



CARISBROOKE SHIPPING

CARISBROOKE SHIPPING HOLDINGS LIMITED

Company registered in England and Wales Number 03783705

**REPORT AND FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2021**



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

CARISBROOKE SHIPPING HOLDINGS LIMITED

DIRECTORS

H J Tveitan-De Jong
W Wester
C L Williams

REGISTERED OFFICE

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

BANKERS

National Westminster Bank
3 Hampshire Business Park
PO Box 462 Templars Way
Chandlers Ford
SO53 3RY

Coöperatieve Rabobank Amsterdam U.A
Croeselaan 18
3521 CB Utrecht
The Netherlands

AUDITORS

Moore (South) LLP
9 St John's Place
Newport
Isle of Wight
PO30 1LH

SOLICITORS

C Solutions Limited
The Minster Building
21 Mincing Lane
London

CARISBROOKE SHIPPING HOLDINGS LIMITED

CONTENTS

	PAGE
Strategic report	1 - 4
Report of the Directors	5 - 7
Report of the independent auditors	8 - 11
Consolidated income statement	12
Consolidated statement of other comprehensive income	13
Consolidated statement of financial position	14
Consolidated statement of changes in equity	15
Company statement of financial position	16
Company statement of changes in equity	17
Consolidated statement of cash flows	18 - 19
Accounting policies	20 - 26
Notes to the financial statements	27 - 45

CARISBROOKE SHIPPING HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report for Carisbrooke Shipping Holdings Limited and the group for the year ended 31 December 2021.

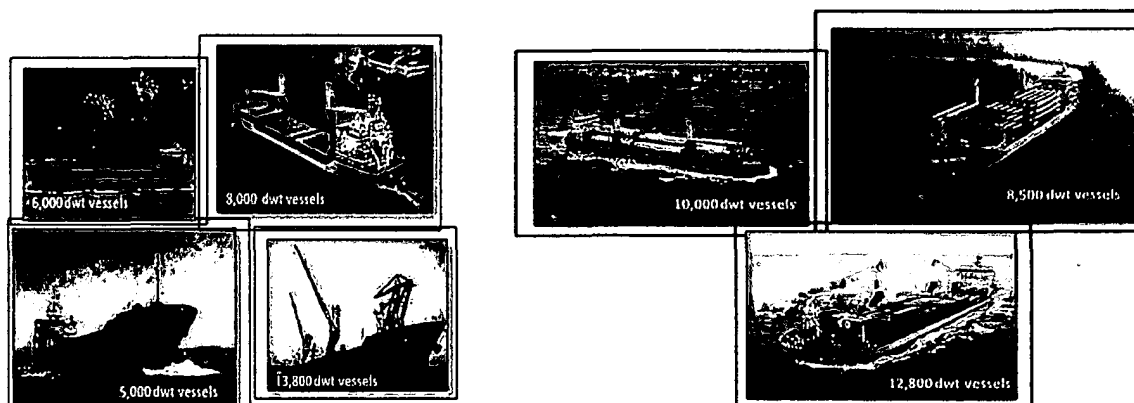
Directors' statement

Carisbrooke Shipping's history dates back to 1969, since which time the company 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 2021 Carisbrooke Shipping employed an average of 49 employees from the headquarters office in Cowes (United Kingdom) and a second office in Rotterdam (The Netherlands). Carisbrooke owns/operate over 30 general cargo and multipurpose vessels. The company is incorporated and registered in England and Wales. The vessels are modern, with an average age of around 12 years, are fuel efficient and have excellent safety records.

The fleet, owned and / or managed, consists of vessels ranging from 5,000 dwt up to 35,000 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 on-going ambition is to provide exceptional ship management services whilst minimising our environmental impact. Hence whilst maintaining commercial success is critical, our operations must be compatible with the environment which must be protected for future generations.

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 virtually carry any type of dry 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. 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.



Around 50% of the comparable World fleet is older than 20 years. Older 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.

CARISBROOKE SHIPPING HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Review of the business

The audited financial statements for the year ended 31 December 2021 are set out on pages 12 to 45. The profit for the year after taxation was €9,704,000 (year to 31 December 2020 loss: €38,000), without exceptional income for the year (2020: €420,000). No impairments or reversals have been recognised in the year (2020: €Nil).

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

The COVID 19 pandemic resulted in changing market conditions for the Group, with increasing income tariffs during 2021. Putting aside the COVID pandemic, the past 5 years have seen improving times for the Group as the markets in which it operates have stabilised, with a balancing of supply and demand, and recovering freight levels.

Looking to the future, the IMO has set a goal to a 50% reduction in carbon emissions from shipping recorded in 2008 by 2050. In addition, there are a variety of other initiatives and regulations which are changing the landscape of ship operations. Increased focus on sustainability and efficiency are driving change. Regulations such as Ballast Water Management Treatment Systems on the vessels and complying with enhanced environmental requirements such as IHM, as well as an ongoing focus to reduce our fleets' greenhouse gas emissions will dominate our agenda. The Directors main focus will be on improving the operational performance of the fleet as well as actively looking to renew the fleet.

COVID-19 Impact assessment

As with most companies, the COVID-19 pandemic has had, and continues to have a significant effect on our business. Our operations have continued to function and the vessels continue to trade. Market conditions have improved from Q3 2020, and remained at a high level throughout the whole of 2021.

The health and wellbeing of our people remains our highest priority.

The group has operated throughout the 2021 financial year within the financial covenants as contained in the various bank agreements.

TCE levels for our ship-owning entities (predominantly but not exclusively joint ventures) are either at or in excess of the budget level for the first six months of 2022. Thereafter signs indicate levels remain strong for the rest of the year.

Management has prepared a detailed "bottom-up" profit and loss and cash flow forecast for the 12 months ending June 2023 on a conservative basis. This takes into account activity levels across all income streams and geographical locations taking into account specific factors relevant in each of our businesses. These forecasts have been reviewed and approved by the Board.

Our cash flow forecast assumes that the cash position will increase in coming months as a result of the improved market conditions.

CARISBROOKE SHIPPING HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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, and 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.

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.

The group holds cash at a level sufficient to ensure the group has available funds to meet its medium-term capital and funding obligations, to meet any unforeseen obligations and opportunities and to enable the group to manage its liquidity risk.

CARISBROOKE SHIPPING HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

Political risk - The group has taken necessary steps, such as reflagging vessels under EU countries, to mitigate the risk of leaving the EU under Brexit.

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.

