Company Registration No. 07188049 (England and Wales)

REVER OFFSHORE INTERNATIONAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

REVER OFFSHORE INTERNATIONAL LIMITED

COMPANY INFORMATION

Directors	Barry John MacLeod	(Appointed 13 March 2019)
	Robert Campbell Bryce	(Appointed 3 January 2020)
Company number	07188049	
Registered office	1 Park Row Leeds United Kingdom LS1 5AB	
Auditor	Deloitte LLP 110 Queen Street Glasgow G1 3BX	

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REVER OFFSHORE INTERNATIONAL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and the financial statements for the year ended 31 December 2019.

Principal activities
Rever Offshore International Limited ("the Company") is a wholly-owned subsidiary of Fara Holdco Limited ("Fara Group" or "the Group"). The Company's principal activity is that of a holding company of a number of entities which are involved in the provision of project management and execution of offshore inspection, repair, maintenance and construction services to the offshore industry.

Review of the business
During the early part of 2019 the Group was reorganised with a number of entities owned by the Company, either directly or indirectly through its subsidiaries, transferred to a new fellow subsidiary company, Rever Offshore Vessel Management Limited ("ROVML"). The Company transferred its interest in Rever Offshore ROV Limited to ROVML and its subsidiary, Rever Offshore UK Limited, transferred its interests in Huskisson Shipping Limited, Rumford Tankers Limited and Rever Offshore North Star Limited to ROVML on the same date.

Principal risks and uncertainties
As a holding company, the primary risks relevant to the Company is in relation to the valuation of the Company's investments in its subsidiaries and the recoverability of amounts due from its trading subsidiaries.

The Company's governance framework is incorporated within that of the wider Fara Holdco Group. Fara's governance framework includes clear and delegated authorities on business performance monitoring and ensuring appropriate insurance for a wide range of potential risks. The framework for risk management governance is defined by the board and support functions including Finance, QHSE, IT and HR. These functions apply risk management processes and controls and also develop policies and standards which the business align to their processes. As a holding company, the primary risks relevant to the Company is in relation to the valuation of the Company's investments in its subsidiaries and the recoverability of amounts due from its trading subsidiaries.

Risk is monitored and reported through quarterly board meetings and monthly leadership team meetings. Monthly Finance, QHSE, IT and HR reports are provided to the leadership team. The Corporate Risk Register ("CRR") is used to capture risk, controls, monitor risk realisation and risk assurance and verification activities. The CRR is reviewed and revised at least quarterly and is tabled at the quarterly board meetings.

The Company's credit risk is attributable to its trade receivables, all of which are from fellow group undertakings.

Liquidity is managed on a group-wide basis. To ensure liquidity for ongoing operations and future developments, a mixture of long-term and short-term debt finance is used. The Group prepares and updates trading and cash flow forecasts to monitor and managed projected liquidity and trading performance.

Market outlook
The Group's results reflect the challenging market conditions that continued for the oil and gas sector throughout 2019. The Group's results were further impacted by the continuation of a high risk lump sum project and difficulties in meeting asset utilisation targets. To address this, Group management restructured the asset and personnel cost base of the business. The steps taken will position the wider Group to deliver an improved result in 2020 and are discussed further within the Going Concern section on page 4. However, whilst market conditions remained challenging the wider business has continued to secure new work, maintain service levels and enjoy ongoing trust from customers. The shareholders of the Fara Group continue to support the business and are on board with the strategic decisions made.

Key performance indicators
The Board manage the business of the Company on a wider UK business basis and therefore key performance indicators are not deemed relevant for the Company on a standalone basis.

