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Registration number: 00989531

# Bibby Holdings Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2014

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# **Bibby Holdings Limited**

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**Bibby Holdings Limited**  
**Company Information**

<b>Directors</b>	Jonathan Haymer Sean Thomas Golding Andrew John Goody
<b>Company secretary</b>	Bibby Bros. & Co. (Management) Limited
<b>Registered office</b>	105 Duke Street Liverpool L1 5JQ
<b>Auditor</b>	Deloitte LLP Chartered Accountants and Statutory Auditor Horton House Exchange Flags Liverpool L2 3PG

**Bibby Holdings Limited**  
**Strategic Report for the Year Ended 31 December 2014**

**Principal activity**

The principal activity of the company is to act as a holding company for the group's two business units: marine and plant hire.

The marine business unit comprises three businesses: maritime, hydrographics and ship management.

The fleet of Coastels owned by Bibby Maritime provide high quality floating accommodation, which are moored near-shore, principally for workers on construction projects ranging from oil and gas, mining or engineering projects in remote locations. All vessels offer single berth en-suite accommodation for between 180 and 350 workers and we manage the process of mobilisation, hook up and operations to our customers.

The hydrographics business, Bibby HydroMap, provides sea-bed survey, geotechnical and inspection services to clients in the renewables, oil and gas, and telecommunications sectors with the fleet of five vessels, with a further new vessel, the Bibby Athena, delivered in early 2015.

Bibby Ship Management provides a range of services to ship owners and operators including technical management and supply, training, marine and business travel, cadet management and flag state management.

The plant hire business unit is a specialist provider of plant and site accommodation with the largest fleet of welfare vans and wheelwashes in the UK providing self contained welfare provision to enable independent operation of construction sites before installation of utilities.

At the date of this report, the directors are not aware of any likely major changes in the group's activities in the next year.

**Business review**

The marine business has had a strong year with a 22% increase in turnover in maritime, 8.5% in hydrographics and 34.2% in ship management. Maritime achieved record utilisation of 92% for the Coastel fleet for the year. The utilisation of the Hydrographic fleet was lower than in 2013 but the use of the chartered-in vessels has driven increased turnover.

The ship management business had a successful year with new contracts from customers bringing ten new vessels under technical and / or crew management.

The plant hire business underwent a number of changes in 2014 including senior management changes, a reorganisation of the executive team and the introduction of a 3 year plan to double the size of the business with significant investment in new assets during the year and into 2015.

The financial performance of the group is largely dependent upon each trading subsidiary performing in line with expectations. Each business has its own board of directors with executive teams responsible for the day to day management of that business. Each subsidiary within the group has established its own risk management framework encompassing both financial and non-financial controls. The individual business boards are responsible for managing those risks.

Further details concerning the principal risks and uncertainties of each business are disclosed within their own Financial Statements.

**Bibby Holdings Limited**  
**Strategic Report for the Year Ended 31 December 2014**

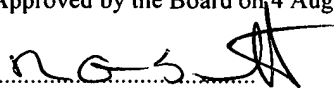
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**Going concern**

The directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 of the Financial Statements.

Approved by the Board on 4 August 2015 and signed on its behalf by:

  
Bibby Bros. & Co. (Management) Limited  
Company secretary

**Duty Authorised Signatory**  
**For and on behalf of**  
**Bibby Bros. & Co. (Management)**  
**Limited, SECRETARY**

**Bibby Holdings Limited**  
**Directors' Report for the Year Ended 31 December 2014**

The directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2014.

The principal activity of the business and principal risks and uncertainties are included in the Strategic Report.

**Directors of the company**

The directors who held office during the year and to the date of this report were as follows:

Jonathan Haymer

Sean Thomas Golding

Andrew John Goody

**Dividends**

The company paid an interim dividend of £15,000,000 during the financial year ended 31 December 2014 (2013 - £8,000,000).

**Charitable donations**

The company made no charitable donations during the year (2013 - £200,000).

**Employment of disabled persons**

The group is an equal opportunity employer and recognises and values the strength and contribution of a diverse workforce. The policy of the group is to give full and fair consideration to applications for employment made by all people including disabled persons. If any employee becomes disabled whilst employed by a group company, every effort will be made to find suitable continuing employment, with re-training as necessary. Disabled persons share equally in the opportunities available for training, career development and promotion.

