

AarhusKarlshamn Hull Limited

Annual report and Financial Statements for the year ended 31 December 2017

Registered Number 2193829



AarhusKarlshamn Hull Limited

Annual report

for the year ended 31 December 2017

Contents

Directors' report for the year ended 31 December 2017	1
Independent auditors' report to the members of AarhusKarlshamn Hull Limited	3
Statement of Comprehensive Income for the year ended 31 December 2017	6
Balance Sheet as at 31 December 2017	7
Statement of Changes in Equity	8
Notes to the financial statements for the year ended 31 December 2017	9

AarhusKarlshamn Hull Limited

Directors' report for the year ended 31 December 2017

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2017.

Principal activities and business review

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

Results and dividends

The loss for the financial year amounted to £67,000 (2016: loss £65,000). The directors do not recommend the payment of an ordinary dividend (2016: £nil). The preference shareholders have waived their right to the preference dividends of £262,500 (2016: £262,500) in respect of the year ended 31 December 2017.

Financial risk management

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

Directors

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

T A Stephenson

DP Taylor

Directors' responsibilities statement in respect of the financial statements

- The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.
- Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:
 - Select suitable accounting policies and then apply them consistently;
 - State whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
 - Make judgements and accounting estimates that are reasonable and prudent; and
 - Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
- The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

AarhusKarlshamn Hull Limited

Directors' report for the year ended 31 December 2017 (continued)

Directors' confirmations

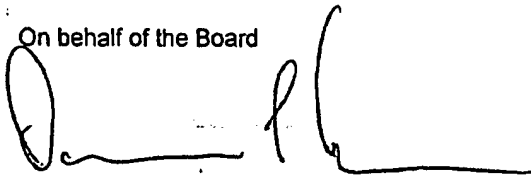
- In the case of each director in office at the date the Directors' Report is approved;
- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

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

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

On behalf of the Board



DP Taylor
Director
13 September 2018

Independent auditors' report to the members of AarhusKarlshamn Hull Limited

Report on the audit of the financial statements

Opinion

In our opinion, AarhusKarlshamn Hull Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements ("Annual Report"), which comprise: the balance sheet as at 31 December 2017; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

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

Entitlement to exemptions

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



Christopher Neale (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
13 September 2018

AarhusKarlshamn Hull Limited

Statement of Comprehensive Income for the year ended 31 December 2017

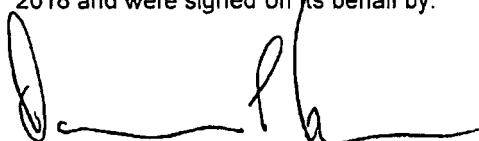
	Note	2017 £'000	2016 £'000
Other operating income		-	-
Result before taxation	4	-	-
Tax on result	6	(67)	(65)
Total comprehensive expense for the year		(67)	(65)

AarhusKarlshamn Hull Limited

Balance Sheet as at 31 December 2017

	Note	2017 £'000	2016 £'000
Current assets			
Debtors	7	9,414	9,414
Creditors: amounts falling due within one year	8	(1,246)	(1,179)
Net current assets		8,168	8,235
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	8	(7,000)	(7,000)
Net assets		1,168	1,235
Capital and reserves			
Called up share capital	9	1,500	1,500
Profit and loss account		(332)	(265)
Total Shareholders' funds		1,168	1,235

The financial statements on pages 6 to 15 were approved by the board of directors on 13 September 2018 and were signed on its behalf by:



DP Taylor
Director
AarhusKarlshamn Hull Limited
Registered no: 2193829

AarhusKarlshamn Hull Limited

Statement of Changes in Equity

	Called up share capital £'000	Profit and loss account £'000	Total Shareholders' funds £'000
Balance at 1-January 2016	1,500	(200)	1,300
Loss for the financial year	-	(65)	(65)
Total comprehensive expense for the year	-	(65)	(65)
Balance at 31 December 2016 and 1 January 2017	1,500	(265)	1,235
Loss for the financial year	-	(67)	(67)
Total comprehensive expense for the year	-	(67)	(67)
Balance as at 31 December 2017	1,500	(332)	1,168

AarhusKarlshamn Hull Limited

Notes to the financial statements for the year ended 31 December 2017

1. General information

AarhusKarlshamn Hull Limited ("the Company") no longer trades.