ON BEHALF OF THE BOARD


Willem Wester
Director

Date

7th July 2022

Registered Office
Bridge House, 38 Medina Road, Cowes

Isle of Wight, PO31 7DA

CARISBROOKE SHIPPING HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors submit their report and the audited financial statements of Carisbrooke Shipping Holdings Limited and the group for the year ended 31 December 2021.

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; W Wester, H J Tveitan-de Jong and C L Williams (left to right).



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.

Directors' Responsibilities Statement

The directors are responsible for preparing Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 102 'The Financial Reporting Standard applicable 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 and the profit or loss of the company (and group) for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

CARISBROOKE SHIPPING HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and group's transactions and 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.

Political Donations

There were no political donations in the year (2020: nil).

Dividends

The Directors have paid dividend of €503,000 (2020: nil).

Going Concern

The Directors continue to work closely with the group's funders to ensure financing arrangements are aligned to trading circumstances and expected asset lives. There are sufficient years of use of the vessels covering the remaining years of the finance.

The group's aim is for all projects held in subsidiaries or connected entities is to be self-financing from operating cash flow. The group has provided various cross guarantees in respect of bank loans to joint ventures and associates undertakings

The Directors have assessed the likelihood of amounts drawn under the guarantees they have provided. The outcome of this assessment is an overall low risk.

The group continues to meet its financing obligations and either sourced new or existing financing for some vessels during 2021. This funding further re-enforces the strength of the group and its projects.

The group has considerable financial resources and a wide operational base.

The Directors understand that trading conditions may vary and result in changes to operating cash flows. Based on reasonably foreseeable circumstances, the Directors conclude that the group has adequate resources, and necessary means to continue as a going concern in the normal course of business for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Post balance sheet events

The board of directors have agreed to increase the investment in both Vectis Maritime CV and Medina Maritime CV, by making an offer for shareholdings held by third party participants, the majority of which have accepted and exited the CV.

Vectis Maritime CV have subsequently entered into a sale and leaseback arrangement.

CARISBROOKE SHIPPING HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Auditors

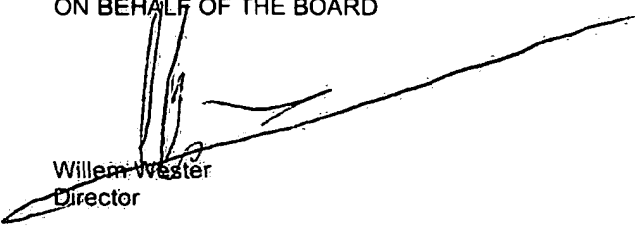
Moore South LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Company Act 2006.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Director's report is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is; and
- the directors have taken all steps that they ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

ON BEHALF OF THE BOARD


Willem Wester
Director

Date

7th July 2022

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

Company Registration Number

03783705 in England and Wales

CARISBROOKE SHIPPING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Carisbrooke Shipping Holdings Limited (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 December 2021 which comprise of the group income statement, the group statement of other comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

CARISBROOKE SHIPPING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 group and the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those

CARISBROOKE SHIPPING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the group.

Our approach was as follows:

- The engagement partner selected a team for the audit, led by persons who had prior knowledge of the group and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning and ongoing review, including due to fraud. Management override was identified as a significant fraud risk from our assessment. This is due to the ability to bypass controls and disclosure requirements.
- We assessed the control environment, documenting the systems, controls and processes adopted. The audit approach incorporated a combination of controls testing, where appropriate, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities were discussed with management and additional corroborative evidence was obtained as required.
- We obtained an understanding of the legal and regulatory requirements applicable to the company and group. We considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation. We considered how the company and group complies with these requirements by discussions with management and those charged with governance.
- Revenue recognition was also identified as a significant risk due to the nature of the revenue sources and complexity of the recognition criteria which could give rise to revenue being recorded other than in accordance with suitable accounting policies.
- We considered the valuation of operating assets, in particular the carrying value of the vessels through enquiry of management, reviewing relevant market and financial information on which the valuations are based and obtaining information from relevant third parties.
- We obtained an understanding of the related companies within the group structure, in particular the completeness of related parties and whether there were any omitted balances.
- We obtained an understanding and assessed the impact of Covid-19 on the operations of the company and group and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption and reviewed support received through various Covid-19 schemes.
- Both Carisbrooke Shipping 6250 BV and SMT Carisbrooke Holding Limited are audited by independent component auditors. Group instructions were issued to communicate clearly the scope and timings of the work related to the component and their findings and obtain sufficient appropriate audit evidence regarding the financial information of the components and the consolidation process to express an opinion on the group financial statements

To address the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify any unusual transactions;
 - assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
 - reviewed transactions with related parties as well as any transactions with directors;
 - reviewed the disclosures within the financial statements to assess they meet the requirements of the financial reporting standards and relevant legislation;
 - undertook a review of our audit work and considered other information available to us to identify any omissions from the group structure and related party information provided by management.
 - reviewed our independent component auditors files to satisfy ourselves they have managed the risk of related parties.
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CARISBROOKE SHIPPING HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

To consider whether revenue has been recorded correctly, we:

- reviewed our independent component auditors files to satisfy ourselves they have managed the risk of revenue being misstated and assess the commercial managers accuracy;
- performed analytical procedures to identify any unexplained fluctuations;
- performed substantive testing on a sample of technical management fees to assess the revenue is recognised consistently in line with the policy;
- performed substantive testing on a sample of the income of the two vessels within the holding company to determine occurrence and accuracy of cut off for revenue.

In response to the risk of asset valuation and impairment we:

- considered the valuation of assets for any impairment;
- considered the accuracy and appropriateness of the valuation model used;
- considered the basis on which independent 3rd party valuations were compiled.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any other party 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.