**Employee involvement**

It is the group's policy to promote the understanding and involvement of all employees in its business aims and performance. To do this, the group continually develops effective employee communication, consultation and involvement.

**Directors' liabilities**

The company has made qualifying third party indemnity provisions for the benefit of its directors. These were made during the year and remain in force at the date of this report.

**Bibby Holdings Limited**  
**Directors' Report for the Year Ended 31 December 2014**

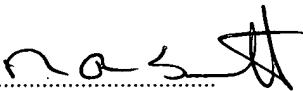
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**Disclosure of information to the auditor**

Each of the directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Approved by the Board on 4 August 2015 and signed on its behalf by:

  
.....  
Bibby Bros. & Co. (Management) Limited  
Company secretary

**Duty Authorised Signatory**  
**For and on behalf of**  
**Bibby Bros. & Co. (Management)**  
**Limited, SECRETARY**

**Bibby Holdings Limited**  
**Statement of Directors' Responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Independent Auditor's Report to the Members of Bibby Holdings Limited**

We have audited the group and parent company financial statements of Bibby Holdings Limited for the year ended 31 December 2014, which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Total Recognised Gains and Losses, the Consolidated and Company Balance Sheets and the related notes 1 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 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.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion 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.

**Independent Auditor's Report to the Members of  
Bibby Holdings Limited**


*..... continued*

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

.....  
Sharon Thorne FCA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP,  
Chartered Accountants and Statutory Auditor  
Liverpool  
United Kingdom

  
4 August 2015

**Bibby Holdings Limited**  
**Consolidated Profit and Loss Account for the Year Ended 31 December 2014**

	Note	2014 £ 000	2013 £ 000
Turnover	2	122,401	98,439
Cost of sales		<u>(83,782)</u>	<u>(70,071)</u>
Gross profit		38,619	28,368
Administrative expenses		<u>(21,184)</u>	<u>(19,726)</u>
Operating profit	3	17,435	8,642
Share of operating profit in participating interest		<u>-</u>	<u>1,830</u>
Total operating profit: group and share of participating interest		17,435	10,472
Profit on disposal of fixed assets	5	1,422	673
Profit on disposal of participating interest	5	<u>1,601</u>	<u>7,641</u>
Profit on ordinary activities before interest		20,458	18,786
Interest receivable and similar income	7	62	83
Interest payable and similar charges	8	<u>(579)</u>	<u>(2,480)</u>
Profit on ordinary activities before taxation		19,941	16,389
Tax on profit on ordinary activities	9	<u>(4,020)</u>	<u>(2,752)</u>
Profit on ordinary activities after taxation		15,921	13,637
Minority interests	22	<u>(28)</u>	<u>(52)</u>
Profit for the financial year attributable to members of the parent company	20, 21	<u><u>15,893</u></u>	<u><u>13,585</u></u>

Turnover and group operating profit derive wholly from continuing operations.


**Bibby Holdings Limited**  
**Consolidated Statement of Total Recognised Gains and Losses for the Year Ended 31**  
**December 2014**

	Note	2014 £ 000	2013 £ 000
Profit for the financial year		15,893	13,585
Foreign currency translation differences		<u>(167)</u>	<u>(45)</u>
Total recognised gains and losses relating to the year		<u><u>15,726</u></u>	<u><u>13,540</u></u>

