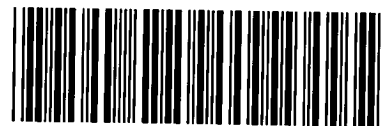


SCOT VENTURE SHIPPING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017
PAGES FOR FILING WITH REGISTRAR

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SCOT VENTURE SHIPPING LIMITED

COMPANY INFORMATION

Directors	A G M Catto P T Millatt R J Brooks M T F Osborne G J Catto S A Catto
Company number	SC215111
Registered office	41 Culduthel Road Inverness IV2 4AT
Auditor	Johnston Carmichael LLP Clava House Cradlehall Business Park INVERNESS IV2 5GH

SCOT VENTURE SHIPPING LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 8

SCOT VENTURE SHIPPING LIMITED

BALANCE SHEET

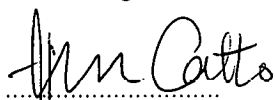
AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	3		1,268,479		1,472,781
Current assets					
Debtors	4	936,696		650,369	
Cash at bank and in hand		256,061		81,439	
		<u>1,192,757</u>		<u>731,808</u>	
Creditors: amounts falling due within one year	5	<u>(379,536)</u>		<u>(284,779)</u>	
Net current assets			813,221		447,029
Total assets less current liabilities			2,081,700		1,919,810
Provisions for liabilities	6		<u>(480,309)</u>		<u>(482,025)</u>
Net assets			<u>1,601,391</u>		<u>1,437,785</u>
Capital and reserves					
Called up share capital	8	300,000		300,000	
Profit and loss reserves		<u>1,301,391</u>		<u>1,137,785</u>	
Total equity			<u>1,601,391</u>		<u>1,437,785</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 29/9/17 and are signed on its behalf by:



A G M Catto
Director

Company Registration No. SC215111

SCOT VENTURE SHIPPING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

Scot Venture Shipping Limited is a private company limited by shares incorporated in Scotland. The registered office is 41 Culduthel Road, Inverness, IV2 4AT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Scot Venture Shipping Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover from the supply of services represents the value of services provided under contracts and is recognised as services are provided.

1.3 Tangible fixed assets

Tangible fixed assets are initially and subsequently measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Ship	5% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit and loss account.

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

SCOT VENTURE SHIPPING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

SCOT VENTURE SHIPPING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that 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 reporting end date, 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. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

1.10 Survey costs

The company has a maritime legal obligation to put its ship through an extensive survey and overhaul every five years, and an intermediate survey in between each of the extensive surveys. The costs of the survey are borne by the company and can be estimated with reasonable accuracy.

The company recognises the full anticipated liability at the beginning of each five year period. This and a provision, discounted to allow for the time value of money, is set up along with a corresponding current asset prepayment. The current asset is then released to the profit and loss account in equal annual installments along with a notional interest charge. At the end of each five year period the provision is offset against the actual cost of the survey and any difference is taken to the profit and loss account.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 6 (2016 - 6).

SCOT VENTURE SHIPPING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2016 and 31 March 2017	4,218,178
Depreciation and impairment	
At 1 April 2016	2,745,397
Depreciation charged in the year	204,302
At 31 March 2017	2,949,699
Carrying amount	
At 31 March 2017	1,268,479
At 31 March 2016	1,472,781

4 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Amounts due from group undertakings and related parties	846,072	496,072
Other debtors	90,624	154,297
	936,696	650,369

5 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	44,608	77,637
Amounts due to group undertakings	299,516	150,004
Corporation tax	29,918	49,523
Other creditors	5,494	7,615
	379,536	284,779

6 Provisions for liabilities

	2017 £	2016 £
Other Provisions	305,170	269,223
Deferred tax liabilities	175,139	212,802
	480,309	482,025

7

SCOT VENTURE SHIPPING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

6 Provisions for liabilities (Continued)

Movements on provisions apart from retirement benefits and deferred tax liabilities:

	Other Provisions £
At 1 April 2016	269,223
Additional provisions in the year	35,947
At 31 March 2017	<u>305,170</u>

Other provisions include provisions for survey costs.

7 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Accelerated capital allowances	<u>175,139</u>	<u>212,802</u>
Movements in the year:		2017 £
Liability at 1 April 2016		212,802
Credit to profit or loss		<u>(37,663)</u>
Liability at 31 March 2017		<u>175,139</u>

8 Called up share capital

	2017 £	2016 £
Issued and fully paid		
300,000 Ordinary shares of £1 each	<u>300,000</u>	<u>300,000</u>

SCOT VENTURE SHIPPING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was qualified and the auditor reported as follows:

Basis for qualified opinion on financial statements - disagreement

Included in the debtors shown on the balance sheet are amounts of £34,892 (2016: £34,892) and £32,237 (2016: £32,237) totalling £67,129 in respect of historic consortium tax relief charged by the company. This has been accounted for as being due from the recipient of the consortium tax relief, however no corresponding amount payable has been accounted for by these related parties. The company has no security for this debt. Consequently, in our opinion the company is unlikely to receive any payment and full provision of £67,129 should have been made. Accordingly, debtors should be reduced by £67,129, and profit for the year and retained earnings reduced by £67,129.

Qualified opinion on the financial statements

In our opinion, except for the effects of the matter described in the Basis for qualified opinion paragraph, the financial statements:

give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the requirements of the Companies Act 2006; and

The senior statutory auditor was Jamie Waugh.

The auditor was Johnston Carmichael LLP.

10 Financial commitments, guarantees and contingent liabilities

The company's bank facilities are secured by a cross guarantee with all other group companies, being; Scot Carrier Shipping Limited, Scot Explorer Shipping Limited, Hohebank Shipping Limited, Scot Leader Shipping Limited, Scot Mariner Shipping Limited, Scot Navigator Shipping Limited, Scot Pioneer Shipping Limited, Scot Ranger Shipping Limited, Scot Trader Shipping Limited and Scotline Marine Holdings Limited as well as a floating charge over the assets and undertakings of Scot Venture Shipping Limited.

11 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sale of goods		Purchase of goods	
	2017	2016	2017	2016
	£	£	£	£
Entities with control, joint control or significant influence over the company	1,058,500	1,036,878	240,788	307,422

SCOT VENTURE SHIPPING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

11 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2017	2016
	£	£
Amounts owed to related parties		
Entities with control, joint control or significant influence over the company	160,025	32,312
	<u>160,025</u>	<u>32,312</u>

The following amounts were outstanding at the reporting end date:

	2017
	Balance
	£
Amounts owed by related parties	
Entities with control, joint control or significant influence over the company	113,240
	<u>113,240</u>

	2016
	Balance
	£
Amounts owed in previous period	
Entities with control, joint control or significant influence over the company	113,240
	<u>113,240</u>

Included in amounts owed by related parties is £67,129 (2016: £67,129) in respect of consortium relief charged for by the company, for which no corresponding amount has been accounted for by these related parties.

12 Parent company

The company's immediate parent undertaking is Scotline Marine Holdings Limited, a company registered in Scotland which is controlled by its consortium members who are Intrada Chartering Limited, Scotline Limited and Scotlog Sales Limited. Copies of the group accounts can be obtained from the Registrar of Companies, Companies House 4th Floor Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.