REVER OFFSHORE INTERNATIONAL LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Events after the balance sheet date
In December 2019, a novel strain of coronavirus ("COVID-19") surfaced in China and has spread around the world resulting in worldwide business and social disruption. An emergency response plan was put in place by the Directors to manage the impact of the COVID-19 pandemic. As a result the Group managed to maintain scheduled operations throughout the pandemic but has been impacted by higher costs related to containing the virus. In order to protect employees, the Group has rolled out PCR testing for offshore personnel and has adhered to Government advice in relation to attendance on vessels and onshore sites. Access to onshore sites is only permitted for essential or emergency business, with staff working from home, along with strict monitoring of access to the warehouse in order to reduce the risk of potential cross-contamination. Visitors onto the Group's vessels are restricted to essential personnel only. Offshore staff are required to confirm recent travel history and require a clear PCR test prior to being mobilised onto the vessels. Where possible, these costs are being shared with clients. In order to mitigate the costs to the Group and also to relieve cash flow constraints, the Group has made use of the various schemes introduced by the UK Government such as furlough grants and delaying payments to HMRC.

As well as the direct impact of COVID-19 on the mobilisation of staff on vessels and closing access to onshore sites, the COVID-19 pandemic has had a knock on impact on the oil prices and therefore projects undertaken by clients. The directors have seen some work scopes being deferred until later in the year or into future years and have taken steps to mitigate against this. The directors are aware that a prolonged disruption due to the COVID-19 pandemic or any future disruptions from future waves of the virus could have further impact on the oil prices and therefore the projects planned by clients and will take steps as necessary. Management are in continuous dialogue with key clients to understand their future requirements in order to manage resources and assets effectively. Whilst Rever Offshore International Limited does not trade in its own right, the impact of COVID-19 directly impacts the subsidiaries, mainly Rever Offshore UK Limited, in which it holds an investment.

Section 172(1) Statement
Section 172(1) of the Companies Act 2006 provides that a director of a company must act in a way that he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to various other stakeholder interests - below are the six key factors:

a. the likely consequences of any decision in the long term;
b. the interests of the company's employees;
c. the need to foster the company's business relationships with suppliers, customers and others;
d. the impact of the company's operations on the community and the environment;
e. the desirability of the company maintaining a reputation for high standards of business conduct; and
f. the need to act fairly as between members of the company

Proactive engagement remains a central focus for the Board, which ensures the Directors have regard to the matters set out in s172(1) (a) to (f) of the Companies Act. As an intermediate holding company, the Board consider the stakeholder to be Fara Holdco Limited, the ultimate parent company. Whilst stakeholders in the Company are limited, the company do monitor the stakeholder relationships of its subsidiary, Rever Offshore UK Limited, details are included on pages 5 and 6 of Rever Offshore UK Limited financial statements for the year ended 31 December 2019.

Approved by the Board of Directors and signed on behalf of the Board.

DocuSigned by:
Barry Macleod
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Barry John MacLeod
Director
09/11/2020

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Results
The results for the year are set out on page 10.

Dividends
No dividends were declared or paid in the current or prior year.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Neale John Stewart	(Resigned 3 January 2020)
Mark John Bessell	(Resigned 31 May 2019)
Barry John MacLeod	(Appointed 13 March 2019)
Robert Campbell Bryce	(Appointed 3 January 2020)

Directors' indemnities
The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the reporting date.

REVER OFFSHORE INTERNATIONAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Going concern

2019 continued to present the oil and gas sector with challenging market conditions which are reflected in the Fara Group's results. The business was affected by market conditions in the UKCS which meant that utilisation targets on assets was difficult to achieve. To address this, the Fara Group management restructured the asset and personnel cost base of the UK business and made the decision to remove one of the vessels, the Rever Sapphire, from the fleet as well as making the decision to exit the ROVSV market as discussed in the review of the business section on page 1. These steps place the Fara Group on a strong grounding for future development, performance and positioning within the market. As noted in the events after the balance sheet date on page 2, the Group has been both directly and indirectly impacted by the COVID-19 pandemic. Directly due to the impact on staff, access to vessels and mobilising crews and indirectly due to the impact that the pandemic has had on the global demand for oil. The sharp decrease in oil price had a knock-on impact for the Group's services as clients reassessed planned work scopes, leading to some projects being deferred to 2021 and a lack of tendering activity for the winter period. The Group has taken fast and effective action to mitigate and manage these unprecedented risks. Throughout the COVID-19 outbreak, the Group has successfully continued to provide essential services to clients who are mostly major operators in the UKCS achieving satisfactory utilisation and rates as the industry adapts to operating in these conditions.