Sue Lucas (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP
Chartered Accountants
Statutory Auditor

8th July 2022

9 St John's Place
Newport
PO30 1LH

CARISBROOKE SHIPPING HOLDINGS LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 €'000	2020 €'000
Turnover	1	12,530	6,124
Cost of sales		(4,152)	(2,355)
Gross profit		8,378	3,769
Administrative expenses		(3,307)	(3,015)
Other operating charges		(2,985)	(684)
Other operating income		356	744
Exceptional items	3	-	420
Operating costs		(5,936)	(2,535)
Operating profit		2,442	1,234
Share of operating profit / (loss) of joint ventures	11	7,916	(921)
Profit on ordinary activities before interest and taxation		10,358	313
Net interest and similar charges	4	(626)	(361)
Profit / (loss) on ordinary activities before taxation		9,732	(48)
Taxation on profit on ordinary activities	6	(28)	10
Profit/ (loss) on ordinary activities after taxation		9,704	(38)
		=====	===
Profit/ (loss) for the financial year is attributable:			
Owners of the parent company		9,380	141
Non-controlling interests		324	(179)
Retained profit for the financial year		9,704	(38)
		=====	===

CARISBROOKE SHIPPING HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 €'000	2020 €'000
Profit/ (loss) for the financial year	9,704	(38)
Other recognised gains and losses in respect of foreign exchange	884	(776)
Revaluation surplus	<u>-</u>	<u>1,454</u>
Total comprehensive income for the financial year	10,588 =====	640 ===
Total comprehensive income attributable to		
Owners of the parent	10,264	819
Non-controlling interest	<u>324</u>	<u>(179)</u>
	10,588 =====	640 ===

CARISBROOKE SHIPPING HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 €'000	2020 €'000
Fixed assets			
Intangible assets	9	251	-
Tangible assets	10	23,052	14,601
Investment in Joint Ventures	11	30,146	25,774
Other investments	11	<u>3,982</u>	<u>4,514</u>
		57,431	44,889
Current assets			
Stock	12	253	40
Debtors – due within one year	13	2,469	4,492
Debtors – due after one year	13	310	288
Cash at bank and in hand		<u>6,451</u>	<u>2,773</u>
		9,483	7,593
Creditors: amounts falling due within one year	14	(5,046)	(5,949)
Short term part of bank loans		<u>(1,903)</u>	<u>-</u>
Net current assets/(liabilities)		2,534	1,644
		<u> </u>	<u> </u>
Total assets less current liabilities		59,965	46,533
Creditors: amounts falling due after more than one year	15	(14,918)	(11,511)
Provision for liabilities and charges	16	<u>-</u>	<u>(15)</u>
Net assets		45,047	35,007
		<u>=====</u>	<u>=====</u>
Capital and reserves			
Called up share capital	17	644	711
Capital redemption reserve	18	1,237	1,150
Share premium	18	6,431	6,251
Revaluation reserve	18	1,454	1,454
Foreign exchange reserve	18	275	(609)
Profit and loss account	18	<u>32,237</u>	<u>24,812</u>
Equity attributable to the owners		42,278	33,769
		<u>=====</u>	<u>=====</u>
Non-controlling interests		<u>2,769</u>	<u>1,238</u>
Total equity		45,047	35,007
		<u>=====</u>	<u>=====</u>

The financial statements were approved by the Board and authorised for issue on 7th July 2022 and signed on its behalf by


 Willem Wester Director

The accompanying accounting policies (page 20 - 26) and notes (page 27- 45) form an integral part of these financial statements.

CARISBROOKE SHIPPING HOLDINGS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2021

	Share Capital €'000	Capital Redemption €'000	Share Premium €'000	Revaluation Reserve €'000	Foreign Exchange Reserve €'000	Profit and loss account €'000	Non controlling interest €'000	Total €'000
Balance as at 1 January 2020	799	1,062	6,251	-	167	26,321	1,114	35,714
Share buy back during the year	(88)	88	-	-	-	(1,509)	-	(1,509)
Profit for the year	-	-	-	-	-	141	(179)	(38)
Other comprehensive income for the year	-	-	-	1,454	(776)	-	-	678
Reserve transfer	-	-	-	-	-	(141)	141	-
Minority interest	-	-	-	-	-	-	162	162
Balance as at 31 December 2020	711	1,150	6,251	1,454	(609)	24,812	1,238	35,007
Share issue during the year	20	-	180	-	-	-	-	200
Share buy back during the year	(87)	87	-	-	-	(1,509)	-	(1,509)
Dividend paid	-	-	-	-	-	(503)	-	(503)
Profit for the year	-	-	-	-	-	9,380	324	9,704
Other comprehensive income for the year	-	-	-	-	884	-	-	884
Revaluation	-	-	-	-	-	-	774	774
Additions	-	-	-	-	-	-	433	433
Other movements	-	-	-	-	-	57	-	57
Balance as at 31 December 2021	644	1,237	6,431	1,454	275	32,237	2,769	45,047
	===	====	=====	=====	===	=====	=====	=====

CARISBROOKE SHIPPING HOLDINGS LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	2021 €'000	2020 €'000
Fixed assets			
Tangible assets	10	1	1
Investments	11	<u>27,918</u>	<u>17,131</u>
		27,919	17,132
Current assets			
Debtors – due within one year	13	-	4,103
Debtors – due after one year	13	5,026	10,833
Cash at bank and in hand		<u>-</u>	<u>-</u>
		5,026	14,936
Creditors: amounts falling due within one year	14	<u>(4,663)</u>	<u>(2,642)</u>
Net current assets		363	12,294
		<u>-</u>	<u>-</u>
Total assets less current liabilities		28,282	29,426
		<u>-</u>	<u>-</u>
Net assets		28,282	29,426
		=====	=====
Capital and reserves			
Called up share capital	17	644	711
Share premium	18	6,431	6,251
Capital redemption reserve	18	1,237	1,150
Profit and loss account	18	<u>19,970</u>	<u>21,314</u>
		28,282	29,426
		=====	=====

The financial statements were approved by the Board and authorised for issue on 7th July 2022 and signed on its behalf by


Willem Wester Director

The accompanying accounting policies (page 20 - 26) and notes (page 27- 45) form an integral part of these financial statements.

CARISBROOKE SHIPPING HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

AS AT 31 DECEMBER 2021

	Share Capital €'000	Share Premium €'000	Capital Redemption €'000	Profit and loss account €'000	Total €'000
Balance as at 1 January 2020	799	6,251	1,062	20,562	28,674
Share buy back during the year	(88)	-	88	(1,509)	(1,509)
Profit for the year	-	-	-	2,261	2,261
Balance as at 31 December 2020	711	6,251	1,150	21,314	29,426
Share issue during the year	20	180	-	-	200
Share buy back during the year	(87)	-	87	(1,509)	(1,509)
Profit for the year	-	-	-	668	668
Paid out dividend	-	-	-	(503)	(503)
Balance as at 31 December 2021	644 ===	6,431 =====	1,237 =====	19,970 =====	28,282 =====