**Bibby Holdings Limited**  
**Consolidated Balance Sheet at 31 December 2014**

		2014		2013	
	Note	£ 000	£ 000	£ 000	£ 000
<b>Fixed assets</b>					
Intangible fixed assets	10		6,014		11,410
Tangible fixed assets	11		39,058		34,423
Other investments	12		38		-
			<u>45,110</u>		<u>45,833</u>
<b>Current assets</b>					
Stocks	13	961		644	
Debtors	14	25,726		36,600	
Cash at bank and in hand		<u>20,325</u>		<u>7,127</u>	
		47,012		44,371	
Creditors: Amounts falling due within one year	15	<u>(32,026)</u>		<u>(32,452)</u>	
Net current assets			14,986		11,919
Total assets less current liabilities			60,096		57,752
Creditors: Amounts falling due after more than one year	16		(13,149)		(12,353)
Provisions for liabilities	17		<u>(2,551)</u>		<u>(1,721)</u>
Net assets			<u>44,396</u>		<u>43,678</u>
<b>Capital and reserves</b>					
Called up share capital	18	5,000		5,000	
Profit and loss account	20	<u>39,305</u>		<u>38,579</u>	
Shareholders' funds	21	44,305		43,579	
Minority interests	22	<u>91</u>		<u>99</u>	
Capital employed			<u>44,396</u>		<u>43,678</u>

Approved and authorised for issue by the Board on 4 August 2015 and signed on its behalf by:

  
.....  
Jonathan Haymer  
Director

**Bibby Holdings Limited**  
**(Registration number: 00989531)**  
**Company Balance Sheet at 31 December 2014**

	Note	2014 £ 000	2013 £ 000
<b>Fixed assets</b>			
Investments	12	<u>2,500</u>	<u>2,500</u>
<b>Current assets</b>			
Debtors	14	15,976	26,390
Cash at bank and in hand		<u>40</u>	<u>288</u>
		16,016	26,678
Creditors: Amounts falling due within one year	15	<u>-</u>	<u>(64)</u>
Net current assets		<u>16,016</u>	<u>26,614</u>
Net assets		<u><u>18,516</u></u>	<u><u>29,114</u></u>
<b>Capital and reserves</b>			
Called up share capital	18	5,000	5,000
Profit and loss account	20	<u>13,516</u>	<u>24,114</u>
Shareholders' funds	21	<u><u>18,516</u></u>	<u><u>29,114</u></u>

Approved and authorised for issue by the Board on 4 August 2015 and signed on its behalf by:

  
.....  
Jonathan Haymer  
Director

## **Bibby Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2014**

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Law and United Kingdom Accounting Standards.

##### **Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2014.

The accounting periods of subsidiary undertakings are coterminous with those of the company, except for Bibby HydroMap Limited (formerly Osiris Hydrographic and Geophysical Projects Limited), whose financial year end is 31 March. The interim financial statements have been used for consolidation.

Subsidiary undertakings are included using the acquisition method of accounting. Under this method the group profit and loss account includes the results of subsidiaries from the date of acquisition to the date of sale outside the group in the case of disposals of subsidiaries.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its profit for the financial year was £4,416,000 (2013 - £17,286,000).

The group's share of operating results of participating interests is included in the consolidated profit and loss account. Investments in participating interests are accounted for using the equity method.

##### **Cash flow**

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the with Bibby Line Group as disclosed in note 26 of the financial statements.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, including an assessment of uncertainty on forward trading projections for a period of at least twelve months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis. The directors consider that the company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations of external debt liabilities. In addition, the company's assets are assessed for recoverability on a regular basis, and the directors consider that the company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

On that basis the directors believe that there are no material uncertainties that lead to significant doubt upon the company's ability to continue as a going concern.

##### **Turnover**

Turnover represents amounts chargeable in respect of the sale of goods and services to customers. Income is recognised in the same period in which assets or services are made available to customers.

## **Bibby Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2014**

..... *continued*

#### **Goodwill**

Goodwill arising on consolidation represents the excess of the fair value of consideration over the fair value of the separable net assets acquired.

The remaining useful economic life of goodwill is amortised on a straight line basis over its economic life through the profit and loss account. The amortisation period is dependent upon the circumstances of each acquisition and is currently straight line over 4 to 10 years. Provision is made for any impairment.

#### **Tangible fixed assets**

Tangible fixed assets are included at cost, less depreciation and provision for impairment.

Depreciation is provided on a straight line basis to write off the cost of tangible fixed assets, less their estimated residual value, over their expected useful economic lives.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fleet	Varying rates between 4% and 20%
Vehicles and equipment	Varying rates between 10% and 33%

Residual value is calculated on prices prevailing at the date of acquisition.

Tangible fixed assets are subject to impairment review with regards to market conditions. If any indication of impairment exists after such review, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Recoverable amount is the higher of fair value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognised immediately in the profit and loss account.

