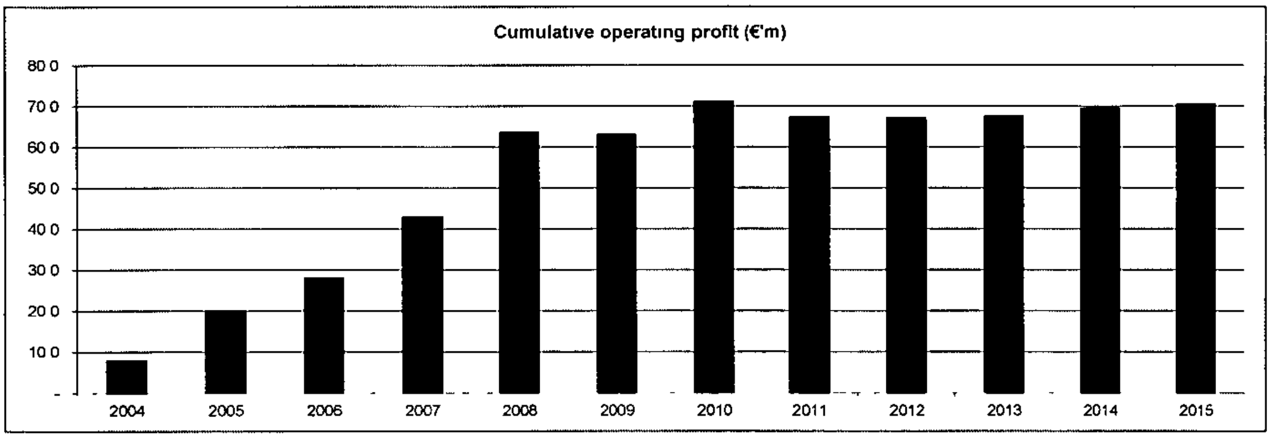
Historical performance

The group's financial performance over the past few years has been significantly impacted by exceptional losses These have been primarily caused by impairment of assets at the end of each financial year which have followed a full review of the group's asset values, taking into account the depressed state of the global shipping market at those points

However, viewed over an eleven year period it is clear that through the current shipping cycle the group has generated net cumulative operating profits before exceptional items

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m	€m
Group Turnover	32 3	28 7	38 4	57 8	69 5	33 4	45 8	44 2	52 4	59 1	50 8	45 8
Cost of sales*	(18 4)	(9 3)	(20 3)	(27 9)	(35 0)	(21 1)	(22 6)	(32 3)	(33 0)	(36 4)	(32 0)	(28 2)
Gross profit	13 9	19 4	18 1	29 9	34 5	12 3	23 2	11 9	19 4	22 7	18 8	17 6
Administrative and Operating expenses	(6 0)	(7 1)	(10 2)	(15 0)	(13 8)	(12 9)	(15 1)	(15 8)	(19 5)	(22 3)	(16 9)	(16 6)
Operating profit / (loss) before exceptional items	7 9	12 3	7 9	14 9	20 7	(0 6)	8 1	(3 9)	(0 1)	0 4	1 9	1 1

* Between 2006 and 2010 bareboat lease costs were originally reported as part of cost of sales Results from those years are amended in the table above to be in line with accounting treatment after 2010 which is to show bareboat lease costs as part of operating expenses



Summary of key performance indicators

	2015	2014	
Net Operating (loss) / profit % The ratio of net profit excluding gains or losses on disposal of motor vessels to sales expressed as a percentage	-4.7%	14 8%	Net operating profit/(loss) showing a loss for 2015 due to impairments made on group investments
Operating profit % excluding exceptional items The ratio of net profit excluding gains or losses on disposal of motor vessels and exceptional items to sales expressed as a percentage	2 4%	3 6%	The Group has again returned an operating profit before exceptional items
Cash Balance (€'000) Cash as included in the consolidated statement of financial position	6,954	13 471	Cash has decreased year on year due to an increase in receivables and continued repayment of borrowings in a continued challenging environment
Gearing Long term liabilities divided by equity shareholders funds	66 5%	68 1%	The change in gearing is not significant from prior year
Current ratio Current assets divided by current liabilities	1.05	1 23	Current ratio has fallen primarily as two ship loans now fall due within one year
Average head count Average of total headcounts derived from the payroll records	118	132	Headcount has declined year on year some older vessels have left the Carisbrooke managed fleet and operational efficiencies have been made

Future Developments

The group s business activities performance and position are set out in the Review of the Business above The financial position of the group liquidity position and borrowing facilities are set out in the notes to the financial statements In addition the strategic report below includes the group's objectives policies and processes for managing its capital its financial risk management objectives, details of its financial instruments and hedging activities and its exposures to credit risk and liquidity risk

Looking to the future, the directors are actively looking to implement a number of changes within the group Specifically these changes focus on working with the group's bankers through what have been challenging times for the industry as a whole to provide appropriate refinancing as ships' current loan periods end Additionally the group is in the process of rationalising the geographical spread of its offices and align its organisation to requirements under present market conditions

Events since the Statement of Financial Position date

On 23 January 2016 a vessel was sold to an external party for a value materially higher than it carrying value The group incurred substantial impairments on the vessel in previous years, therefore a partial reversal of the impairments has now been recognised and included within the Income Statement for 2015

Employee Involvement

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the group

This is achieved through regular briefings to all departments in the group

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities

In the event of employees becoming disabled, every effort is given to retrain them in order that their employment with the group may continue It is the policy of the group that training career development and promotion opportunities should be available to all employees

Health, safety and the environment

The group takes health and safety extremely seriously The group works to ensure that the best health and safety practices are carried out throughout the business and that employees work in a safe environment

The group continuously monitors its impact on the environment, attempting to minimise where possible its activities affecting the environment

In addition the group recognises it has an important role to play in the communities it operates in and has created a Corporate & Social Responsibility Plan to ensure that this is achieved

Employees and employment practice

The group pursues an employment policy of equal opportunity and strives to follow best practice in recruitment and selection It does not discriminate on the grounds of race nationality sex marital status, disability, religious or political beliefs

Principal and financial risk management objectives and policies

The board has an established structured approach to risk management The group's policy is to preserve the resources upon which its continuing reputation, viability and profitability are built in order to enable the corporate objectives to be achieved

Market exposure - the group seeks to balance the risks and rewards of market exposure through maintaining a commercially managed fleet trading in part on long term contracts in part via contracts of affreightment and in part trading on the spot market to take advantages of upturns in freight rates The position is subject to a board approved policy and is reviewed regularly

Bunker prices - the group is exposed to bunker price movements The group employs necessary hedging techniques to minimise price exposure The group do not employ hedge accounting

Financial risk - the group uses various financial instruments in order to manage the exposures that arise from its business operations as a result of movements in financial markets All treasury activities are focused on the management and hedging of risk It is the group s policy not to trade financial instruments or to engage in speculative financial transactions There have been no significant changes in the group s policies in the last year

Funding and liquidity - the group finances its operations through a mixture of shareholders funds and bank borrowings It employs derivatives where appropriate to generate the desired currency and interest rate profile

Currency risk - the group is exposed to movements in exchange rates for foreign currency transactions The most significant transactional currency exposure is the US dollar though the group also has an overhead base significantly in Sterling Appropriate risk mitigation is undertaken where material mismatches arise

Interest rate risk - the group s policy is to limit interest rate risk on delivery of motor vessels Prior to delivery, loans may be at floating rates

Insurance risk - the motor vessels are fully insured by third party providers

Credit risk - In the current economic climate the directors placed increased focus on monitoring the level of debt due to the group, including working with customers to ensure that debts to the group remain manageable while allowing customers to continue to operate in a commercially satisfactory manner

For long standing overdue balances where appropriate the group continued to obtain charges over the vessels of customer to mitigate their exposure, being risk of default Interest is charged on overdue balances

ON BEHALF OF THE BOARD

Director

Date 14/06/2016

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

CARISBROOKE SHIPPING HOLDINGS LIMITED (England and Wales registered company number 3783705)

REPORT OF THE DIRECTORS

For the year ended 31 December 2015

The directors submit their report and the audited financial statements of Carisbrooke Shipping Holdings Limited for the year ended 31 December 2015

Principal activities

The company is a holding company of motor vessel operating subsidiaries The group's activities are the ownership and operation of motor vessels The group also provides ancillary services related to this trade including the commercial and technical management of ships owned by other entities

Matters covered in the Strategic Report

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the Strategic Report on pages 1 to 4 These matters relate to the review and analysis of the business, development and financial performance, future prospects and the principal risks and uncertainties

