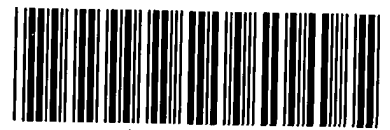


**Cornwall Marine Network Limited**  
**Annual Report and Financial Statements**  
**Year Ended 31 March 2019**  
Registration number: 04477226

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# **Cornwall Marine Network Limited**

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# Cornwall Marine Network Limited


## Balance Sheet

31 March 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	4	4,120	-
Tangible assets	5	28,742	6,970
Investments	6	702	1,002
		<u>33,564</u>	<u>7,972</u>
<b>Current assets</b>			
Debtors	7	360,391	165,707
Cash at bank and in hand		186	1,351
		<u>360,577</u>	<u>167,058</u>
<b>Creditors: Amounts falling due within one year</b>	8	<u>(206,313)</u>	<u>(98,751)</u>
<b>Net current assets</b>		<u>154,264</u>	<u>68,307</u>
<b>Total assets less current liabilities</b>		<u>187,828</u>	<u>76,279</u>
<b>Creditors: Amounts falling due after more than one year</b>	8	<u>(126,458)</u>	<u>(90,000)</u>
<b>Deferred income</b>		<u>(59,118)</u>	<u>(70,853)</u>
<b>Net assets/(liabilities)</b>		<u>2,252</u>	<u>(84,574)</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>2,252</u>	<u>(84,574)</u>
<b>Total equity</b>		<u>2,252</u>	<u>(84,574)</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 26/7/19 and signed on its behalf by:

  
P A Wickes MBE  
Director

Company Registration Number: 04477226

# **Cornwall Marine Network Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2019**

### **1 General information**

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

The address of its registered office is:  
Unit 7A and 7B Falmouth Business Park  
Bickland Water Road  
Falmouth  
Cornwall  
TR11 4SZ

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Summary of disclosure exemptions**

The company has taken advantage of the exemption under paragraph 33.1A "Related Party Disclosures" of FRS102 from disclosing transactions with wholly owned members of the group.

#### **Revenue recognition**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of services to customers.

#### **Government grants**

Government grants in respect of capital expenditure are credited to deferred income and are released to the profit and loss over the expected useful lives of the related assets.

# Cornwall Marine Network Limited

## Notes to the Financial Statements

Year Ended 31 March 2019

### Other grants

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Due to the nature of the company's trade its primary source of income is government and other associated bodies grant funding. Each funding project is assessed individually based on the terms of the funding agreement and income is released to the profit & loss account so as to match with the related expenditure incurred by the company.

Where the terms of the agreements are subjective the directors use their judgement to assess the release of this income and this is carried out regularly throughout the year. At the year-end a full reconciliation is completed to ensure that income recognition is in line with relevant Accounting Standards and UK GAAP.

### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

### Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% straight line

# Cornwall Marine Network Limited

## Notes to the Financial Statements

Year Ended 31 March 2019

### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website development costs	20% straight line

### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

### Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# **Cornwall Marine Network Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 March 2019**

#### **Financial instruments**

##### ***Classification***

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

##### ***Recognition and measurement***

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

# **Cornwall Marine Network Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 March 2019**

#### **Critical accounting judgements and estimation uncertainty**

Management evaluate estimates and judgements on an annual basis, and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key estimates applied by management are as outlined below:

#### **Revenue recognition**

Due to the varying nature of the projects undertaken by CMN, management carefully review the contracts in place to ensure that revenue is recognised appropriately.

When projects advance funds to CMN before the provision of services, or expenditure being incurred, CMN will defer the funds as deferred income. This will then be released to the profit and loss account as the services are provided and expenditure incurred.

Conversely, CMN will accrue for revenue when the project makes payments in arrears. This is based on the value of services provided and expenditure incurred up to 31 March 2019.

#### **Recoverability of debtors**

Management regularly assess the debtors outstanding and there likelihood of recovery. Where management believe there is uncertainty over the recoverability of the balances outstanding provisions are put in place to reduce the balance down to its anticipated recoverable value.

#### **Depreciation and useful economic lives of intangible and tangible assets**

Management have carefully considered the depreciation estimates applied on the intangible and tangible assets held by the group. This assessment is performed on an annual basis, and would be amended when necessary to reflect current estimates, based on technological advancements, future investments, economic utilisation and the physical condition of each asset.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 25 (2018 - 24).