#### **Provisions**

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.

#### **Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

#### **Current tax**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.



## **Bibby Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2014**

*..... continued*

#### **Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

#### **Foreign currency**

Transactions in foreign currencies are translated into functional and reporting currency at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional and reporting currency at the closing rate at the balance sheet date. All exchange differences are included in the profit and loss account.

The results of subsidiary undertakings who prepare their financial statements in foreign currencies are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets, results of overseas operations and on foreign currency borrowings, to the extent that they hedge the Group's investment in such operations, are reported in the statement of total recognised gains and losses. All other exchange differences are included in the profit and loss account.

#### **Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group uses derivative financial instruments to reduce exposure to exchange rate movements. Gains and losses under such instruments are recognised in the financial statements only when the foreign exchange contract valuation itself has been reflected in the financial statements.

**Bibby Holdings Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2014**

**..... continued**

**Deferred Consideration**

Where the terms of an acquisition give rise to consideration payable on a future date and contingent on the uncertain future performance of the entity acquired, the financial statements contain the Directors' best estimate of the fair value of the future liability. The liability will be revised as further and more certain information becomes available and any changes made against goodwill.

## Bibby Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2014

..... *continued*

#### 2 Turnover

An analysis of turnover by geographical location and class of business is given below:

	2014 £ 000	2013 £ 000
UK	67,559	69,326
Rest of world	54,842	29,113
	<u>122,401</u>	<u>98,439</u>

	2014 £ 000	2013 £ 000
Marine	107,972	84,713
Plant hire	14,429	13,726
	<u>122,401</u>	<u>98,439</u>

Under Paragraph 4 of SSAP25 the group have taken advantage of the exemption to disclose segmental analysis.

#### 3 Operating profit

Operating profit is stated after charging:

	2014 £ 000	2013 £ 000
Operating leases - plant and machinery	3,891	2,961
Operating leases - other assets	479	485
Foreign currency losses	64	650
Depreciation of owned assets	6,738	6,362
Depreciation of assets held under finance lease and hire purchase contracts	1,128	1,005
Amortisation of goodwill	<u>1,835</u>	<u>2,681</u>

# Bibby Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

### 4 Auditor's remuneration

	2014 £ 000	2013 £ 000
Audit of these financial statements	8	5
<b>Fees payable to the group's auditor and its associates for other services:</b>		
The audit of the company's subsidiaries' financial statements	118	118
Taxation services	32	-
Other services	31	21
	181	139
	189	144

### 5 (Profit) on disposal of fixed assets and investments

	2014 £ 000	2013 £ 000
(Profit) on sale of fixed assets	(1,424)	(673)
Loss on termination of operation	2	-
(Profit) on disposal of participating interest	(1,601)	(7,641)
	(3,023)	(8,314)

The group sold its investment in Foreland Holdings Limited on 19 August 2013. This comprised a 25% equity interest in a business engaged in Ship Owning and Operation.

The group's share of the turnover of this interest during 2013 was £4,750,000.

### 6 Particulars of employees

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2014 No.	2013 No.
Marine	1,358	1,081
Head Office	2	2
Plant hire	164	145
	1,524	1,228

Directors emoluments are borne by fellow group undertakings and are not recharged to the company.

# **Bibby Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2014**

*..... continued*

The aggregate payroll costs were as follows:

	<b>2014 £ 000</b>	<b>2013 £ 000</b>
Wages and salaries	56,491	43,066
Social security costs	3,798	3,464
Staff pensions	1,714	1,854
	<u>62,003</u>	<u>48,384</u>

### **7 Interest receivable and similar income**

	<b>2014 £ 000</b>	<b>2013 £ 000</b>
Bank interest receivable	62	26
Income from group companies	-	55
Group interest receivable	62	81
Interest receivable under finance leases of participating interest	-	2
	<u>62</u>	<u>83</u>

### **8 Interest payable and similar charges**

	<b>2014 £ 000</b>	<b>2013 £ 000</b>
Interest on bank borrowings	426	919
Interest on loans from group undertakings	2	2
Foreign exchange difference	-	514
Finance charges	151	117
Group interest payable and similar charges	579	1,552
On bank loans and overdrafts of participating interest	-	928
	<u>579</u>	<u>2,480</u>