CARISBROOKE SHIPPING HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 €'000	2020 €'000
Cash flows from operating activities			
Profit for the financial year		9,704	819
Adjustments for:			
Taxation		28	(10)
Interest received		(271)	(31)
Interest paid		897	392
Joint venture and associated undertakings movements		(7,916)	921
Exceptional items		-	(420)
Other operational income		-	(539)
Depreciation of tangible fixed assets		2,522	937
Amortisation of intangible assets		63	-
Decrease/(increase) in trade and other receivables		2,468	(53)
Decrease/(increase) in inventories		(104)	-
Increase/(decrease) in trade payables		(364)	(110)
Increase/(decrease) in long term provisions		(15)	1
Revaluation		-	(677)
Profit from disposal of investment		-	(179)
Net cash from operations		7,012	1,051
Interest paid		(897)	(392)
Taxation paid		(16)	-
Interest received		271	31
Net cash from operating activities		6,370	690
Cash flows from investing activities			
Purchases of subsidiary undertaking		(2,951)	-
Cash acquired with subsidiary undertaking		583	-
Proceeds for sale of associated undertakings & participating interests		-	4,300
Dividends received from participating interests		2,647	-
Investment in associated undertakings and other fixed asset investments		(585)	(1,875)
Investment in joint venture		(54)	-
Revaluation		774	-
Net cash from investing activities		414	2,425
Cash flows from financing activities			
Issue of ordinary share capital		200	-
Share buy back		(1,509)	(1,509)
Paid out dividends		(503)	-
Receipt of borrowings		4,100	5
Repayment of borrowings		(5,394)	(350)
Net cash from financing activities		(3,106)	(1,854)
Net increase/(decrease) in cash and cash equivalents		3,678	1,262
Cash and cash equivalents at beginning of year		2,773	1,511
Cash and cash equivalents at end of year		6,451	2,773
Component of cash and cash equivalents at the end of the year			
Cash		6,451	2,773
		====	====

CARISBROOKE SHIPPING HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

Analysis of net debt

	At 1 January 2021 €'000	Cash flows €'000	Other non cash changes €'000	At 31 December 2021 €'000
Cash and cash equivalents				
Cash	<u>2,773</u>	<u>3,678</u>	<u>-</u>	<u>6,451</u>
	2,773	3,678	-	6,451
Borrowings				
Debt due within one year	(944)	(388)	(571)	(1,903)
Debt due after one year	<u>(9,974)</u>	<u>(906)</u>	<u>(2,841)</u>	<u>(13,721)</u>
	(10,918)	(1,294)	(3,412)	(15,624)
	=====	=====	=====	=====

The movement of other non cash changes relates to newly received bank loans, and its changed instalments.

The accompanying accounting policies (page 20 -26) and notes (page 27-45) form an integral part of these financial statements.

CARISBROOKE SHIPPING HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

COMPANY INFORMATION

Carisbrooke Shipping Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Bridge House, 38 Medina Road, Cowes, Isle of Wight, PO31 7DA.

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 instruments have been prepared on the historical cost basis, modified to include the revaluation of certain motor vessels and certain financial instruments are fair value.

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 company's transactions are denominated. The Euro to Pound Sterling exchange rate at 2021 was 0.8372 (2020: 0.9006).

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 balance sheet date are allocated into accounting periods on the basis of the proportion of the voyage completed at the balance sheet date on a discharge/discharge port basis. Full provision is made for any losses on voyages in progress at the balance sheet date.

Voyage costs

Voyage expenses primarily exits 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 the voyage charter agreements and amortises them over the relevant voyage. Operating costs are accounted for on an accruals basis. Dry dock costs are capitalised as incurred and depreciated in five years.

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.

CARISBROOKE SHIPPING HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

GOING CONCERN

The Directors continue to work closely with the group's funders to ensure financing arrangements are aligned to trading circumstances and expected asset lives. There are sufficient years of use of the vessels covering the remaining years of the finance.

The group's aim is for all projects held in subsidiaries or connected entities is to be self-financing from operating cash flow. The group has provided various cross guarantees in respect of bank loans to joint ventures and associates undertakings.

The Directors have assessed the likelihood of amounts drawn under the guarantees they have provided. The outcome of this assessment is an overall low risk.

The group continues to meet its financing obligations and either sourced new or existing financing for some vessels during 2021. This funding further re-enforces the strength of the group and its projects.

The group has considerable financial resources and a wide operational base.

The Directors understand that trading conditions may vary and result in changes to operating cash flows. Based on reasonably foreseeable circumstances, the Directors conclude that the group has adequate resources, and necessary means to continue as a going concern in the normal course of business 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 higher than expected rates in the commercial shipping sector, the directors are conscious of the fact that the currently increased day rates being achieved may be an indicator of reversal of earlier impairment. Directors' approach remains prudent for their impairment reviews. No reversal of impairment has been applied.

Recoverable amounts have been determined based on 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 2.2% per annum from 1 January 2023 and thereafter, for those markets in which the group operates and 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 12 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 7.5% 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. A review of the carrying value of investments has been undertaken, and no impairment noted on any of the investments held for the year ended 2021.

The conclusion of the review is that no impairment has been recognised (2020: €nil) for the year ended, against the Group's investments.

CARISBROOKE SHIPPING HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 exerts joint control over the major decisions of the 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 20% and 29% 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.

CARISBROOKE SHIPPING HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

INTANGIBLE FIXED ASSETS

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the balance sheet and amortised over its estimated useful life, being 5 years. Goodwill is reviewed for impairment at the end of its first full financial year following acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation is calculated to write down the cost of the intangible asset by equal instalments over their expected economic useful lives.

The annual rates generally applicable are:

Goodwill	20%	straight line
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TANGIBLE FIXED ASSETS

During the year, the group changed from the cost model to revaluation model, based on the sale of similar vessels which allows the group to reliably measure the fair value of its 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 revaluation, are stated at historical cost, including revaluation, and less accumulated depreciation.

The annual rates generally applicable are:

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

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 2014 will be deemed as cost and amortised over equal instalments for the remaining expected life.

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.

CARISBROOKE SHIPPING HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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. New buildings/intellectual ownership design & plans are stated at cost.

DEBTORS

Short term debtors are measured at transition 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 effective interest method.

TAXATION

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet 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 balance sheet 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 balance sheet date.

For ship owning companies of the Carisbrooke Shipping 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 the 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.

CARISBROOKE SHIPPING HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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 profit and loss account.

The total payments made under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

CONTRIBUTION TO PENSION FUNDS

The pension costs are charged against profits to represent the amount of the contributions 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 standard 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 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 being capitalised and written off over a period of five years.
- 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.