Directors

The directors who served the company throughout the year were, H J Tveitan W Wester, P C Over (clockwise from top) plus R W Wester and N J Tipple (not pictured)

R W Wester resigned as a director of the company on 9 February 2016 N J Tipple resigned as a director of the company on 21 April 2016

The company has granted indemnity against liability to its directors during the year Appropriate directors' and officers' liability insurance cover is in place in respect of the company's directors

Management Team

The day to day management of the group is the responsibility of the management team of Willem Wester (Chief Executive Officer), Robert Wester (Chief Operating Officer) Paul Hutchings (Finance Director), Duncan Sawyer (Director of Business Strategy Development) Martin Henry (Technical Director) and Gijs van Nieuwkoop (Director Sales and Purchasing) Clockwise from top left James McConachie (not pictured) served as Chartering Director and resigned 14 April 2016

The team has over 50 years experience within Carisbrooke Shipping, plus a wide range of experience in the broader shipping environment as well as banking financial management and other relevant fields






Willem Wester became Chief Executive Officer on the 26 January 2016 Robert Wester became Chief Operating Officer on the 26 January 2016

Statement of Directors' responsibilities

The directors are responsible for preparing 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK 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 group and company and of the profit or loss of the group 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 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, 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 disclose with reasonable accuracy at any time the financial position of the company and 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 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 corporate and financial information included on the company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Political and charitable gifts

Contributions for charitable purposes amounting to €17,000 (31 December 2014 €12,000) were made in the year There were no political donations (2014 nil)

Dividends

The directors do not recommend the payment of a dividend (2014 nil)

Going Concern

The group financial statements include amounts owed to external finance providers of €7,987 000, which are scheduled for repayment within the next 12 months. Furthermore, companies which are connected to the group by virtue of the groups shareholding also have a number of debt repayment obligations during this period The group and connected entities are dependent on the continued provision of external financing for its on-going operations The directors of both the group and the connected entities have been aware for some time that these loans are due for repayment and have been in discussion with the current and alternative finance providers and are confident a refinancing solution will be found that is acceptable to all parties, although currently there is no formal alternative in place

The directors believe that until the refinancing is concluded a material uncertainty exists that cast doubt about the group's ability to continue as a going concern and that therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business

Nevertheless, after making reasonable enquiries and considering uncertainties described above, the directors have reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future For these reasons, they continue to adopt the going concern basis of accounting in preparing the financial statements

Auditors

The company appointed Grant Thornton UK LLP as on 24 February 2016 Grant Thornton operate in 140 countries with a staff of over 42,000 and were chosen for their international integrated approach to auditing

In so far as each of the directors are aware

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

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

ON BEHALF OF THE BOARD

Director

Date 17/06/2016

Registered Office
Bridge House, 38 Medina Road, Cowes
Isle of Wight, PO31 7DA
Company Registration Number 3783705 In England and Wales

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARISBROOKE SHIPPING HOLDINGS LIMITED

We have audited the financial statements of Carisbrooke Shipping Holdings Limited for the year ended 31 December 2015 which comprise the consolidated income statement, the consolidated statement of other comprehensive income, the group and company statements of financial position, the group statement of cash flows, the group and company of statement of changes in equity 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 Practices) including FRS 102 'The Financial Reporting Standard applicable in the UK 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www frc org uk/auditscopeukprivate

Emphasis of matter for inclusion in the audit report - Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the accounting policies contained within the financial statements concerning the group's ability to continue as a going concern The group financial statements include amounts owed to external finance providers of €7,987,000, which are scheduled for repayment within the next 12 months Whilst the group maintains net assets of €47,874,000 as at 31 December 2015, over the next 12 months the loan repayment obligations both of the group and of those entities in which the group has an investment as described within the accounting policies of the financial statements, indicate the existence of a material uncertainty which may cast doubt about the group s ability to continue as a going concern The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2015 and of the group's 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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

Grant Thornton UK LLP

STEPHEN MILLS (SENIOR STATUTORY AUDITOR)
FOR AND ON BEHALF OF GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS AND STATUTORY AUDITOR
NO 1 DORSET STREET
SOUTHAMPTON
HAMPSHIRE
SO15 2DP

Date 27/6/16

CARISBROOKE SHIPPING HOLDINGS LIMITED (England and Wales registered company number 3783705)

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2015

	Note	2015 €'000	2014 (restated) €'000
Turnover	1	45 831	50 831
Cost of sales		(28 189)	(32 031)
Gross profit		17,642	18,800
Administrative expenses		(9 996)	(8,962)
Other operating charges		(8 547)	(8,706)
Other operating income		1,807	801
Gain on financial liabilities at fair value through profit and loss	21	176	8
Exceptional items	3	(3,215)	5,581
Operating costs		(19 775)	(11,278)
Operating (loss) / profit	2	(2 133)	7,522
Share of loss of joint ventures		(756)	(59)
Share of loss of associated undertakings		(2 119)	(164)
Profit on disposal of interest in associated undertakings		-	1,000
Dividends received from investments		119	130
(Loss) / profit on ordinary activities before interest and taxation		(4,889)	8 429
Net interest and similar charges	4	(1,374)	(1 373)
(Loss) / profit on ordinary activities before taxation		(6,263)	7 056
Taxation on (loss) / profit on ordinary activities	6	19	(184)
(Loss) / profit on ordinary activities after taxation		(6,244)	6,872
Non-controlling interests		(142)	(207)
Retained (loss) / profit for the financial year		(6,386)	6,665

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	2015 €'000	2014 €'000
(Loss) / profit for the financial year	(6,386)	6,665
Total comprehensive income for the financial year	(6,386)	6,665

There were no recognised gains or losses for the year 2015 (2014 nil) other than those included in the consolidated income statement

CARISBROOKE SHIPPING HOLDINGS LIMITED (England and Wales registered company number 3783705)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Note	2015 €'000	2014 €'000
Fixed assets			
Tangible assets	8	52,184	58,474
Investment in Joint Ventures	10	19 777	19 021
Investment in associated companies	10	2 553	637
Other investments	10	4 720	11 494
		79 234	89,626
Current assets			
Stock	11	4,896	5 549
Debtors - due within one year	12	15 679	11 208
Debtors - due after one year		5 124	6 165
Cash at bank and in hand		6 954	13,471
		32 653	36,393
Creditors amounts falling due within one year	13	(31,152)	(30,128)
Net current assets		1,501	6 265
Total assets less current liabilities		80,735	95 891
Creditors amounts falling due after more than one year	14	(31,880)	(39 265)
Provision for liabilities and charges	15	(981)	(2 436)
Net assets		47,874	54,190
Capital and reserves			
Called up share capital	17	725	725
Capital redemption reserve	18	1,062	1 062
Share premium	18	5 584	5 584
Revaluation reserve	18	(1 646)	(1 684)
Profit and loss account	18	39 975	46 399
Equity shareholders' funds		45 700	52,086
Non-controlling interests		2 174	2,104
		47,874	54,190

The financial statements were approved by the board, and authorised for issue on 2016, and signed on its behalf by

Director 14/06/2016

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

CARISBROOKE SHIPPING HOLDINGS LIMITED (England and Wales registered company number 3783705)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Share Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Capital Redemption €'000	Profit and loss account €'000	Non controlling Interest €'000	Total €'000
Balance as at 1 January 2014 as previously reported	725	5 584	(2,146)	1 062	48 521	1 898	55,644
Prior year adjustments	-	-	424	-	(8 493)	-	(8 069)
Profit for the year	-	-	-	-	6 665	-	6 665
Transfers	-	-	38	-	(38)	-	
Other	-	-	-	-	(256)	206	(50)
Balance as at 31 December 2014	725	5 584	(1 684)	1 062	46 399	2 104	54 190
Loss for the year	-	-	-		(6 386)	142	(6 244)
Transfers	-	-	38		(38)	-	
Dividends	-	-	-		-	(72)	(72)
Balance as at 31 December 2015	725	5 584	(1 646)	1 062	39 975	2 174	47 874

CARISBROOKE SHIPPING HOLDINGS LIMITED (England and Wales registered company number 3783705)

COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Note	2015 €'000	2014 €'000
Fixed assets			
Tangible assets	9	25	74
Investments	10	14 110	16 389
		14 135	16,463
Current assets			
Debtors - due within one year	12	7,482	8 332
Debtors - due after one year	12	28,059	29 041
Cash at bank and in hand		4	4
		35 545	37,377
Creditors amounts falling due within one year	13	(354)	(5 416)
Net current assets		35 191	31 961
Total assets less current liabilities		49,326	48 424
Creditors amounts falling due after more than one year	14	(54)	(77)
Provision for liabilities and charges	15	-	-
Net assets		49,272	48 347
Capital and reserves			
Called up share capital	17	725	725
Share premium	18	5 584	5,584
Capital redemption reserve	18	1 062	1,062
Profit and loss account	18	41 901	40,976
		49 272	48,347

The financial statements were approved by the board and authorised for issue on 17/06 2016 and signed on its behalf by

Director

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

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Share Capital €'000	Share Premium €'000	Capital Redemption €'000	Profit and loss account €'000	Total €'000
Balance as at 1 January 2014 as previously reported	725	5 584	1 062	38 615	45 986
Profit for the year	-	-	-	2 361	2 361
Balance as at 31 December 2014	725	5,584	1 062	40,976	48 347
Profit for the year	-	-	-	925	925
Balance as at 31 December 2015	725	5 584	1,062	41 901	49,272

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2015

	2015 €'000	2014 €'000
Cash flows from operating activities		
(Loss) / profit for the financial year	(6 386)	6,665
Adjustments for		
Taxation	(19)	184
Interest received	(296)	(338)
Interest paid	1,670	1 711
Financial liabilities	(176)	(8)
Dividends received	(119)	(130)
Share of operating profit of joint ventures and associated undertakings	2,875	(777)
Exceptional items	3 215	(5 581)
Depreciation and impairment of tangible fixed asset	2 173	3 252
(Increase) / decrease in trade and other receivables	(3 332)	1,618
Decrease in inventories	653	103
Decrease in trade payables	(890)	(1,742)
Decrease in long term provisions	(1 455)	(1,373)
Net cash from operations	(2 088)	3,783
Interest paid	(1,670)	(1 711)
Taxation paid	(153)	(54)
Interest received	296	338
Net cash from operating activities	(3 614)	2,356
Cash flows from investing activities		
Proceeds from sale of tangible fixed assets	6,469	152
Purchases of tangible fixed assets	(603)	(3,997)
Investment in associated undertakings and other fixed asset investments	(1,464)	375
Dividends received	119	130
Net cash from investing activities	4,521	(3,547)
Cash flows from financing activities		
Receipt of borrowings	-	5 046
Repayment of borrowings	(6,865)	(2,821)
Net cash from financing activities	(6,865)	2,233
Net (decrease) / increase in cash and cash equivalents	(5,959)	1,042
Cash and cash equivalents at beginning of year	13,471	12 928
Cash and cash equivalents at end of year	7 512	13 970
Component of cash and cash equivalents at the end of the year		
Cash	7 512	13,970
Foreign exchange	(558)	(499)
Cash equivalents	-	-
	6,954	**13,471**

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

ACCOUNTING CONVENTION

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below

This is the first year in which the financial statements have been prepared under FRS 102 An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 26

The financial statements are presented in Euros, the currency of the primary economic environment in which the company operates and in which the majority of the group's transactions are denominated The Euro to Pound Sterling exchange rate at 31 December 2015 was 0 7359 (2014 0 7811)

TURNOVER AND RELATED EXPENSES

Turnover is the revenue arising from the sales of services and includes gross freight, management fees, shipbroking and agency fees It is stated at the fair value of the consideration receivable by the Group in the ordinary course of business with outside customers net of value added tax, rebates and discounts

Revenue from services provided by the Group is recognised when the Group has performed its obligations and in exchange obtained the right to consideration

Gross freight

Gross freight represents hire and freight receivable from charterers for the charter or hire of its vessels Revenue on voyage in progress at year end is recognised on a pro-rata basis Profits arising from voyage charters in progress at the Statement of Financial Position date are allocated into accounting periods on the basis of the proportion of the voyage completed at the Statement of Financial Position date on a discharge / discharge port basis Full provision is made for any losses on voyages in progress at the Statement of Financial Position date

Voyage costs

Voyage expenses primarily consists of port canal and bunker expenses that are unique to a particular time charter or voyage charter arrangement Furthermore, voyage expenses include commissions paid The group defers bunker expenses under voyage charter agreements and amortises them over the relevant voyage Operating costs are accounted for on an accruals basis Drydock costs are expensed as incurred

Management fees

Management fees relate to where the group has responsibility for the day to day operations of the vessels or where the group books the freight for the vessel on behalf of a third party These fees are recognised as earned and are based on either set fees or a percentage as determined within the individual contract

OTHER OPERATING INCOME

Other operating income is income not related to the operation or management of specific motor vessels, but which arises from the function of managing a fleet of vessels

GOING CONCERN

The group financial statements include amounts owed to external finance providers of €7,987,000, which are scheduled for repayment within the next 12 months Furthermore, companies which are connected to the group by virtue of the groups shareholding also have a number of debt repayment obligations during this period The group and connected entities are dependent on the continued provision of external financing for its on-going operations The directors of both the group and the connected entities have been aware for some time that these loans are due for repayment and have been in discussion with the current and alternative finance providers and are confident a refinancing solution will be found that is acceptable to all parties although currently there is no formal alternative in place

The directors believe that until the refinancing is concluded a material uncertainty exists that cast doubt about the group's ability to continue as a going concern and that therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business

Nevertheless, after making reasonable enquiries and considering uncertainties described above, the directors have reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future For these reasons, they continue to adopt the going concern basis of accounting in preparing the financial statements

IMPAIRMENT OF ASSETS

In view of the current economic climate and the slower than expected rate of recovery evidenced within the commercial shipping sector the directors are conscious of the fact that the currently reduced day rates being achieved may be an indicator of impairment and have therefore revisited and updated their impairment reviews

Recoverable amount is the higher of estimated market value and value in use calculation, and have been determined with reference to the value obtained for vessels of a similar class and value in use calculations on a vessel by vessel basis using cash flow projections based on forecasts that have been extended to cover three years and which are considerate of current trading conditions and the cyclical nature of the industry

Growth is assumed at 2 4% per annum from 1 January 2020 and 1 January 2023 reflecting long term historic growth in those markets in which the group operates and the expectation per vessel class for the speed of recovery earnings Each vessel is assumed to have a useful economic life of 25 years and the average age of the fleet is 7 years Whilst impairment models might not normally extend beyond a five year horizon cash flow projections have been extended to the assumed 25 year life unless a shorter period is expected based on specific investment conditions

The discount rate used is 8% (previously 9%) reflecting the weighted average cost of capital and the risk factors specific to the group which includes the expected interest rates and anticipated equity return The most significant assumptions used in calculating the value in use are the discount rate, growth rate and the expectation of future earnings Where the sale of a vessel has occurred between the Statement of Financial Position date and the date the financial statements are signed the recoverable amount has been determined as the net known realisable value of the vessel at the point of sale

For investments held by the Group, the directors additionally need to consider the prospect of those investment companies remaining as going concerns In some cases the directors have concluded that there is a material risk that this may not be the case and have consequently written down the value of such investments to nominal amounts

As a consequence of the review, an impairment reversal of €956,000 (2014 impairment reversal €7 728 000) has been recognised against the group's tangible assets and an impairment charge of €2,761,000 (2014 €1,967,000) has been recognised against the group's investments

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the company and all entities controlled by the company (its subsidiaries) These are adjusted where appropriate to conform to group accounting policies Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities Subsidiaries are those entities in which the group directly or indirectly, controls the composition of the board of directors controls more than half the voting power or holds more than half of the issued share capital The results of subsidiaries acquired or disposed of during the period are included in the group profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over five years from the year of acquisition Immaterial subsidiaries have been excluded from the consolidation All intra-group transactions balances income and expenses (if any) are eliminated on consolidation

JOINT VENTURES

Undertakings, other than subsidiary undertakings, in which the group has an investment representing between 45% and 51% of the voting rights are assessed annually to determine the appropriate accounting treatment If it is demonstrated that the group and a very limited range of partners exert joint control over the major decisions of the undertaking that undertaking is accounted for as a joint venture The range of factors that would lead to the conclusion that joint control is being shared between partners includes (but is not limited to) ownership percentage the composition of the board of directors the board minutes the contractual arrangements agreed between parties, the roles of the parties in the ownership and management of the undertaking and evidence of shared decision making on major issues Factors that would suggest that the correct accounting treatment would be as an associate include (but are not limited to) those as described in the accounting policy for associates

The group's share of the results of its joint ventures are included in the group Income Statement The group Statement of Financial Position includes the investment in its joint ventures at the group's share of gross assets and gross liabilities