# Bibby Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

### 9 Taxation

#### Tax on profit on ordinary activities

	2014 £ 000	2013 £ 000
<b>Current tax</b>		
UK Corporation tax charge	3,710	3,282
Adjustments in respect of previous years	(831)	(812)
Current year charge for foreign corporate and withholding taxes	1,023	560
Current tax	3,902	3,030
<b>Deferred tax</b>		
Origination and reversal of timing differences	102	(299)
Deferred tax adjustment relating to previous years	16	21
Deferred tax	118	(278)
Total tax on profit on ordinary activities	4,020	2,752

#### Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.5%).

The differences are reconciled below:

	2014 £ 000	2013 £ 000
Profit on ordinary activities before taxation	19,941	16,389
Corporation tax at standard rate	4,287	3,810
Capital allowances (more) / less than depreciation	(74)	1,043
Other timing differences	(1)	(153)
Non-taxable income	-	(210)
Expenses not deductible for tax purposes	487	651
Adjustment for foreign tax rate	377	478
Adjustment for prior periods	(831)	(812)
Non taxable capital gain	(343)	(1,777)
Total current tax	3,902	3,030

# **Bibby Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2014**

..... *continued*

### **10 Intangible fixed assets**

#### **Group**

	<b>Goodwill £ 000</b>
<b>Cost</b>	
At 1 January 2014	20,961
Additions	439
Disposals	(148)
Adjustment to estimate of deferred consideration	(4,000)
At 31 December 2014	<u>17,252</u>
<b>Amortisation</b>	
At 1 January 2014	9,551
Charge for the year	1,835
Eliminated on disposals	(148)
At 31 December 2014	<u>11,238</u>
<b>Net book value</b>	
At 31 December 2014	<u><u>6,014</u></u>
At 31 December 2013	<u><u>11,410</u></u>

The adjustment to the fair value of consideration relates to a reduction in the estimate of deferred consideration payable on the acquisition of Bibby HydroMap and is matched by a corresponding reduction in creditors rather than a reduction in shareholders' funds. Included within creditors is £1,500,000 (2013: £6,000,000) which is the directors best estimate of the deferred consideration payable in relation to this acquisition; of this £750,000 (2013: £5,000,000) is included within long-term creditors. Deferred consideration of £500,000 has been paid in the year.

**Bibby Holdings Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2014**

..... *continued*

**11 Tangible fixed assets**

**Group**

	<b>Fleet £ 000</b>	<b>Vehicles and equipment £ 000</b>	<b>Total £ 000</b>
<b>Cost or valuation</b>			
At 1 January 2014	62,923	27,246	90,169
Additions	5,609	8,294	13,903
Disposals	-	(3,679)	(3,679)
Foreign exchange movement	(322)	(15)	(337)
At 31 December 2014	<u>68,210</u>	<u>31,846</u>	<u>100,056</u>
<b>Depreciation</b>			
At 1 January 2014	37,511	18,235	55,746
Charge for the year	4,518	3,348	7,866
Disposals	-	(2,549)	(2,549)
Foreign exchange movement	(65)	-	(65)
At 31 December 2014	<u>41,964</u>	<u>19,034</u>	<u>60,998</u>
<b>Net book value</b>			
At 31 December 2014	<u>26,246</u>	<u>12,812</u>	<u>39,058</u>
At 31 December 2013	<u>25,412</u>	<u>9,011</u>	<u>34,423</u>

Included in the net book value of vehicles and equipment is £5,799,000 (2013 - £3,917,000) relating to assets held under finance leases or hire purchase agreements.

There are no tangible fixed assets held by the parent company.



