

GENCO SHIPPING & TRADING LTD  
Form 10-K/A  
April 30, 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-K/A**

**x Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the fiscal year ended December 31, 2014**

**or**

**o Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the transition period from            to**

**Commission file number 001-33393**

**GENCO SHIPPING & TRADING LIMITED**

(Exact name of registrant as specified in its charter)

**Republic of the Marshall Islands**  
(State or other jurisdiction of incorporation or organization)

**98-043-9758**  
(I.R.S. Employer Identification No.)

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**299 Park Avenue, 12th Floor, New York, New York**  
(Address of principal executive offices)

**10171**  
(Zip Code)

Registrant's telephone number, including area code: **(646) 443-8550**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

**Common Stock, par value \$.01 per share**

Name of Each Exchange on Which Registered

**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicated by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

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Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of the registrant's voting common equity held by non-affiliates of the registrant on the last business day of the registrant's most recently completed second fiscal quarter, computed by reference to the last sale price of such stock of \$0.94 per share as of June 30, 2014 on the OTC Markets, was approximately \$36.6 million. The registrant has no non-voting common equity issued and outstanding. The determination of affiliate status for purposes of this paragraph is not necessarily a conclusive determination for any other purpose.

The number of shares outstanding of the registrant's common stock as of April 30, 2015 was 61,600,604 shares.

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## EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A (this Amendment) amends our Annual Report on Form 10-K for the fiscal year ended December 31, 2014, that was filed with the Securities and Exchange Commission (SEC) on March 2, 2015 (the Original Filing). We are filing this Amendment to (i) to amend and restate our audited consolidated financial statements and related disclosures for the year ended December 31, 2014 and (ii) to provide the information required by Part III of Form 10-K. Except as set forth in Part III, or as described below with respect to Parts I and II, no other changes are made to the Original Filing. The Original Filing continues to speak as of the date of the Original Filing. Unless expressly stated, this Amendment does not reflect events occurring after the filing of the Original Filing, nor does it modify or update in any way the disclosures contained in the Original Filing.

In the context of this Amendment, unless otherwise indicated or the context otherwise requires, Genco, the Company, we, us, and our refer to Genco Shipping & Trading Limited and its subsidiaries.

### Background of the Restatement

Subsequent to the issuance of the Company's 2014 consolidated financial statements, the Company became aware of an error in its allocation of goodwill impairment to the noncontrolling interest recognized in December 2014 by the Company associated with its consolidated subsidiary Baltic Trading Limited (Baltic Trading). As a result of this error, amounts allocated to the noncontrolling interest in the Company's previously reported Consolidated Statement of Operations of the Company for the period from July 9, 2014 to December 31, 2014 (the Successor) and the Company's previously reported Consolidated Balance Sheet of the Successor as of December 31, 2014 were incorrect.

The error affected the Company's previously reported Net loss attributable to the Company and Net loss per share attributable to the Company as well as the Net loss attributable to the noncontrolling interest on the face of the Company's Consolidated Statement of Operations of the Successor for the period from July 9, 2014 to December 31, 2014; and the previously reported Company shareholders' equity and the noncontrolling interest in the face of the Company's Consolidated Balance Sheet of the Successor as December 31, 2014. The error did not impact the Company's previously reported consolidated revenues, operating expenses, net loss or cash flows of the Successor period from July 9, 2014 to December 31, 2014; or the Company's previously reported consolidated assets, liabilities or total equity of the Successor as of December 31, 2014.

The Company determined its previously issued consolidated financial statements for the year ended December 31, 2014 should be restated to correct for this error. The effect of correcting for this error resulted in (1) a decrease in the previously reported Net loss attributable to the Company and an increase in previously reported Net loss attributable to the noncontrolling interest for the period from July 9, 2014 to December 31, 2014 by the same amount; and (2) increasing the Company shareholder's equity and decreasing the noncontrolling interest in the consolidated balance sheet as of December 31, 2014 by the same amount. The effect of correcting this error is summarized in the following tables:

### Consolidated Balance Sheet

(U.S. Dollars in thousands, except for share and per share data)

Adjustment

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December  
31,2014  
As Reported