The company Statement of Financial Position shows the investment in the joint venture at cost less impairment

ASSOCIATED UNDERTAKINGS

Undertakings other than subsidiary undertakings and joint ventures in which the group has an investment representing between 15% and 50% of the voting rights are assessed annually to determine the appropriate accounting treatment If it is demonstrated that the group exerts significant influence over the major operating and / or financial strategic decisions of the undertaking, that undertaking is accounted for as an associate using the equity method of accounting The range of factors that would lead to the conclusion that significant influence is being exerted includes (but is not limited to) ownership percentage, the role of an equity house in the investment project, the shareholder makeup, the role of a supervisory board, the articles of association of the undertaking and the share and certificate structure of the undertaking

Investments in associates are recognised initially in the consolidated Statement of Financial Position at the transaction price and subsequently adjusted to reflect the group's share of total comprehensive income and equity of the associates, less any impairment

Any excess of the cost of acquisition over the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition although treated as goodwill, is presented as part of the investment in the associate Amortisation is charged so as to allocate the cost of goodwill over its estimated useful life using the straight-line method Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate

Investments in associates are accounted for at cost less impairment in the individual financial statements

TANGIBLE FIXED ASSETS

Depreciation is calculated to write down the cost of tangible fixed assets by equal instalments over their expected economic useful lives Freehold land is not depreciated Tangible fixed assets, under the cost model are stated at historical cost less accumulated depreciation

The annual rates generally applicable are

Freehold property	2%
Office equipment	20% - 33%
Motor vehicles	20%

No depreciation is charged on assets under construction

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

Following the change to FRS 102, the policy on freehold property has changed where as in prior years a full valuation was obtained from a qualified valuer for each freehold property every five years, with an interim valuation three years after the previous full valuation and in any year where it is likely that there has been a material change in value valuations will now not take place and the revalued freehold property balance as at 31 December 2015 will be deemed as cost and amortised over equal instalments for the remaining expected life

The last valuation of freehold property was in 2011 therefore no changes to the comparative figures are required from this policy change

CAPITALISATION OF INTEREST

Interest on borrowings to finance assets under construction is capitalised from the date work commences until delivery of the vessel or asset

INVESTMENTS

Investments comprise investments in unquoted equity instruments which are measured at fair value through the Income Statement unless a reliable measure of fair value is no longer available If a reliable measure is no longer available the investment will be valued at cost less impairment or on the last date the instrument was reliably measured

Investments in subsidiaries are held at cost, less any impairment recognised to date

STOCK

Marine fuel is stated at cost and comprises majority of stock reported on the Statement of Financial Position Spare parts and other stock is stated at the lower of cost and net realisable value

DEBTORS

Short term debtors are measured at transaction price less any impairment Loans receivable are measured initially at fair value net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment

CREDITORS

Short term creditors are measured at transaction price Other financial liabilities are measured initially at fair value net of transaction costs, and are measured subsequently at amortised cost using the effective interest method

INTEREST INCOME

Interest income is recognised in the Income Statement using the effective interest method

TAXATION

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date in the country where the company operates and generates taxable income Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax is recognised on all timing differences where the transactions or events that give the group an obligation to pay more tax in the future, or a right to pay less tax in the future have occurred by the Statement of Financial Position date Deferred tax assets are recognised when it is more likely than not that they will be recovered Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the Statement of Financial Position date

For ship owning companies of the group, these entities have entered the tonnage tax regime in the country where the company operates from the commencement of trading under which its ship operating activities are taxed based on the net tonnage of vessels operated Any income and profits outside the tonnage tax regime are taxed under the normal corporation tax rules in the country where the company operates As ship owning entities have entered into their respective tonnage tax regime from commencement of trading, the directors consider that no deferred tax assets or liabilities arise in respect of income and profits outside of the ship owning entities shipping operations

FOREIGN CURRENCIES

Functional currency and presentation currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency) For he purpose of the consolidated financial statements the results and financial position are presented in Euros (€)

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions or at an average rate where this rate approximates the actual rate at the date of the transaction At the end of each reporting period monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences are recognised in the Income Statement in the period in which they arise However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to the Income Statement

Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group s foreign operations are translated from their functional currency to Euros (€) using the closing exchange rate Income and expenses are translated using the average rate for the period unless exchange rates fluctuated significantly during the period, in which case the exchange rates at the dates of the transactions are used Exchange differences arising on the translation of group companies are recognised in other comprehensive income and are not reclassified to the Income Statement

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate

ASSETS HELD UNDER HIRE PURCHASE AND LEASING AGREEMENTS

Where assets are financed by hire purchase or leasing agreements that give risks and rewards approximating to ownership they are treated as if they had been purchased outright on credit They are therefore initially recorded as a fixed asset and a liability at a sum equal to the fair value of the asset Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives Assets acquired by hire purchase are depreciated over their useful lives Payments on such assets are regarded as consisting of a capital element which reduces the outstanding liability and an interest charge which is charged to the consolidated Income Statement

The total payments made under operating leases are charged to the Income Statement on a straight-line basis over the lease term

CONTRIBUTION TO PENSION FUNDS

The pension costs charged to the income statement represent the amount of contribution payable to the schemes in respect of the accounting year

JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the financial statements requires management to make significant judgements and estimates The items in the financial statements where these judgements and estimates have been made include

- Useful life of vessel There is a significant depreciation charge every year which impacts profitability of the group The economic life of 25 years on which depreciation is based, the directors consider is consistent with other companies in the sector and industry norm

- Value of assets In view of the current economic environment and the slower rate of recovery there is a risk that the value in use calculations could overstate the value of vessels As described within the basis of preparation, the models adopted to review ship values and investments relating to ship owning entities, include key assumptions that have a material impact on the calculation and include growth and discount rates The value in use calculations are reviewed each year

- Dry dock Dry dock costs are written off in the period they are incurred The directors consider the impact of capitalising and depreciating the cost over the life of the asset to be immaterial given the number of vessels that incur dry dock annually on a rolling basis

- Provision for doubtful debts The directors regularly assess the recoverability of the amounts owed to the group and for those where a risk of material misstatement exists, they calculate the net present value of the exceptional receipts and make impairment adjustments to the asset values as appropriate

- Onerous lease The group holds a number of vessels under bareboat lease agreements When the present value of the future cash flows receivable from the operation of the leased assets is less than the present value of the payments to which the group is committed, the group applies the shortfall firstly against the carrying value of the assets and then provide for any further element of the contract Determining the amount of such a provision requires estimation of the net present value of the cash flows receivable in respect of these assets arising from the operation of these vessels To the extent that actual cash flows received differ from those estimates, the amount of the provision could differ materially

FINANCIAL INSTRUMENTS

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

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

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

Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in the consolidated Income Statement Outstanding derivatives at reporting date are included under the appropriate format heading depending on the nature of the derivative Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative

PROVISIONS FOR LIABILITIES

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risks and uncertainties surrounding the obligation

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate The unwinding of the discount is recognised as a finance cost in the Income Statement in the period it arises

PARENTAL GUARANTEE

For the year ended 31 December 2015, the company has provided a parental guarantee enabling Vectis Crew Management Limited to be exempt from the audit requirement under the provisions of Section 479A of the Companies Act 2006 ("the act") relating to subsidiary companies

EXCEPTIONAL ITEMS

Exceptional items are those amounts which the directors have concluded that in view of their material nature and to assist the understanding of users of the financial statements, should be included on the face of the Income Statement

For 2015 the group is showing an exceptional loss due to the impairment of group investments The loss has been reduced due to an impairment reversal for one vessel following the sale of the vessel in January 2016 and the sale of previously written down assets

RESTATEMENT

Due to the significance of the exchange losses experienced by the group these are now incorporated within exceptionals and are now included as part of operating profit with prior year restated The change is merely presentational having previously been included as part of net interest

1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The directors consider that the group is involved in one activity being the operation of motor vessels The following table highlights the percentage of group turnover according to geographical area This has been derived from where the owners of the vessels under Carisbrooke operation are based and not where the vessels are actually trading

	Geographical Area					
	England and Wales		Europe		Other	
	2015	2014	2015	2014	2015	2014
Income	39%	31%	32%	30%	29%	39%

2 OPERATING (LOSS) / PROFIT

		2015 €'000	2014 €'000
Loss on ordinary activities before taxation is stated after charging			
Profit / (loss) on disposal of fixed assets		93	(16)
Depreciation charge for the year	- owned assets	3 129	3,252
Auditors' remuneration	- audit of the company's financial statements	46	43
	- audit of the company's subsidiaries joint ventures and associates	197	113
	- other services pursuant to legislation - taxation	-	10
Charges relating to operating leases		59	78
Charges relating to bareboat leases		4,137	4 379