# **Bibby Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2014**

*..... continued*

### **12 Investments held as fixed assets**

#### **Company**

#### **Shares in group undertakings and participating interests**

	<b>Subsidiary undertakings and participating interests £ 000</b>
<b>Cost</b>	
At 1 January 2014	2,500
At 31 December 2014	2,500
<b>Net book value</b>	
At 31 December 2014	2,500
At 31 December 2013	2,500

#### **Other investments**

	<b>Total £ 000</b>
<b>Cost</b>	
Additions	38
<b>Net book value</b>	
At 31 December 2014	38

## Bibby Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2014

..... *continued*

#### Details of undertakings

Details of the investments in which the group holds 20% or more of the nominal value of any class of share capital directly (or indirectly\*) are as follows:

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
<b>Subsidiary undertakings and participating interests (and country of incorporation if not UK)</b>			
Bibby Marine Limited	Ordinary Shares	100%	Floating accommodation and marine surveying
Bibby Ship Management Limited*	Ordinary Shares	100%	Ship Management
Bibby Taurus Limited	Ordinary Shares	100%	Holding Company
Bibby Travel Limited	Ordinary Shares	100%	Subletting a leased property
Garic Limited*	Ordinary Shares	100%	Equipment hire
Bibby Marine Survey Services Limited*	Ordinary Shares	100%	Marine Surveying
Bibby Athena Limited*	Ordinary Shares	100%	Ownership and operation of hydrographic survey vessels
Bibby Tethra Limited*	Ordinary Shares	100%	Ownership and operation of hydrographic survey vessels
Osiris Hydrographic & Geophysical Projects Limited*	Ordinary Shares	100%	Ownership and operation of hydrographic survey vessels
Hydromap Limited*	Ordinary Shares	100%	Dormant Company
Bibby Maritime Limited*	Ordinary	100%	Ownership and operation of floating accommodation
Bibby Maritime Nigeria Limited* (Nigeria)	Ordinary Shares	100%	Provision of floating accommodation units
Bibby Ship Management Group Limited	Ordinary Shares	100%	Holding Company
Bibby International Services (Cayman Islands) Limited* (Cayman Islands)	Ordinary Shares	100%	Crew management and employment

## Bibby Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2014

..... *continued*

Bibby Ship Management (Eastern Europe)* (Ukraine)	Ordinary Shares	75%	Crew Supply
M A Olevent* (Ukraine)	Ordinary Shares	100%	Dormant Company
Bibby Ship Management (India) Private Limited* (India)	Ordinary Shares	100%	Provision of crew, training and technical services
Murray Fenton (India) Surveyors Private Limited* (India)	Ordinary Shares	100%	Marine survey services
Sir Derek Bibby Maritime Training Foundation* (India)	Ordinary Shares	100%	Dormant Company
Bibby Ship Management (Phillipines) Inc* (Philippines)	Ordinary Shares	100%	Crew supply
Bibby Ship Management Services Limited* (Guernsey)	Ordinary Shares	75%	Provision of crew management services
Bibby Ship Management (Singapore) Pte Limited* (Singapore)	Ordinary Shares	100%	Provision of ship management services
Bibby Ship Management (Western Europe) Limited* (Isle of Man)	Ordinary Shares	100%	Ship management, provision of travel services and crew to shipowners/charters
Bibby Offshore (Guernsey) Limited* (Guernsey)	Ordinary Shares	100%	Employment of mariners
Bibby Ship Management Employment Services Limited* (Isle of Man)	Ordinary Shares	100%	Dormant Company
Bibby Ship Management (Guernsey) Limited* (Guernsey)	Ordinary Shares	100%	Crew management and employment
Foreland Shipping (Guernsey) Limited* (Guernsey)	Ordinary Shares	100%	Employment of mariners
BSM Sweden AB* (Sweden)	Ordinary Shares	100%	Employment of mariners
Seaways Marine & Offshore Consulting Pte. Limited* (Singapore)	Ordinary Shares	100%	Dormant Company

### 13 Stocks

	Group		Company	
	2014 £ 000	2013 £ 000	2014 £ 000	2013 £ 000
Work in progress	107	39	-	-
Finished goods	854	605	-	-
	<u>961</u>	<u>644</u>	<u>-</u>	<u>-</u>

# Bibby Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

### 14 Debtors

	Group		Company	
	2014 £ 000	2013 £ 000	2014 £ 000	2013 £ 000
Trade debtors	17,628	17,318	6	67
Amounts owed by group undertakings	6,309	17,146	15,931	26,238
Other debtors	76	239	16	70
Deferred tax	-	-	7	6
Prepayments and accrued income	1,713	1,897	16	9
	<u>25,726</u>	<u>36,600</u>	<u>15,976</u>	<u>26,390</u>