December 31, 2014  
As Restated

**Equity:**

Successor Company common stock, par value \$0.01; 250,000,000 shares authorized; 61,541,389 shares issued and outstanding at December 31, 2014	615		615
Successor Company additional paid-in capital	1,251,197		1,251,197
Accumulated other comprehensive (loss) income	(25,317)		(25,317)
Retained (deficit) earnings	(204,117)	21,823	(182,294)
Total Genco Shipping & Trading Limited shareholders equity	1,022,378	21,823	1,044,201
Noncontrolling interest	270,396	(21,823)	248,573
Total equity	1,292,774		1,292,774
Total liabilities and equity	1,752,913	\$	1,752,913

**Consolidated Statement of Operations**

(U.S. Dollars in Thousands, Except for Earnings Per Share and Share Data)

	Successor Period July 9 to December 21, 2014		Successor Period July 9 to December 21, 2014	
	As Reported	Adjusted	As Restated	
Net (loss) income	(213,358)		(213,358)	
Less: Net loss attributable to noncontrolling interest	(9,241)	(21,823)	(31,064)	
Net (loss) income attributable to Genco Shipping & Trading Limited	\$ (204,117)	\$ (21,823)	\$ (182,294)	
Net (loss) income per share-basic	\$ (3.38)	N/A	\$ (3.02)	
Net (loss) income per share-diluted	\$ (3.38)	N/A	\$ (3.02)	
Weighted average common shares outstanding-basic	60,360,515	N/A	60,360,515	
Weighted average common shares outstanding-diluted	60,360,515	N/A	60,360,515	
Dividends declared per share	\$	\$	\$	

**Consolidated Statement of Comprehensive Loss**

(U.S. Dollars in Thousands)

	Successor Period July 9 to December 21, 2014		Successor Period July 9 to December 21, 2014	
	As Reported	Adjusted	As Restated	
Net (loss) income	(213,358)		(213,358)	
Change in unrealized (loss) gain on investments	(25,317)		(25,317)	
Other Comprehensive (loss) income	(25,317)		(25,317)	
Comprehensive (loss) income	(238,675)		(238,675)	
Less: Net loss attributable to noncontrolling interest	(9,241)	(21,823)	(31,064)	
Net (loss) income attributable to Genco Shipping & Trading Limited	\$ (229,434)	\$ (21,823)	\$ (207,611)	

Management concluded that there was an internal control design deficiency representing a material weakness as of December 31, 2014 as there was a reasonable possibility our internal controls existing at the time would not have prevented or detected a material misstatement of income (loss) attributable to noncontrolling interest and Genco's common shareholders in our statements of consolidated operations and the related equity components in our statements of consolidated financial position as well as our earnings (loss) per common shareholder. Accordingly, management concluded that our internal controls over financial reporting were not effective as of December 31, 2014. However, this material weakness did not have a pervasive effect on internal controls over financial reporting, as it was limited to the accurate tracking of basis differences attributable to noncontrolling interest that were established in July 2014 associated with our application of fresh-start accounting.

For the convenience of the reader, in addition to providing the information required by Part III of Form 10-K, this Amendment sets forth Part I and Part II of the Original Filing, as modified and superseded, where necessary to reflect the restatement. The following items have been amended principally as a result of, and to reflect, the restatement:

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- Part II - Item 6. Selected Financial Data
- Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations;
- Part II - Item 8. Financial Statements and Supplementary Data; and
- Part II - Item 9A. Controls and Procedures.

In accordance with applicable SEC rules, this Amendment includes certifications from our Chief Executive Officer and Chief Financial Officer dated as of the date of this filing.

The sections of the Original Filing which were not amended are unchanged and continue in full force and effect as originally filed. This Amendment is as of the date of the Original Filing on the Original Filing and has not been updated to reflect events occurring subsequent to the Original Filing date other than those associated with the restatement of the Company's audited consolidated financial statements.

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## PART II

## ITEM 6. SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

	For the Years Ended December 31,				
	2014 (2)	2013	2012	2011	2010
<b>Income Statement Data:</b>					
(U.S. dollars in thousands except for share and per share amounts)					
<i>Revenues:</i>					
Voyage revenues	\$ 217,576	\$ 224,179	\$ 223,159	\$ 388,929	\$ 447,438
Service revenues	3,285	3,285	3,294	3,285	1,249
Total revenues	\$ 220,861	\$ 227,464	\$ 226,453	\$ 392,214	\$ 448,687
<i>Operating Expense</i>					