3 EXCEPTIONAL ITEMS

	2015 €'000	2014 (restated) €'000
Impairment of group investment (Note 10)	2,761	1 951
(Profit) / loss on disposal of fixed assets (Note 9)	(93)	16
(Profit) / loss on other previously written down assets	(1,259)	-
Reversal impairment of motor vessels (Note 8)	(956)	(7 728)
Provision / (reversal) for bad and doubtful debts	560	(2 080)
Exchange losses previously included as part of net interest	2,205	2 260
	3,218	(5 581)

4 NET INTEREST

	2015 €'000	2014 (restated) €'000
On bank loans and overdrafts	(1 529)	(1 549)
On loan notes	(92)	(95)
Hire purchase interest payable	(49)	(67)
Interest receivable	296	338
	(1 374)	(1,373)

5 DIRECTORS AND EMPLOYEES

The average monthly number of persons (including directors) employed by the group during the year was

	2015	2014
Non-executive directors	3	3
Executive directors	4	3
Employees	111	126
	118	132

The company had no employees during 2015 or 2014 The company chairman's emoluments were paid on a consultancy basis by the company during this period

Staff costs for the above persons

	2015 €'000	2014 €'000
Wages and salaries	6,232	5,793
Social security costs	648	642
Other pension costs	489	401
	7 369	6,836

Crew costs are dealt with through a crewing agency and amounted to €5 246 000 (31 December 2014 €5,849 000)

Remuneration in respect of directors was as follows

	2015 €'000	2014 €'000
Emoluments	794	611
Pension contributions	72	54
Compensation for loss of office	-	
	866	665

The amounts set out above are relating to Carisbrooke Shipping Holdings Limited and Carisbrooke Shipping Limited only The amounts above include remuneration in respect of the highest paid director as follows

	2015 €'000	2014 €'000
Emoluments	183	181
Pension contributions	18	15
Compensation for loss of office	-	
	201	196

Retirement benefits for 4 directors are accruing under money purchase pension schemes in respect of qualifying services (2014 4) Amounts payable to third parties for directors fees in 2015 amounted to €202,000 (2014 €124,000)

6 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax charge is based on the (loss) / profit for the year and comprises	2015 €'000	2014 €'000
Current year charge	62	31
Overseas taxation	(81)	153
Current tax charge for the year	(19)	184

The tax assessed for the year differs from the company rate of corporation tax in the UK of 20 25%
The differences are explained as follows

	2015 €'000	2014 €'000
(Loss) / profit on ordinary activities before tax	(6,263)	7 091
(Loss) / profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 20 25% (2014 21 5%)	(1 268)	1,525
Effect of		
Earnings on vessels assessable under tonnage tax	879	(1,540)
Expenses not deductible for tax purposes	627	(8)
Capital allowances in excess of depreciation	(48)	85
Non-taxable credit on impairment reversal	(356)	-
Trade losses carried forward	75	124
Bought forward losses utilised	-	(6)
Net transfer pricing adjustment	11	(1)
Tax on tonnage tax profits / corporation tax	18	5
Prior year charges	43	-
Current tax charge for the year	(19)	184

7 PROFIT ATTRIBUTABLE TO CARISBROOKE SHIPPING HOLDINGS LIMITED

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Income Statement in the financial statements

The group loss for the year includes profit of the parent company of €925,000 (2014 profit €2 361 000)

8 TANGIBLE FIXED ASSETS

The Group

	Freehold land and buildings	Motor vessels	Assets under construction	Motor vehicles and office equipment	Total
	€'000	€'000	€'000	€'000	€'000
Cost or valuation					
At 1 January 2015	1 274	76,714	19	2,721	80 728
Additions	-	-	54	549	603
Disposals	-	(6 886)	(8)	(246)	(7,140)
At 31 December 2015	1,274	69,828	65	3,024	74,191
Depreciation					
At 1 January 2015	159	19,742	-	2,353	22,254
Charge for year	26	2 746	-	357	3,129
Impairment	-	(956)	-	-	(956)
Disposals		(2 182)	-	(238)	(2,420)
At 31 December 2015	185	19,350	-	2,472	22,007
Net book value					
At 1 January 2015	1,115	56 972	19	368	58 474
At 31 December 2015	1,089	50 478	65	552	52 184

The group's office at 38 Medina Road Cowes Isle of Wight was valued on 1 May 2011 by Mark Rhodes of valuers Hose Rhodes Dickson and a Member of the Royal Society of Chartered Surveyors The basis of this valuation was the property's open market value and on adoption of FRS102 the transition relief has been taken such that this now treated as the deemed cost

8 TANGIBLE FIXED ASSETS (CONTINUED)

As a consequence of the review an impairment reversal of €956 000 (2014 impairment reversal €7,728,000) has been recognised against the group's tangible assets and an impairment charge of €2 761 000 (2014 €1 967 000) has been recognised against the group s investments

Vessels with a net book value of €50 478 000 are pledged as security for loans (2014 €56,972,000)

9 TANGIBLE FIXED ASSETS

The Company

	Equipment for motor vessels €'000
Cost or valuation	
At 1 January 2015	580
At 31 December 2015	580
Depreciation	
At 1 January 2015	506
Charge for year	49
At 31 December 2015	555
Net book value	
At 1 January 2015	74
At 31 December 2015	25

10 FIXED ASSET INVESTMENTS

Fixed asset investments

Group

	Associated undertakings €'000	Other investments €'000
Cost		
At 1 January 2015	637	11 494
Additions	-	25
Disposals	-	(3)
Loss for the year	(2,119)	-
Reclassification	4 035	(4,035)
Impairment	-	(2 761)
At 31 December 2015	2,553	4,720

During the year the directors have reassessed the categorisation of Vlootfonds Hanzevast II CV and concluded that whilst the shareholding of a number of institutional investors has previously meant significant influence was not able to be exercised as part of the recent round of refinancing the level of influence has increased The directors are mindful of the growing influence and support now being evidenced and have thus reclassified to become an associated undertaking

Other investments are not listed and are held at cost less impairment as fair value cannot be reliably determined

10 **FIXED ASSET INVESTMENTS (CONTINUED)**

Company

	Subsidiary undertakings €'000	Joint ventures €'000	Associated undertakings €'000	Other investments €'000	Total €'000
Cost					
At 1 January 2015	10 606	5 783	-	-	16,389
Disposals	(1 543)	-	-	-	(1 543)
Impairment reversal / (impairment)	3,288	(4,024)	-	-	(736)
At 31 December 2015	12,351	1,759	-	-	14,110

At 31 December 2015 the group had interests in the following subsidiaries

Subsidiary undertakings	Country of incorporation	Class of share capital held	Nature of business	Proportion held by group
Carisbrooke Shipping (Belgium) BVBA	Belgium	Ordinary	Ship operating	100%
Vectis Crew Management Limited	England and Wales	Ordinary	Crew agency	* 100%
Carisbrooke Shipping 634 Limited	England and Wales	Ordinary	Ship operating	* 100%
Carisbrooke Shipping 636 Limited	England and Wales	Ordinary	Ship operating	* 100%
Carisbrooke Shipping 637 Limited	England and Wales	Ordinary	Ship operating	* 100%
Carisbrooke Shipping 638 Limited	England and Wales	Ordinary	Ship operating	* 100%
York Shipping Limited	England and Wales	Ordinary	Ship operating	* 100%
Carisbrooke Shipping Limited	England and Wales	Ordinary	Ship operating	* 100%
Carisbrooke Shipping Verwaltungs GmbH	Germany	Ordinary	Dormant	50%
Carisbrooke Shipping (Management) GmbH	Germany	Ordinary	Ship operating	100%
Carisbrooke GmbH	Germany	Ordinary	Ship operating	100%
Carisbrooke Shipping Yichang Verwaltung GmbH	Germany	Ordinary	Dormant	50%
Frisian Crew Management GmbH	Germany	Ordinary	Crew agency	100%
Carisbrooke Jiangsu Verwaltung GmbH	Germany	Ordinary	In Insolvency	50%
KSF Ship Agencies BV	The Netherlands	Ordinary	Ship agency	100%
Carisbrooke Shipping (CV14) BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Shipping (CV2) BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Shipping (CV16) BV	The Netherlands	Ordinary	Dormant	100%
Carisbrooke Shipping (CV22) BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Shipping (CV23) BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Shipping (CV24) BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Shipping (CV25) BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Shipping (SO21) BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Shipping Justine CV	The Netherlands	Ordinary	Ship operating	100%
Medina Maritime CV	The Netherlands	Ordinary	Ship operating	54%
Carisbrooke Shipping Shipfund 6250 BV	The Netherlands	Ordinary	Holding company	100%
Carisbrooke Shipping (Holland) BV	The Netherlands	Ordinary	Holding company	100%
Carisbrooke Shipping Lauren C CV	The Netherlands	Ordinary	Dormant	84%
Northern Ship Management BV	The Netherlands	Ordinary	Ship operating	100%
Soetermeer Fekkes Cargadoorskantoor BV	The Netherlands	Ordinary	Ship operating	100%
Carisbrooke Chartering BV	The Netherlands	Ordinary	Ship operating	100%
KSF Ship Agencies CV	The Netherlands	Ordinary	Ship agency	100%
Carisbrooke Obligatiefonds I BV	The Netherlands	Ordinary	Service provider	100%
Carisbrooke Shipping BV	The Netherlands	Ordinary	Service provider	100%
Bridge Shipping CV	The Netherlands	Ordinary	Dormant	100%