Included in the amounts above are balances receivable after more than one year:

	Group		Company	
	2014 £ 000	2013 £ 000	2014 £ 000	2013 £ 000
Amounts owed by group undertakings	-	-	9,732	9,732

### 15 Creditors: Amounts falling due within one year

	Group		Company	
	2014 £ 000	2013 £ 000	2014 £ 000	2013 £ 000
Bank loans and overdrafts	3,238	2,746	-	-
Invoice discounting loans	2,346	2,158	-	-
Obligations under finance leases and hire purchase contracts	1,320	893	-	-
Trade creditors	8,889	7,186	-	8
Amounts owed to group undertakings	2,248	442	-	-
Corporation tax	790	2,917	-	-
Other taxes and social security	1,333	1,026	-	-
Other creditors	35	566	-	-
Accruals and deferred income	11,077	14,018	-	56
Deferred consideration	750	500	-	-
	<u>32,026</u>	<u>32,452</u>	<u>-</u>	<u>64</u>

# **Bibby Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2014**

*..... continued*

Invoice discounting loans of £2,346,000 (2013 - £2,158,000) are repayable within one year and are secured on the trade debtors of Garic Limited.

### **16 Creditors: Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	<b>£ 000</b>	<b>£ 000</b>	<b>£ 000</b>	<b>£ 000</b>
Bank loans and overdrafts	9,049	5,537	-	-
Obligations under finance lease and hire purchase contracts	2,996	1,167	-	-
Other creditors	354	649	-	-
Deferred consideration	750	5,000	-	-
	<u>13,149</u>	<u>12,353</u>	<u>-</u>	<u>-</u>

Obligations under finances leases and hire purchase are secured on the assets they finance.

# Bibby Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

### Bank loans and overdrafts

#### Amounts repayable:

	Group		Company	
	2014	2013	2014	2013
	£ 000	£ 000	£ 000	£ 000
In one year or less on demand	3,238	2,746	-	-
Between one and two years	3,637	2,301	-	-
Between two and five years	5,412	3,236	-	-
	<u>12,287</u>	<u>8,283</u>	<u>-</u>	<u>-</u>

#### Group

	2014	2013
	£ 000	£ 000
Overdrafts	1,126	-
Euro bank loan secured by statutory mortgage on hydrographic survey vessel, Bibby Tethra, repayable by instalments within five years	1,993	2,371
Sterling bank loan secured by an all asset debenture over Garic Limited, repayable by instalments within five years	4,335	4,868
Sterling bank loan secured by statutory mortgages over the fleet of Osiris Hydrographic and Projects Limited repayable by instalments within 5 years	455	576
Euro bank loan secured by statutory mortgage on hydrographic survey vessel, Bibby Athena, repayable by instalments within five years	4,378	-
	<u>-</u>	<u>-</u>
	<u>12,287</u>	<u>7,815</u>

The rates of interest payable on the above loans vary with either Euro or UK short term LIBOR or UK base rates.

### Obligations under finance leases and hire purchase contracts

#### Amounts repayable:

	Group		Company	
	2014	2013	2014	2013
	£ 000	£ 000	£ 000	£ 000
In one year or less on demand	1,320	893	-	-
Between one and two years	1,536	842	-	-
Between two and five years	1,460	325	-	-
	<u>4,316</u>	<u>2,060</u>	<u>-</u>	<u>-</u>

# Bibby Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2014

..... continued

### 17 Provisions

#### Group

	Deferred tax £ 000	Fleet re-instatement provision £ 000	Total £ 000
At 1 January 2014	340	1,381	1,721
Charged to the profit and loss account	114	719	833
Exchange difference	(3)	-	(3)
	111	719	830
At 31 December 2014	451	2,100	2,551

The fleet re-instatement provision relates to an asset held under an operating lease. It is expected to be settled on expiry of the lease that has a remaining fixed term less than one year but has extendable option periods.