CARISBROOKE SHIPPING HOLDINGS LIMITED

PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

-
- Management have reviewed factors for impairment in light of COVID-19, discount factors and future cash flows are considered to remain unchanged, or lower (income only). Even with an income at 60% of its original budgeted level, and for the full year of 2021 impairment will not be considered appropriate.
 - Receivables and payables from, and to current or former principals, which are under guardianship or insolvent, are estimated on basis of information provided by external administrator and best estimation of collectability.

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 balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. 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 profit and loss. Outstanding derivatives at reporting date are included under the appropriate format heading depending on the nature of the derivative.

PROVISION 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

As for the year ended 31 December 2021, the company has provided a parental guarantees enabling Vectis Crew Management Limited, Carisbrooke Shipping Limited, Carisbrooke Shipping 6000 Limited, Carisbrooke Shipping 636 Limited and Carisbrooke Shipping 637 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.

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 TURNOVER

The directors consider that the group is involved in one activity being the operation of trading 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 & Wales		Europe		Other	
	2021	2020	2021	2020	2021	2020
Income	62%	68%	38%	32%	0%	0%

2 OPERATING PROFIT

	2021 €'000	2020 €'000
Profit on ordinary activities before taxation is stated after charging		
Amortisation of intangible assets	63	-
Depreciation charge for the year	2,522	937
Impairment charge for the year	-	-
Auditors' remuneration current year	54	54
	10	6
Charges relating to operating leases	1	1
The audit of the company amounted to €54,000 (2020: €54,000)		

3 EXCEPTIONAL ITEMS

	2021 €'000	2020 €'000
Profit on disposal of group investments	-	420
	-	420
	===	===

Exceptional items include gains on the sale of subsidiaries to an external third party.

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 NET INTEREST

	2021	2020
	€'000	€'000
On bank loans and overdrafts	(804)	(392)
On loan notes	34	-
Hire purchase interest payable	(93)	-
Interest receivable	<u>237</u>	<u>31</u>
	(626)	(361)
	===	===

5 DIRECTORS AND EMPLOYEES

	2021	2020
Non-executive directors	2	2
Executive directors	1	1
Employees	<u>46</u>	<u>47</u>
	49	50
	==	==

The company had no employees during 2021 or 2020, other than directors. The company chairman's emoluments were paid on a consultancy basis by the company during the period.

Staff costs for the above persons:

	2021	2020
	€'000	€'000
Wages and salaries	2,627	2,547
Social security costs	239	191
Other pension costs	<u>223</u>	<u>217</u>
	3,089	2,955
	=====	=====

Remuneration in respect of directors was as follows:

	2021	2020
	€'000	€'000
Emoluments	389	330
Social security costs	38	25
Pension contributions	<u>10</u>	<u>28</u>
	437	383
	===	===

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:

	2021	2020
	€'000	€'000
Emoluments	344	277
Pension contributions	<u>10</u>	<u>28</u>
	354	305
	===	===

Retirement benefits for 1 director is accruing under money purchase pension schemes, in respect of qualifying services (2020: 1). Amounts payable to third parties for directors' fees in 2021 amounted to €14,000 (2020: €44,000).

CARISBROOKE SHIPPING HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2021 €'000	2020 €'000
The tax charge is based on the year and comprises:		
Overseas taxation	<u>28</u>	<u>(10)</u>
Current tax charge for the year	<u>28</u>	<u>(10)</u>
	<u>==</u>	<u>==</u>
The tax assessed for 2021 is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)		
The differences are explained as follows:		
	2021 €'000	2020 €'000
Profit on ordinary activities before tax	9,732	(48)
Profit on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19% (2020: 19%)	1,849	(9)
Effect of:		
Earnings on vessels assessable under tonnage tax	(321)	32
Expenses not deductible for tax purposes	797	232
Capital allowances in excess of depreciation	228	2
Income taxable outside the tonnage tax ring fence	-	(190)
Bought forward losses utilised	<u>(2,525)</u>	<u>(77)</u>
	<u>==</u>	<u>==</u>
Current tax charge for the year	<u>28</u>	<u>(10)</u>
	<u>==</u>	<u>==</u>

Deferred tax assets for €179,540, and a deferred tax liability of €110,553 are not provided for in the balance sheet (2020: €261,703 deferred tax assets and deferred tax liability of €77,788).

Taxable losses brought forward were €1,170,144 and carried forward €944,947.

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 profit and loss account in the financial statements. The group profit for the year includes profit of the parent company of €668,000 (2020 profit: €2,261,000).

8 DIVIDEND

	2021 €'000	2020 €'000
Interim dividend paid during the year	<u>503</u>	<u>-</u>
	<u>=====</u>	<u>=====</u>
Total dividends paid during the year	<u>503</u>	<u>-</u>
	<u>=====</u>	<u>=====</u>

There were no proposed dividends that have not been accrued as was declared after the balance sheet date.

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 INTANGIBLE ASSETS
The Group

	Goodwill €'000	Total €'000
Cost or valuation		
At 1 January 2021		
Additions	314	314
	<u>314</u>	<u>314</u>
At 31 December 2021	<u>314</u>	<u>314</u>
Amortisation		
At 1 January 2021		
Charge for the year	63	63
	<u>63</u>	<u>63</u>
At 31 December 2021	<u>63</u>	<u>63</u>
Net book value		
At 1 January 2021		
	<u>---</u>	<u>---</u>
	<u>---</u>	<u>---</u>
At 31 December 2021	<u>251</u>	<u>251</u>

On 1 January 2021, the group acquired the remaining shares in EOS Carisbrooke AS, for the cost of €2,950,000. The result of this transaction is that the subsidiary is now 82% owned by the group. See note 19 for acquisition of business.

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 TANGIBLE FIXED ASSETS
The Group

	Freehold Land and Buildings €'000	Motor vessels €'000	Motor vehicles and office equipment €'000	Total €'000
Cost or valuation				
At 1 January 2021	1,274	22,452	889	24,615
Additions	-	10,967	-	10,967
Disposals	-	(1,775)	(164)	(1,939)
At 31 December 2021	1,274	31,644	725	33,643
	=====	=====	=====	=====
Depreciation				
At 1 January 2021	313	8,917	785	10,015
Charge for year	25	2,467	30	2,522
Disposals	-	(1,775)	(171)	(1,946)
At 31 December 2021	338	9,609	644	10,591
	=====	=====	=====	=====
Net book value				
At 1 January 2021	962	13,535	104	14,601
	=====	=====	=====	=====
At 31 December 2021	936	22,035	81	23,052
	=====	=====	=====	=====

The group's office at 38 Medina Road, Cowes, Isle of Wight was valued on 1 May 2012 by Mark Rhodes of valuers Hose Rhodes Dickson Limited, and a Member of the Institute of Chartered Surveyors. The basis of this valuation was the property's open market value and on adoption of FRS 102, the transition relief has taken such that this is now treated as the deemed cost.