10 FIXED ASSET INVESTMENTS (CONTINUED)

Subsidiary undertakings (continued)	Country of incorporation	Class of share capital held	Nature of business	Proportion held by group
Carisbrooke Shipping Norway AS	Norway	Ordinary	Ship operating	100%
Margrete C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	In Insolvency	50%
Jannie C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	In Insolvency	50%
Vanessa C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	Dormant	50%
Dina C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	Dormant	50%
Jade C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	Dormant	50%
Emily C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	Dormant	50%
Jill C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	Dormant	50%
Anna C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	Dormant	50%
Megan C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	Dormant	100%
Celine C Verwaltungs UG (haftungsbeschranckt)	Germany	Ordinary	In insolvency	100%

* Interest held directly by the holding company

At 31 December 2015 the group had interests in the following associated undertakings / joint ventures

	Country of incorporation	Class of share capital held	Nature of business	Proportion held by group
Joint ventures				
Carisbrooke Shipping 6250 BV	The Netherlands	Ordinary	Ship operating	50%
Carisbrooke Shipping 6251 BV	The Netherlands	Ordinary	Ship operating	50%
Carisbrooke Shipping 6252 BV	The Netherlands	Ordinary	Ship operating	50%
Carisbrooke Shipping 6253 BV	The Netherlands	Ordinary	Ship operating	50%
Carisbrooke Shipping 6254 BV	The Netherlands	Ordinary	Ship operating	50%
Carisbrooke Shipping Kitty C CV	The Netherlands	Ordinary	Ship operating	50%
Carisbrooke Shipping 10000 BV	The Netherlands	Ordinary	Ship operating	50%
Vectis 8000 Limited *	England & Wales	Ordinary	Ship operating	51%
Medina 8000 Limited *	England & Wales	Ordinary	Ship operating	51%
Bridge Shipping Limited *	England & Wales	Ordinary	Ship operating	51%
Associated undertakings				
Vlootfonds Hanzevast II CV	The Netherlands	Ordinary	Ship operating	20%
Carisbrooke Shipping Mary C CV	The Netherlands	Ordinary	Ship operating	29%
Scheepsfonds Hanzevast - MS Megan C NV	The Netherlands	Ordinary	Ship operating	21%
Hanzevast Carisbrooke Shipping 1 NV #	Belgium	Ordinary	In Insolvency	20%

* Interest held directly by the holding company

Although the group owns 50% of the ordinary shares in this NV, the capital structure and articles of the company give the other participants equivalent to 80% of the effective capital

Associated undertakings	Income	Expenditure	Amounts owed to associate	Amounts owed by associate
	€'000	€'000	€'000	€'000
Vlootfonds Hanzevast II CV	9 022	7,309	230	850
Carisbrooke Shipping Mary C CV	2 237	2,917	241	1,354
Scheepsfonds Hanzevast - MS Megan C NV	2 313	2,628	202	867
			673	3 071

The figures above are stated gross before provisions

Share of associates	Fixed assets	Current assets	Liabilities falling due within one year	Liabilities falling due after more than one year
At 31 December 2015 the group's share of assets and liabilities of the associated undertakings was	€'000	€'000	€'000	€'000
	14 559	432	2 055	8,987

10 FIXED ASSET INVESTMENTS (CONTINUED)

Share of joint ventures	2015 €'000	2014 €'000
The group's share of the results assets and liabilities of the Carisbrooke Shipping 6250 BV group was		
Turnover	15 755	16 359
(Loss) / profit before tax	(431)	844
Tax	(6)	(7)
(Loss) / profit after tax	(437)	837
Fixed assets	43,851	42,081
Current assets	366	3 502
Liabilities due within one year	(8 903)	(3 269)
Liabilities due after more than one year	(17,414)	(25,499)

The group's share of the assets and liabilities of Bridge Shipping Limited was	2015 € 000	2014 €'000
Turnover	6,119	2,012
Profit before tax	44	61
Tax	(3)	(1)
Profit after tax	41	60
Fixed assets	7,431	7,976
Current assets	779	247
Liabilities due within one year	(134)	(3,001)
Liabilities due after more than one year	(7 947)	(5 124)

The group's share of the assets and liabilities of Vectis 8000 Limited was	2015 €'000	2014 €'000
Turnover	1 935	1 651
Loss before tax	(288)	(555)
Tax	(1)	(1)
Loss after tax	(289)	(556)
Fixed assets	5,686	5 985
Current assets	146	178
Liabilities due within one year	(4,385)	(441)
Liabilities due after more than one year	-	(3,986)

The group's share of the assets and liabilities of Medina 8000 Limited was	2015 €'000	2014 €'000
Turnover	1 905	1 254
Loss before tax	(68)	(400)
Tax	(3)	-
Loss after tax	(71)	(400)
Fixed assets	5 821	6,100
Current assets	303	237
Liabilities due within one year	(500)	(284)
Liabilities due after more than one year	(5,323)	(5,681)

11 STOCK

	Group 2015	Company 2015	Group 2014	Company 2014
	€'000	€'000	€'000	€'000
Vessel consumables	4 896	-	5 549	-
	4,896	-	5,549	-

12 DEBTORS

	Group 2015	Company 2015	Group 2014	Company 2014
	€ 000	€'000	€'000	€'000
Amounts falling due within one year				
Trade debtors	6,329	-	2,637	-
Amounts owed by group undertakings	-	7 423	-	8,231
Amounts owed by associated undertakings	3 071	-	1 991	-
Amounts owed by entities in which the group has a participating interest	1,073	-	2,518	-
Other debtors	1 823	-	1 784	88
Prepayments and accrued income	3 285	59	2 278	13
Corporation tax	98	-	-	-
	15,679	7 482	11 208	8 332
Amounts falling due after more than one year				
Other debtors	5,124	4 781	6,165	5,379
Amounts owed by group undertakings	-	23,278	-	23,662
	5 124	28,059	6,165	29 041
	20 803	35,541	17 373	37 373

Included within other debtors during after more than one year is a deferred tax asset of €243,000 (2014 €243,000)

Balances due within one year from group undertakings are interest free and unsecured

13 CREDITORS

	Group	Company	Group	Company
	2015		2014	
	€'000	€'000	€'000	€'000
Amounts falling due within one year				
Instalments due on bank loans and overdrafts	7 987	-	7 142	-
Non-shareholder loans	21	21	21	21
Trade creditors	8,446	-	7,215	-
Amounts owed to entities in which the group has a participating interest	1 405	-	1,327	2
Amounts owed to group undertakings	-	13	-	4,989
Amounts owed to associated undertakings	673	-	660	-
Corporation tax	-	-	74	-
Other taxation and social security	240	-	264	-
Other creditors	1,897	-	1 728	-
Financial liabilities	342	-	518	
Accruals and deferred income	10,141	320	11 179	404
	31 152	354	30,128	5,416

The bank overdrafts and loans are secured by a floating charge over the assets of the company, by cross guarantees and fixed charges over book debts freehold property and motor vessels of companies of the Carisbrooke Shipping Holdings Limited group

14 CREDITORS

	Group 2015	Company 2015	Group 2014	Company 2014
	€'000	€'000	€'000	€'000
Amounts falling due after more than one year				
Non-shareholder loans	929	54	1,934	77
Bank loans	30 385	-	35,446	-
Other creditors	566	-	1,885	-
	31 880	54	39 265	77