# Cornwall Marine Network Limited

## Notes to the Financial Statements

Year Ended 31 March 2019

### 4 Intangible assets

	Website development costs £	Total £
<b>Cost or valuation</b>		
Additions acquired separately	4,120	4,120
At 31 March 2019	4,120	4,120
<b>Amortisation</b>		
At 31 March 2019	-	-
<b>Carrying amount</b>		
At 31 March 2019	4,120	4,120

### 5 Tangible assets

	Furniture, fittings and equipment £	Total £
<b>Cost or valuation</b>		
At 1 April 2018	22,675	22,675
Additions	26,291	26,291
Disposals	(8,129)	(8,129)
At 31 March 2019	40,837	40,837
<b>Depreciation</b>		
At 1 April 2018	15,705	15,705
Charge for the year	4,519	4,519
Eliminated on disposal	(8,129)	(8,129)
At 31 March 2019	12,095	12,095
<b>Carrying amount</b>		
At 31 March 2019	28,742	28,742
At 31 March 2018	6,970	6,970

# Cornwall Marine Network Limited

## Notes to the Financial Statements

Year Ended 31 March 2019

### 6 Investments

	2019 £	2018 £
Investments in subsidiaries	<u>702</u>	<u>1,002</u>
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 April 2018		1,002
Disposals		<u>(300)</u>
At 31 March 2019		<u>702</u>
<b>Carrying amount</b>		
At 31 March 2019		<u>702</u>
At 31 March 2018		<u>1,002</u>

### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Holding	Proportion of voting rights and shares held		
		2019	2018	
Subsidiary undertakings				
UK Marine Network Limited	Ordinary shares	100%	100%	
Devon Marine Network Limited	Ordinary shares	100%	100%	
Channel Marine Network Limited	Ordinary shares	0%	100%	
Channel Marina Network Limited	Ordinary shares	0%	100%	
Blue Growth UK Limited	Ordinary shares	0%	100%	
UK Blue Growth Network Limited	Ordinary shares	100%	100%	
Marine Technology Hub Cornwall Limited	Ordinary shares	100%	100%	
Marine Hub Cornwall Limited	Ordinary shares	100%	100%	

## Cornwall Marine Network Limited

### Notes to the Financial Statements

Year Ended 31 March 2019

<b>Undertaking</b>	<b>Holding</b>	<b>Proportion of voting rights and shares held</b>	
Marine Renewables Hub Cornwall Limited	Ordinary shares	100%	100%
Cornwall Marine Innovation Hub Limited	Ordinary Shares	100%	100%
Cornwall Marine Technology Hub Limited	Ordinary Shares	100%	100%

All of the above companies are currently dormant and the registered offices are the same as the parent company.

# **Cornwall Marine Network Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2019**

### **7 Debtors**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
Trade debtors		36,552	47,224
Amounts due from related parties	12	32,063	49,005
Other debtors		254,874	56,353
Prepayments		36,902	13,125
		<u>360,391</u>	<u>165,707</u>

### **8 Creditors**

#### **Creditors: amounts falling due within one year**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Due within one year</b>			
Loans and borrowings	9	40,382	19,676
Trade creditors		64,745	41,706
Amounts due to related parties	12	700	1,000
Social security and other taxes		54,573	22,776
Outstanding defined contribution pension costs		8,403	2,385
Accrued expenses		37,510	11,208
		<u>206,313</u>	<u>98,751</u>

#### **Creditors: amounts falling due after more than one year**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Due after one year</b>			
Loans and borrowings	9	<u>126,458</u>	<u>90,000</u>

# Cornwall Marine Network Limited

## Notes to the Financial Statements

Year Ended 31 March 2019

### 9 Loans and borrowings

	2019 £	2018 £
<b>Current loans and borrowings</b>		
Bank overdrafts	35,471	19,676
Finance lease liabilities	4,911	-
	<u>40,382</u>	<u>19,676</u>
	2019 £	2018 £
<b>Loans and borrowings due after one year</b>		
Finance lease liabilities	11,458	-
Other borrowings	115,000	90,000
	<u>126,458</u>	<u>90,000</u>

### 10 Share capital

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members are liable to contribute an amount not exceeding £10 towards the assets of the company in the event of liquidation.

### 11 Financial commitments, guarantees and contingencies

#### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £192,063 (2018 - £240,186). The company has operating lease commitments in relation to the lease of the premises from which it operates and office equipment. The committed lease charges are payable until March 2026.

#### Other commitments

The company is the sole member of Cornwall Apprenticeship Agency Limited a company limited by guarantee. In the event of the company entering liquidation the company would be liable to contribute an amount not exceeding £10 towards the assets of Cornwall Apprenticeship Agency Limited.

# **Cornwall Marine Network Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2019**

### **12 Related party transactions**

The company has taken advantage of the exemption under paragraph 33.1A Related Party Disclosures of FRS102 from disclosing transactions and balances with wholly owned subsidiaries.

#### **Summary of transactions with other related parties**

Companies under the common control of Cornwall Marine Network Limited.

During the year the company charged Cornwall Apprentice Agency Limited management fees of £4,900 (2018 - £12,653). At the balance sheet date the amount due from Cornwall Apprentice Agency Limited was £32,063 (2018 - £25,567).

During the year the company incurred expenses of £nil (2018 - £9,085) and received income of £nil (2018 - £2,800) on behalf of the MOR Group Limited. An amount owed by MOR Group Limited was written off in the year totalling £19,404. At the balance sheet date the amount due from MOR Group Limited was £nil (2018 - £19,404).

### **13 Audit report**

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Andrew Allen BSc FCA, who signed for and on behalf of PKF Francis Clark on 26 July 2019.