As a consequence of the review, no impairment has been recognised (2020: no impairment) against the Group's tangible assets.

During the year the group purchased the remaining shares in a joint venture they already participated in, and became sole owner of the vessels from its subsidiary Carisbrooke Shipping 637 Limited. The two vessels from this entity have been added.

Vessels with a net book value of €18,112,254 are pledged as security for loans (2020: €12,965,069).

If the motor vessels were measured entirely using the cost model, the carrying amounts would be approximately €16,638,000 (2020: €12,081,000), the historical cost would be €35,150,000 (2020: €20,998,000) and accumulated depreciation would be €18,412,000 (2020: €8,917,000).

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 TANGIBLE FIXED ASSETS

The Company

	Equipment for motor vessels €'000
Cost or valuation	
At 1 January 2021	<u>580</u>
At 31 December 2021	580 ===
Depreciation	
At 1 January 2021	<u>579</u>
At 31 December 2021	579 ===
Net book value	
At 1 January 2021	1 ===
At 31 December 2021	1 ===

11 FIXED ASSETS INVESTMENTS

Group

	Joint ventures €'000	Other investments €'000	Total €'000
Cost			
At 1 January 2021	25,774	4,514	30,288
Additions	54	585	639
Share of joint venture profit	7,916	-	7,916
Disposals	(2,952)	-	(2,952)
Received dividend	(1,530)	(1,117)	(2,647)
Repayment of invested capital	-	-	-
Revaluation of investment in foreign currencies	<u>884</u>	<u>-</u>	<u>884</u>
At 31 December 2021	30,146 =====	3,982 =====	34,128 =====

Addition includes USD 60,000 (€54,000) due to a change of shares in joint venture company SMT Carisbrooke Holding Limited.

Dividend relate to transfers received from Carisbrooke Shipping 6250 BV (€822,000) and CSMT for \$ 800,000 (€708,000).

Dividend received from other investments relate to Super Greenship BV (€1,117,000). Additional shares have been purchased in an existing other undertaking amounting to €585,000.

CARISBROOKE SHIPPING HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

11 FIXED ASSETS INVESTMENTS (CONTINUED)

Company	Group companies €'000	Total €'000
Cost		
At 1 January 2021	17,131	17,131
Additions	<u>10,787</u>	<u>10,787</u>
At 31 December 2021	27,918 =====	27,918 =====

During the period, long term loans between the company and two of its subsidiaries has been converted into investment, for the amount of €10,000,000 and €787,000 respectively

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 FIXED ASSETS INVESTMENTS (CONTINUED)

At 31 December 2021 the group had interests in the following subsidiaries:

	Country of Incorporation	Registered Office	Class of share capital held	Nature of business	Proportion held by group
Vectis Crew Management Limited	England and Wales	Cowes	Ordinary	Crew agency	100% *
Carisbrooke Shipping Limited	England and Wales	Cowes	Ordinary	Ship operating	100% *
Carisbrooke Shipping BV	The Netherlands	Dordrecht	Ordinary	Service provider	100%
Carisbrooke Shipping Norway AS	Norway	Oslo	Ordinary	Ship operating	100% *
Carisbrooke Shipping (CV23) BV	The Netherlands	Dordrecht	Ordinary	Ship operating	100%
Carisbrooke Shipping (CV24) BV	The Netherlands	Dordrecht	Ordinary	Ship operating	100%
Carisbrooke Shipping (SO21) BV	The Netherlands	Dordrecht	Ordinary	Ship operating	100%
CS Shipfund BV (former CS Shipfund 6250 BV)	The Netherlands	Dordrecht	Ordinary	Holding company	100%
Carisbrooke Shipping (Holland) BV	The Netherlands	Dordrecht	Ordinary	Holding company	100% *
Northern Ship Management BV	The Netherlands	Dordrecht	Ordinary	Ship operating	100%
Soetermeer Fekkes Cargadoorskantoor BV	The Netherlands	Dordrecht	Ordinary	Ship operating	100%
Carisbrooke Chartering (former Merweship Management BV)	The Netherlands	Dordrecht	Ordinary	Crew agency	100%
Frisian Crew Management GmbH	Germany	Leer	Ordinary	Liquidated	100%
Carisbrooke Shipping (Germany) GmbH	Germany	Leer	Ordinary	in liquidation	100%
Carisbrooke Shipping 636 Limited	England and Wales	Cowes	Ordinary	Ship operating	82%
Carisbrooke Shipping 637 Limited	England and Wales	Cowes	Ordinary	Ship operating	82%
EOS Carisbrooke AS	Norway	Oslo	Ordinary	Ship operating	82%
Medina Maritime CV	The Netherlands	Dordrecht	Ordinary	Ship operating	73%

During the year, the remaining shares for joint venture EOS Carisbrooke AS were purchased, so that the investment is now a subsidiary undertaking from 1 January 2021.

* Interest held directly by the holding company

CARISBROOKE SHIPPING HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

11 FIXED ASSETS INVESTMENTS (CONTINUED)

At 31 December 2021 the group had interest in the following undertakings/joint ventures:

	Country of Incorporation	Registered Office	Class of share capital held	Nature of business	Proportion held by group
Joint ventures					
SMT Carisbrooke Holding Ltd	Cyprus		Ordinary	Ship operating	47%
Carisbrooke Shipping 6250 BV	The Netherlands		Ordinary	Ship operating	41%
Other undertakings and investments					
Super Greenship BV	The Netherlands		Ordinary	Ship operating	19%
Vectis Maritime CV	The Netherlands		Ordinary	Ship operating	12%
Eileen C LLP	England and Wales		Ordinary	Ship operating	16%
Mirjun II LLP	England and Wales		Ordinary	Ship operating	16%
Nicole LLP	England and Wales		Ordinary	Ship operating	16%
Odette LLP	England and Wales		Ordinary	Ship operating	16%
Reiderdijk LLP	England and Wales		Ordinary	Ship operating	16%

CARISBROOKE SHIPPING HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

11 FIXED ASSETS INVESTMENTS (CONTINUED)

Other undertakings and investments

	Income €'000	Expenditure €'000	Amounts owed to €'000	Amounts owed by €'000
Super Greenship BV	7,832	5,279	<u>5</u>	<u>-</u>
			<u>5</u>	<u>-</u>

The figures above are stated gross before provisions.