	Group 2015	Company 2015	Group 2014	Company 2014
	€'000	€'000	€'000	€'000
Bank loans including current instalments are repayable as follows				
Within one year	7,987	-	7,142	-
After one and within two years	3 962	-	10,361	-
After two and within five years	14 139	-	11 733	-
After five years	12 284	-	13 352	-
	38 372	-	42 588	-

A bank loan of €nil (2014 €2 273,600) was repayable in quarterly instalments This was repaid during the year The interest rate was Euribor plus a range between 1 2% - 4%

A bank loan of €2,033,600 (2014 €2,353,600) is repayable in quarterly instalments of €80 000 until quarter three 2016 when the remaining balance is due The interest rate is based on Euribor plus a range between 1 2% - 4% The loan is secured against a vessel

A bank loan of €3,325,000 (2014 €3,587,500) is repayable in quarterly instalments of €87 500 until quarter one 2021 when the remaining balance is due The interest rate is based on Euribor plus a range between 1 2% - 4% The loan is secured against a vessel

A bank loan of €3,339,000 (2014 €3,612,000) is repayable in quarterly instalments of €91,000 until quarter one 2021 when the remaining balance is due The interest rate is based on Euribor plus a range of 1 2%-4% The loan is secured against a vessel

A bank loan of €3,325,000 (2014 €3,587 500) is repayable in quarterly instalments of €87,500 until quarter one 2021 when the remaining balance is due The interest rate is based on Euribor plus a range between 1 2% - 4% The loan is secured against a vessel

A bank loan of €3,321 311 (2014 €3 594 311) is repayable in quarterly instalments of €91,000 until quarter one 2021 when the remaining balance is due The interest is based on Euribor plus a range between 1 2% - 4% The loan is secured against a vessel

A bank loan of €1 990 625 (2014 €2 846 875) was repayable in quarterly instalments of €132,812 The balance has been repaid during quarter one 2016 The interest rate was based on Euribor plus a range of 1 2% - 4% The loan was secured against a vessel

A bank loan of €5 560 000 (2014 €6 040,000) is repayable in quarterly instalments of €120 000 until quarter one 2019 when the remaining balance is due The interest rate is based on Euribor plus a range of 1 2% - 4% The loan is secured against a vessel

A bank loan of $10,400,000 (2014 $11,360,000) is repayable in quarterly instalments of $240,000 and is repayable over a thirteen year term The interest rate is based on Euribor plus a range of 1 2% - 4% The loan is secured against a vessel

A credit facility of $6,500,000 (2014 $6,500 000) is repayable in two tranches Tranche A is for yearly instalments of $500,000 per year from quarter one 2016 until quarter one 2018 Tranche B is for $200,000 per quarter from quarter one 2016 until quarter one 2022 The interest rate is 5% The loan is unsecured

15 PROVISIONS FOR LIABILITIES AND CHARGES

	Group 2015 €'000	Company 2015 €'000	Group 2014 €'000	Company 2014 €'000
Interests in associated undertakings (Note 10)	114	-	114	-
Onerous contracts	867	-	2 322	-
	981	-	2,436	-

Group

	Pensions €'000	Interests in associated undertakings €'000	Onerous contracts €'000	Total €'000
At 1 January 2015	-	114	2 322	2,436
Profit and loss release	-	-	(1 455)	(1,455)
At 31 December 2015	-	114	867	981

The onerous contract provision includes the bareboat leasing of vessels The provision established in the prior year was utilised in full The Directors have revisited the models upon which the onerous lease provision was calculated and recognised the resulting provision and charge in the financial statements

All movements in the year have been provided through the income statement The provision for the interest in associated undertakings represents the group's share of losses in associated undertakings in excess of the value of the investments

16 DEFERRED TAX

	Group 2015 €'000	Company 2015 €'000	Group 2014 €'000	Company 2014 €'000
Accelerated capital allowances	(243)	-	(243)	-

No deferred tax has been provided on the revaluation reserve This is because any capital loss generated by the sale of the building at below cost could only be set against capital gains made on other assets and no such gains are anticipated

17 CALLED UP SHARE CAPITAL

	2015 €'000	2014 €'000
Allotted, called up and fully paid		
487,600 (2014 487,600) ordinary shares of £1 each	725	725

18 RESERVES

The called up share capital represents the nominal value of shares that have been issued

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

The revaluation reserve account includes the revaluation of the group's office at 38 Medina Road, Cowes Isle of Wight following the valuation on 1 May 2012 by Mark Rhodes of valuers Hose Rhodes Dickson Following the change to FRS 102, the accounting policy in relation to freehold property has changed and therefore the revaluation reserve as at the 31 December 2014 will be treated as the deemed cost in accordance with the transition provisions on adoption of FRS102

The capital redemption account relates to the purchase of the company's own shares

The profit and loss account includes all current and prior period retained profit and losses

19 PENSIONS

Contributions are made into defined contribution pension schemes on behalf of some employees of the group The assets are held separately from those of the group in independently administered funds

The pension charge represents contributions payable by the group to those funds and amounted to €489,000 (31 December 2014 €401,000) in the year

All contributions due for the year have been paid and there were no unpaid balances as at 31 December 2015 (2014 €nil)

20 OPERATING LEASE COMMITMENTS

The group has a number of operatıng leases ıncludıng cars, vessels and office space The mınımum annual rentals under these leases are

	Group 2015	Company 2015	Group 2014	Company 2014
	€'000	€'000	€'000	€'000
	Other	Other	Other	Other
Operatıng leases whıch expıre				
In less than one year	2 138	-	2 800	-
Between one and five years	369	-	1 601	-
In more than five years	-	-	65	-
	2 507		4 466	

21 FINANCIAL ASSETS AND LIABILITIES

	Group 2015	Company 2015	Group 2014	Company 2014
	€'000	€'000	€'000	€'000
Fınancıal (lıabılıtıes) / assets measured at faır value through ıncome statement				
- Forward foreıgn currency contracts	(2)	-	(24)	-
- Interest rate swaps	(340)	-	(494)	-
	(342)	-	(518)	-

The group purchases ınterest rate swaps to manage ınterest rate rısk volatılıty and forward foreıgn currency contracts to hedge currency exposure on firm future commıtments The faır values of the assets and lıabılıtıes held at faır value through the ıncome statement at the statement of financıal posıtıon date are determıned usıng quoted prıces

22 CONTINGENT LIABILITIES

Varıous members of the group, ıncludıng the parent company, have gıven cross-guarantees ın respect of the bank loans ıncluded ın notes 14 and 15

The group has provıded cross guarantees to support certaın entıtıes ın whıch ıt has a share holdıng amountıng to €2 264 000 (2014 €2 264,000)

The parent company has also provıded an unlımıted cross guarantee to Vectıs 8000 Lımıted, a joınt venture of the group The amount due at 31 December 2015 was €8,720 000 (2014 €9 540 000)

There were no other contıngent lıabılıtıes at 31 December 2015 or 31 December 2014 other than as dısclosed ın note 16 under deferred tax

23 CAPITAL COMMITMENTS

The group defines as capıtal commıtment as a materıal commıtment for an asset that the group has a lıabılıty to purchase as at the Statement of Fınancıal Posıtıon date At 31 December 2015 the group had no capıtal commıtments (2014 €nıl)

24 RELATED PARTIES TRANSACTIONS

The group is exempt under Financial Reporting Standard 102 from disclosing any transactions or balances between wholly owned group entities that have been eliminated on consolidation

The directors have concluded that key management are those statutory directors of the company and their remuneration is disclosed in note 5

During the year the Group recharged purchases of €nil (2014 €710,052) to Carisbrooke Shipping Lauren C CV, a company incorporated in The Netherlands with common shareholders and directors Carisbrooke Shipping Lauren C CV is an 84% owned subsidiary by Carisbrooke Shipping (Holland) BV and Carisbrooke Shipping (CV15) BV The Group also collected income of €nil (2014 €816 587) on behalf of the company At 31 December 2015 the net balance due from Lauren amounted to €nil (2014 €208,622)

During the year the group recharged purchases of €1 144,620 (2014 €931 533) to Medina Maritime CV a company incorporated in The Netherlands with common stakeholders and directors Medina Maritime is an 54% owned subsidiary by Carisbrooke Shipping (Holland) BV and Carisbrooke Shipping (CV23) BV The group also collected income of €2 011 280 (2014 €1 951 813) on behalf of the company At 31 December 2015 the net balance due from Medina Maritime CV amounted to €174 992 (2014 €68 477)