#### Analysis of deferred tax

	2014 £ 000	2013 £ 000
Accelerated capital allowances	451	340

### 18 Share capital

#### Allotted, called up and fully paid shares

	2014		2013	
	No. 000	£ 000	No. 000	£ 000
Ordinary Shares of £1 each	5,000	5,000	5,000	5,000

### 19 Dividends

	2014 £ 000	2013 £ 000
Dividend paid of £3.00 per share (2013 - £1.60)	15,000	8,000

# **Bibby Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2014**

..... *continued*

### **20 Reserves**

#### **Group**

	<b>Profit and loss account £ 000</b>
At 1 January 2014	38,579
Profit for the year	15,893
Dividends	(15,000)
Foreign currency translation losses	(167)
At 31 December 2014	<u>39,305</u>

#### **Company**

	<b>Profit and loss account £ 000</b>
At 1 January 2014	24,114
Profit for the year	4,402
Dividends	(15,000)
At 31 December 2014	<u>13,516</u>

### **21 Reconciliation of movement in shareholders' funds**

#### **Group**

	<b>2014 £ 000</b>	<b>2013 £ 000</b>
Profit attributable to the members of the group	15,893	13,585
Other recognised gains and losses relating to the year	(167)	(45)
Dividends	(15,000)	(8,000)
Net addition to shareholders' funds	<u>726</u>	<u>5,540</u>
Shareholders' funds at 1 January	<u>43,579</u>	<u>38,039</u>
Shareholders' funds at 31 December	<u>44,305</u>	<u>43,579</u>



# **Bibby Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2014**

..... *continued*

### **Company**

	<b>2014 £ 000</b>	<b>2013 £ 000</b>
Profit attributable to the members of the company	4,402	17,286
Dividends	<u>(15,000)</u>	<u>(8,000)</u>
Net (reduction)/addition to shareholders' funds	(10,598)	9,286
Shareholders' funds at 1 January	<u>29,114</u>	<u>19,828</u>
Shareholders' funds at 31 December	<u><u>18,516</u></u>	<u><u>29,114</u></u>

### **22 Minority interests**

	<b>£ 000</b>
At 1 January 2014	99
Share of profit for the year	28
Exchange differences	(36)
At 31 December 2014	<u><u>91</u></u>

### **23 Pension schemes**

#### **Defined contribution pension scheme**

The group operates defined contribution pension schemes. The pension cost charge for the year represents contributions payable by the division to the scheme and amounted to £390,383 (2013 - £283,501). There are no contributions outstanding to the scheme at the end of the financial year.

#### **Multi-employer pension scheme**

The group contributes to the Merchant Navy Officers' Pension Fund (MNOFF) which is a multi-employer defined benefit scheme. However, the group is unable to identify its share of the underlying assets and liabilities of the MNOFF, and therefore, the contributions are accounted for in the profit and loss account on an accruals basis. The contributions made by the Group to this scheme over the financial year amounted to £227,000. The latest actuarial valuation of the scheme, at March 2012, identified the scheme deficit of £492,000,000. The Group has agreed to make the following annual contributions based on the scheme's deficit.

	<b>£ 000</b>
2015 - 2020	28

## **Bibby Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2014**

*..... continued*

#### **24 Commitments**

##### **Capital commitments**

Amounts contracted for but not provided in the financial statements amounted to £2,484,000 (2013 - £5,975,000).

##### **Operating lease commitments**

##### **Group**

As at 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	<b>2014</b> <b>£ 000</b>	<b>2013</b> <b>£ 000</b>
<b>Land and buildings</b>		
Within one year	17	-
Within two and five years	693	457
Over five years	93	-
	<u>803</u>	<u>457</u>
<b>Other</b>		
Within one year	1,981	513
Within two and five years	543	1,744
	<u>2,524</u>	<u>2,257</u>

#### **25 Related party transactions**

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with wholly owned subsidiaries of Bibby Line Group Limited.

#### **26 Control**

The company is controlled by Bibby Line Group Limited a Company which is registered in England. Bibby Line Group Limited is the parent undertaking of the largest and smallest group which consolidates these accounts and of which the company is a member.

The ultimate controlling party is disclosed in the financial statements of Bibby Line Group Limited. These may be obtained from Bibby Line Group Limited, 105 Duke Street, Liverpool, L1 5JQ ([www.bibbylinegroup.co.uk](http://www.bibbylinegroup.co.uk)).