	Fixed assets €'000	Current assets €'000	Liabilities falling due within one year €'000	Liabilities falling due after more than one year €'000
Other undertakings and investments				
As at 31 December 2021 the group's share of assets and liabilities of the associated undertakings was	20,677	3,489	1,663	8,130

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 FIXED ASSET INVESTMENTS (CONTINUED)

Share of joint ventures	2021 €'000	2020 €'000
The group's share of the results, assets and liabilities of the Carisbrooke Shipping 6250 BV group was:		
Turnover	11,233	6,782
Profit before tax	3,704	(1,403)
Tax	(7)	(6)
Profit after tax	3,697	(1,409)
	=====	==
Fixed assets	28,613	30,758
Current assets	3,023	870
Liabilities due within one year	(2,173)	(2,334)
Liabilities due after more than one year	(11,518)	(14,224)
The group's share of the assets and liabilities of SMT Carisbrooke Holdings Limited was:		
	2021 €'000	2020 €'000
Turnover	17,117	9,235
Profit before tax	4,219	(590)
Tax	-	-
Profit after tax	4,219	(590)
	=====	===
Fixed assets	19,516	16,942
Current assets	4,922	2,440
Liabilities due within one year	(2,700)	(2,070)
Liabilities due after more than one year	(9,505)	(9,529)
The group's share of the assets and liabilities of EOS Carisbrooke AS was:		
	2021 €'000	2020 €'000
Turnover	-	1,060
Profit before tax	-	1,318
Tax	-	(2)
Profit after tax	-	1,316
	=====	===
Fixed assets	-	3,082
Current assets	-	728
Liabilities due within one year	-	(39)
Liabilities due after more than one year	-	(2,405)

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 STOCK

	Group 2021 €'000	Company €'000	Group 2020 €'000	Company €'000
Vessel consumables	160	-	40	-
Intellectual ownership / new build designs	<u>93</u>	<u>-</u>	<u>-</u>	<u>-</u>
	253	-	40	-
	<u>==</u>	<u>==</u>	<u>==</u>	<u>==</u>

Stock comprises of fuel on board when delivered on time charter to vessel, no inventories were recognised as expenses during the period.
Intellectual ownership include new build plans.

13 DEBTORS

	Group 2021 €'000	Company €'000	Group 2020 €'000	Company €'000
Amounts falling due within one year:				
Trade debtors	1,157	-	527	-
Amounts owed by group undertakings	-	-	-	4,100
Amounts owed by undertakings	56	-	1,996	-
Amounts owed by entities in which the group has a participating interest	135	-	1,055	-
Taxation	14	-	24	-
Other debtors	272	-	220	-
Prepayments and accrued income	<u>835</u>	<u>-</u>	<u>670</u>	<u>3</u>
	2,469	-	4,492	4,103
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	5,026	-	10,833
Other debtors	<u>310</u>	<u>-</u>	<u>288</u>	<u>-</u>
	2,779	5,026	4,780	14,936
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

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

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 CREDITORS

	Group 2021 €'000	Company €'000	Group 2020 €'000	Company €'000
Amounts falling due within one year:				
Instalments due on bank loans and overdrafts	1,903	-	944	-
Shareholder loans	-	-	59	-
Trade creditors	1,644	-	1,492	-
Amounts owed to entities in which the group has a participating interest	-	-	205	-
Amounts owed to group undertakings	-	4,415	-	2,367
Amounts owed to associated undertakings	5	-	37	-
Corporation tax	12	-	12	-
Other taxation and social security	180	-	121	-
Other creditors	1,462	-	-	-
Accruals and deferred income	<u>1,743</u>	<u>248</u>	<u>3,079</u>	<u>275</u>
	6,949	4,663	5,949	2,642
	=====	=====	=====	=====

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

Shareholder loans include receivables from private investors.

15 CREDITORS

	Group 2021 €'000	Company €'000	Group 2020 €'000	Company €'000
Amounts falling due after more than one year:				
Bank loans	13,721	-	9,974	-
Amounts owed to participating interests	530	-	897	-
Amounts owed to associated undertakings	213	-	210	-
Other creditors	<u>454</u>	<u>-</u>	<u>430</u>	<u>-</u>
	14,918	-	11,511	-
	=====	=====	=====	=====

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

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

	Group 2021 €'000	Company €'000	Group 2020 €'000	Company €'000
Bank loans including current instalments are repayable as follows:				
Within one year	1,903	-	944	-
After one and within two years	7,530	-	3,585	-
After two and within five years	<u>6,191</u>	<u>-</u>	<u>6,388</u>	<u>-</u>
	15,624	-	10,918	-
	=====	==	=====	==

A bank loan of €2,865,000 (2020: €3,085,000) is repayable in quarterly instalments of €55,000, until final balloon payment of €2,645,000 due on 31 January 2023. The interest is based on Euribor plus a range of 1.2% - 4%. The loan is secured against a vessel.

The bank loan with ABN has been repaid in during the year, and new financing has been included. The bank loan of €3,863,000 (2020: €3,520,000) is repayable in quarterly instalments of €79,000 until quarter one 2026 when the final balloon payment for €2,599,000 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 €4,653,332 (2020: €6,000,000) is repayable in two quarterly instalments of €336,667 until quarter two 2022. As from quarter three 2022, the quarterly instalments will be €170,000, until the last quarter of 2025. Final balloon payment is at 25 November 2025 for an amount of € 1,600,000. The loan is secured against the vessels.

A credit facility of \$4,800,000 (2020: \$5,300,000) is repayable in instalments of USD 100,000, as from 31 January 2022, and quarterly thereafter, against an interest rate of 5.0%. The final maturity date for the loan is 31 January 2023. The loan is unsecured.

16 PROVISION FOR LIABILITIES AND CHARGES

	Group 2021 €'000	Company €'000	Group 2020 €'000	Company €'000
Pensions	-	-	15	-
	-	-	15	-
	==	==	==	==
Group			Pensions €'000	Total €'000
At 1 January 2021			15	15
Profit and loss charge			<u>(15)</u>	<u>(15)</u>
At 31 December 2021			-	-
			==	==

The pensions provision relates to contributions due for December 2021, which have been paid in the year.