Carisbrooke Shipping (Holland) BV maintains a current account with Carisbrooke Shipping 6250 BV for settlement of management fees and vessel equipment costs Carisbrooke Shipping 6250 BV is a joint venture in which the Group has a 50% interest

Carisbrooke Shipping Limited maintains a current account with Vectis 8000 Limited for settlement of management fees and vessel costs Vectis 8000 Limited is a joint venture in which the Group has a 51% interest

Carisbrooke Shipping Limited maintains a current account with Medina 8000 Limited for settlement of management fees and vessel costs Medina 8000 Limited is a joint venture in which the Group has a 51% interest

Carisbrooke Shipping Limited maintains a current account with Bridge Shipping Limited for settlement of management fees and vessel costs Bridge Shipping Limited is a joint venture in which the Group has a 51% interest

During the year the company purchased consultancy services amounting to €103,000 (2014 €40,000) from WtoM Technology BV a company in which W Wester is a director At the year end an amount of €3 000 (2014 €nil) was owed to the company

During the year, guarantee fees were earned to the Directors of Carisbrooke Shipping Holdings Limited in relation to the partial deferment of certain bareboat lease costs The fees for the year are stated below

	2015 €'000	2014 €'000
H J Tveitan	8	11
R W Wester	18	26
W Wester	24	35
	50	72

At year end the amounts outstanding were €24 000 (2014 €37 000)

The table below shows income and expenditure incurred within the Group and recharged to Joint venture and Associated undertakings at cost The group interests in Joint venture companies are stated above Vlootfonds Hanzevast II CV is a 20% Associate undertaking Carisbrooke Shipping Mary C CV is a 29% Associate undertaking and Sheepsfonds Hanzevast - MS Megan C NV is a 21% Associate undertaking of the group The Amounts owed by and owed to Joint venture and Associated undertakings are stated to show amounts owed to and from Group Carisbrooke Shipping Nicole C CV, a 47% Associate undertaking has closed

	Income		Expenditure		Amounts owed to associates & joint venture €'000		Amounts owed by associate & joint venture €'000	
Joint ventures	2015	2014	2015	2014	2015	2014	2015	2014
Carisbrooke Shipping 6250 BV	33,566	32,715	27,674	26,080	-	-	180	-
Vectis 8000 Limited	4,233	3,612	3,793	3,390	-	-	824	52
Medina 8000 Limited	4,246	2,794	3,392	2,160	173	-	-	141
Bridge Shipping Limited	12,239	4,024	10,514	3,335	-	-	44	6
Associates								
Vlootfonds Hanzevast II CV	9,022	-	7,309	-	230	-	850	-
Carisbrooke Shipping Mary C CV	2,236	2,064	2,916	2,515	241	232	1,354	781
Carisbrooke Shipping Nicole C CV	-	801	-	699	-	25	-	407
Sheepsfonds Hanzevast - MS Megan C NV	2,313	2,160	2,628	2,331	202	402	849	967

25 POST BALANCE SHEET EVENTS

A vessel was sold during January 2016 with the loan secured against the vessel also repaid during January 2016 The directors confirm there have been no other significant post balance sheet events

26 TRANSITION TO FRS 102

The company has adopted FRS 102 for the year ended 2015 and has restated the comparative prior year amount

Explanations

i Financial instruments

Under previous UK GAAP, the group and company was not previously required to recognise derivative financial instruments within the Statement of Financial Position Instead the effects of the derivative instruments were recognised in the Income Statement on settlement Under FRS 102, derivative financial instruments are classified as other financial instruments and are recognised as a financial asset or liability, at fair value when an entity becomes party to the contractual provisions of the instrument

On the adoption of the requirements of FRS 102 financial liabilities of €526,000 have been recognised on the Statement of Financial Position at the date of transition 1 January 2014

At 31 December 2014 the fair values of the financial liabilities were €518,000

In accordance with accounting policy above, the difference between fair values of €526,000 and €518,000 has been recognised in the Income Statement for the year

ii Long term debtors

Under previous UK GAAP, the group and company was not required to present value long term loans which had no interest attached to them A working capital loan to a Joint Venture company has been provided on this basis therefore under FRS 102 the group and company is required to present value the loan and then account for the interest income for the year The interest rate used for the calculation is 3% and the time frame is seven years in line with the main loan provided by the group and company to the same Joint Venture company The effect of the unwinding of the discount is a credit to the Income Statement of €9 000 for the group and company in the year ended 31 December 2014 The present difference amounts to €71 000 at 31 December 2014 These loans were only issued in 2014 and therefore no translation is required on the date of transition, 1 January 2014

iii Associate undertakings

Under previous UK GAAP, the group was previously required to recognise its share of net assets or net liabilities Under FRS 102, this is now not the case and once the investment in the Associate has reached nil then no more losses are to be recognised unless a constructive or legal obligation by the group exists in which a provision will then be recognised

Following this, for Carisbrooke Shipping Nicole C CV and Hanzevast Carisbrooke Shipping 1 NV on adoption of the requirements of FRS 102 reversal of results recognised amounted to €42 000 and €486,000 respectively at the date of transition, 1 January 2014

At 31 December 2014 the reversal of results recognised amounted to €397 000

26 TRANSITION TO FRS 102 (CONT)

iv Transition to FRS 102 - reconciliations

Explanation of Transition - Reconciliation of Equity

Group

	At 1 January 2014			At 31 December 2014		
	As previously stated €'000	Effect of transition € 000	FRS102 (as restated) €'000	As previously stated €'000	Effect of transition €'000	FRS102 (as restated) €'000
Fixed assets	81 503	(95)	81,408	89,645	(19)	89,626
Current assets	37,627		37 627	36 455	(62)	36 393
Creditors amounts falling due within one year	(27,103)	(526)	(27,629)	(29 610)	(518)	(30,128)
Net current assets	10 524	(526)	9 998	6,845	(580)	6,265
Total assets less current liabilities	92,027	(621)	91 406	96 490	(599)	95 891
Creditors amounts falling due after more than one year	(39 651)	-	(39,651)	(39,265)	-	(39,265)
Provisions for liabilities and charges	(4 624)	444	(4 180)	(2 833)	397	(2,436)
Net assets	47,752	(177)	47 575	54 392	(202)	54,190
Capital and reserves	47,752	(177)	47 575	54 392	(202)	54,190

Company

	At 1 January 2014			At 31 December 2014		
	As previously stated €'000	Effect of transition €'000	FRS102 (as restated) €'000	As previously stated €'000	Effect of transition €'000	FRS102 (as restated) €'000
Fixed assets	16,089	-	16 089	16,392	71	16,463
Current assets	38,964	-	38 964	37,439	(62)	37,377
Creditors amounts falling due within one year	(8,969)	-	(8 969)	(5 416)	-	(5,416)
Net current assets	29 995	-	29,995	32 023	(62)	31,961
Total assets less current liabilities	46 084	-	46,084	48 415	9	48 424
Creditors amounts falling due after more than one year	(98)	-	(98)	(77)	-	(77)
Net assets	45 986	-	45,986	48,338	9	48 347
Capital and reserves	45,986	-	45,986	48 338	9	48 347

26 TRANSITION TO FRS 102 (CONT)

iv Transition to FRS 102 - reconciliations

Explanation of Transition - Reconciliation of Income statement

Group

	At 31 December 2014		
	As previously stated €'000	Effect of transition €'000	FRS102 (as restated) €'000
Turnover	50 831	-	50 831
Cost of sales	(32,031)	-	(32,031)
Gross profit	18,800	-	18,800
Administrative expenses	(8,962)	-	(8,962)
Other operating charges	(8,706)	-	(8 706)
Other operating income	801	-	801
Movement on financial liabilities	-	8	8
Exceptional items	5,581	-	5 581
Operating costs	(11 286)	8	(11 278)
Operating profit	7,514	8	7,522
Share of losses of joint ventures	(63)	4	(59)
Share of loss of associated undertakings	(117)	(47)	(164)
Profit on disposal of interest in associated undertakings	1 000	-	1 000
Dividends received from investments	130	-	130
Profit on ordinary activities before interest and taxation	8 464	(35)	8 429
Net interest and similar charges	(1,382)	9	(1,373)
Profit before taxation	7,082	(26)	7,056
Taxation	(184)	-	(184)
Profit on ordinary activities after taxation	6 898	(26)	6,872
Minority interest	(207)	-	(207)
Retained profit for the financial year	6,691	(26)	6,665

27 ULTIMATE CONTROLLING PARTY

The directors believe that there is no single controlling individual