The Company is a private company, limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is King George Dock, Hull, HU9 5PX.

2. Accounting policies

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of accounting

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

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

FRS101 sets out amendments to EU adopted IFRS that are necessary to achieve compliance with the Act and related Regulations.

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

- IAS 7, 'Statement of cash flows'
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 16 (statement of compliance with all IFRS)
 - 38 (comparative information in respect of Paragraph 79(a)(iv) of IAS 1.)
 - 38A (requirement for minimum of two primary statements, including cash flow statements)
 - 38B-D (additional comparative information)
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2017 (Continued)

2 Accounting policies (Continued)

- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective.
- IFRS 7 'Financial Instruments: Disclosures'

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

The preparation of financial statements in conformity with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Going concern

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

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement. The current income tax charge is calculated on the basis of the laws enacted or substantively enacted at the balance sheet date.

Deferred income tax is recognised on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Trade and other receivables

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairments.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

AarhusKarlshamn Hull Limited

Notes to the financial statements

For the year ended 31 December 2017 (Continued)

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

4. Result before taxation

There were no operating items in the year (2016: none).

In 2017 and 2016 auditors' remuneration was borne by AAK (UK) Limited. The audit fee was £2,000 (2016: £2,000)

5. Directors' and employees

The directors received no emoluments in respect of services to the company during the financial year (2016: £nil) and the company had no employees in either year.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2017 (Continued)

6. Tax on result/profit

	2017	2016
	£'000	£'000
Current tax		
UK corporation tax charge on profit for the year	67	67
Adjustment in respect of previous years	-	(2)
Tax charge	67	65

Factors affecting the tax charge for the year:

The current tax charge is higher (2016: higher) than the standard rate of corporation tax in the UK 19.25% (2016: 20.00%). The differences are explained below:

Result before taxation	-	-
Expected tax charge at 19.25% (2016: 20.00%)	-	-
Transfer pricing adjustments	67	67
Adjustment in respect of prior years	-	(2)
Total current tax	67	65

The tax charge for the year is a result of imputed interest charges on intergroup balances in line with Transfer Pricing regulations.

The main rate of corporation tax will reduce to 19% from 1 April 2017 and reduce again to 17% from 1 April 2020.

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2017 (Continued)

7. Debtors

	2017	2016
	£'000	£'000
Amounts owed by group undertakings	9,414	9,414

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

8. Creditors

Amounts falling due within one year	2017	2016
	£'000	£'000
Amounts owed to group undertakings	1,181	1,114
Corporation taxation	65	65
	1,246	1,179

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

Amounts falling due after more than one year	2017	2016
	£'000	£'000
7,000,000 (2016: 7,000,000) redeemable preference shares of £1	7,000	7,000
	7,000	7,000

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2017 (Continued)

8 Creditors (continued)

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

Voting

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

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

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

Income

The preference shares carry the right to a fixed annual cumulative preferential dividend of 3.75p (net) payable in arrears in equal instalments on 1 January and 1 July each year. The preference shareholders have waived their right to the dividends of £262,500 in respect of the year ended 31 December 2017 (2016: £262,500).

Capital

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

Conversion

The preference shares are non-convertible.

Redemption

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

AarhusKarlshamn Hull Limited

Notes to the financial statements For the year ended 31 December 2017 (Continued)

9 Called up share capital

	2017	2016
	£'000	£'000
Authorised and allotted:		
1,500,000 (2016:1,500,000) ordinary shares of £1 each	1,500	1,500

10 Ultimate and immediate parent undertaking

The largest and smallest higher Group of undertakings for which Group financial statements are drawn up and of which the Company is a member is AAK AB (formerly AarhusKarlshamn AB), a company incorporated in Sweden, the address of which is AAK AB, Skrivaregatan 9, SE-215, Malmö, Sweden. The company's ultimate parent and controlling party is also AAK AB.

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

The Company's ultimate parent Company and controlling party is AAK AB, a Company incorporated in Sweden, the address of which is AAK AB, Skrivaregatan 9, SE-215, Malmö, Sweden.