CARISBROOKE SHIPPING HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

17 CALLED UP SHARE CAPITAL

	2021 €'000	2020 €'000
Authorised		
570,132 (2020: 552,632) ordinary shares of £1 each	<u>644</u>	<u>711</u>
	644	711
	===	===
Allotted, called up and fully paid		
419,255 (2020: 477,197) ordinary shares of £1 each	<u>644</u>	<u>711</u>
	644	711
	===	===

During the year 17,500 ordinary shares of £1 have been issued for the total amount of € 200.000.

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

The revaluation reserve relates to revaluation of vessels to market value.

The foreign exchange reserve relates to the valuation of joint ventures, which have a different functional currency than euro.

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

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 ACQUISITION OF A BUSINESS

On 1 January 2021 the group acquired the remaining shares in EOS Carisbrooke AS.

	Book Value	Adjustments	Fair Value
	€'000	€'000	€'000
Net assets acquired			
Property, plant and equipment	10,973	-	10,973
Inventories	109	-	109
Trade and other receivables	478	-	478
Cash and cash equivalents	583	-	583
Trade and other payables	(119)	-	(119)
Loans	(6,000)	-	(6,000)
Tax liabilities	(3)	-	(3)
Non controlling interest	<u>(433)</u>	<u>-</u>	<u>(433)</u>
Total identifiable net assets	5,588	-	5,588
	=====	===	
Goodwill			<u>314</u>
Total consideration			5,902
			=====
The consideration was satisfied by:			€'000
Cash			2,951
Investment already in company			<u>2,951</u>
			5,902
			=====

The useful life of the goodwill is determined to be 5 years, based on industry norms.

20 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 €223,465 (2020: €217,198) in the year.

The pensions provision relates to contributions due for December 2021, which all have been paid in the year. All contributions due for the year have been paid for during the year.

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 OPERATING LEASE COMMITMENTS

The minimum annual rentals under these leases are:

	Group 2021 €'000	Company €'000	Group 2020 €'000	Company €'000
Operating leases which expire:				
In less than one year	1	-	1	-
Between one and five years	-	-	-	-
	1	-	1	-
	==	==	==	==

22 CONTINGENT LIABILITIES

Various members of the group, including the parent company, have given cross-guarantees in respect of the bank loans included in notes 14 and 15.

The group has provided guarantees to support subsidiaries amounting to €6,861,836 (2020: €2,920,196), guarantees to support joint ventures amounting to €24,384,907 (2020: €21,478,285) and guarantees to support associated undertakings amounting to €5,600,219 (2020: €7,193,092).

There were no other contingent liabilities at 31 December 2021 or 31 December 2020.

23 CAPITAL COMMITMENTS

The group defines as capital commitment as a material commitment for an asset that the group has a liability to purchase as at the balance sheet date. At 31 December 2021 the group had no capital commitments (2020: €nil).

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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. In addition, there is one key management employee and the total remuneration for all key management is €663,000 (2020: €614,000). The directors' remuneration as mentioned under note 5 have all been paid during the year, and there are no outstanding balances (2020: €nil).

The share buy back agreement, dated October 2019, to take place over six tranches. At the year end all transactions have been completed, totalling 75,442 ordinary £1 for €1,508,840. Additional shares have been issued to a current director of the company, totalling 17,500 £1 shares for €200,000.

During the year the group recharged purchases of €768,555 (2020: €371,358) to Medina Maritime CV, a company incorporated in The Netherlands with common stakeholders and directors. Medina Maritime CV is a 73% owned subsidiary by Carisbrooke Shipping (Holland) BV and Carisbrooke Shipping (CV23) BV. The group also collected income of €2,184,963 (2020: €1,563,122) on behalf of the company. At 31 December 2021 the net balance due from Medina Maritime CV amounted to €28,352 (2020: €183,924 due from).

During the year the group recharged purchases of €384,648 (2020: €579,788) to Carisbrooke Shipping 636 Limited, a company incorporated in United Kingdom with common stakeholders and directors. Carisbrooke Shipping 636 Limited is a 82% owned subsidiary of Carisbrooke Shipping (Holland) BV and CS Shipfund BV. At 31 December 2021 the net balance due to Carisbrooke Shipping 636 Limited amounted to €41,870 (2020: €18,094 due from).

During the year, and with retrospect to 1 January 2021, CS Shipfund BV, has purchased the remaining 50% shares in EOS Carisbrooke Shipping AS for €2,951,000. EOS Carisbrooke Shipping AS is the sole owner of Carisbrooke Shipping 637 Limited. CS Shipfund BV is an 82% subsidiary entity, owned through Carisbrooke Shipping (Holland) BV.

During the year the group recharged purchases of €1,391,325 (2020: €648,312) to Carisbrooke Shipping 637 Limited, a company incorporated in United Kingdom with common stakeholders and directors. Carisbrooke Shipping 637 Limited is a 82% owned subsidiary of Carisbrooke Shipping (Holland) BV and CS Shipfund BV. At 31 December 2021 the net balance due to Carisbrooke Shipping 637 Limited amounted to €1,487,301 (2020: €287,442 due to).

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 41% interest.

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

Guarantee fees were payable to shareholders, in respect of company loans:-

	2021 €'000	2020 €'000
H J Tveitan – de Jong	1	1
W Wester	<u>1</u>	<u>1</u>
	2	2
	==	==

At year end, the amounts outstanding were €Nil (2020: €nil).

CARISBROOKE SHIPPING HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The table below shows income and expenditure incurred within the Group and recharged to Joint venture and other undertakings at cost. The group interests in Joint Venture companies and associated companies are stated above in Note 11.

	Income		Expenditure		Amounts owed to joint ventures & other investments €000		Amounts owed by joint ventures & other investments €000	
	2021	2020	2021	2020	2021	2020	2021	2020
Joint ventures								
Carisbrooke Shipping 6250 BV	4,482	3,297	8,522	7,232	-	-	105	782
Carisbrooke Shipping 637 Limited	-	-	-	648	-	-	-	-
Carisbrooke Shipping 638 Limited	-	-	-	543	-	-	-	-
SMT Carisbrooke Holding Ltd	-	-	15,655	8,075	-	-	31	273
Other investments								
Super Greenship BV	-	-	2,736	2,845	5	37	-	-
	-	-	-	-	-	-	-	-

25 ULTIMATE CONTROLLING PARTY

The directors believe that there is no single controlling individual.

26 POST BALANCE SHEET EVENTS

Since the year end the group has committed to the purchase of the remaining shares in Medina Maritime CV, and the remaining shares in Vectis Maritime CV.

27 PRIOR YEAR ADJUSTMENT

No prior year adjustments have been recognised or included.