The Group has considered the current performance in the year to date, the projected vessel utilisation and rates through to the end of 2020 and beyond and has carefully considered the level of cash reserves required to enable it to continue to operate for at least 12 months from the date of approval of the financial statements. While there remains a level of risk, particularly in the winter period in Q1 2021, the Group has enough headroom under a base scenario for the period to August 2021. The level of unsecured work and risk over the next 12 months is not unexpected at this stage and is consistent with past patterns. The Group continue to have constructive and positive conversations with customers to assist with planning vessel utilisation. The Group has performed projections under a stressed case which indicated sufficient liquidity for at least a period of 12 months under downside days and rates scenarios. Additional information on going concern is set out on note 1.3 of the financial statements.

Furthermore, the shareholders have provided a letter of support to the Group confirming their willingness to support the Group for at least 12 months from the date of approval of the financial statements. After making appropriate enquiries, the directors are satisfied this support will include the Group not being required to repay the £15.3m shareholder loan due for repayment on 10 July 2021. The repayment of this loan is currently not included in the Group's projections. This letter of support extends to the Fara Group's subsidiaries which includes Rever Offshore International Limited.

The directors have formed the judgement that at the time of approving the financial statements, the Group and company have adequate cash and liquid resources to continue in operational existence for the foreseeable future based on the current COVID-19 and oil price situation and to support the subsidiaries of the Group including Rever Offshore International Limited. For this reason, the going concern basis continues to be adopted in preparing the financial statements.

Events after the balance sheet date

Details of significant events since the balance sheet date are detailed in the strategic report on page 2 and in note 18 to the financial statements.

Future outlook

As noted in the going concern statement above, market conditions remained challenging in 2019 for the oil and gas industry and the Fara Group. However, following the decisions taken with regards to restructuring the asset and personnel cost base of the UK business at the end of 2019 and notwithstanding the impact of the COVID-19 pandemic, management feel that this places the Group and the Company on a strong grounding for future development, performance and positioning in the market in which it operates.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Deloitte LLP have expressed their willingness to continue in office as auditors and appropriate arrangements are being made for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

This report was approved by the Board and signed on its behalf

DocuSigned by:

Barry Macleod

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Barry John MacLeod

Director

Date: 09/11/2020

REVER OFFSHORE INTERNATIONAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors are responsible for preparing the Annual 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) including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REVER OFFSHORE INTERNATIONAL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REVER OFFSHORE INTERNATIONAL LIMITED

Opinion

In our opinion the financial statements of Rever Offshore International Limited (the 'Company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 18.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in respect of these matters.

Use of our report

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.

DocuSigned by:

David Mitchell

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David Mitchell, CA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP

Statutory Auditor
Glasgow, United Kingdom
Date: 9.. November 2020

REVER OFFSHORE INTERNATIONAL LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Revenue	4	190	1,143
Cost of sales		-	(49)
Gross profit		190	1,094
Administrative expenses		(190)	(1,133)
Exceptional items	5	-	78,847
Operating (loss)/profit	6	-	78,808
Finance income	8	-	7
Finance costs	9	(2)	(56)
(Loss)/profit before taxation		(2)	78,759
Tax on (loss)/profit	10	-	3
(Loss)/profit and total comprehensive (loss)/ income for the financial year		(2)	78,762

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

There are no other items of comprehensive income and therefore no separate statement has been prepared.

REVER OFFSHORE INTERNATIONAL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Non-current assets			
Investments	11	17,008	23,390
Current assets			
Trade and other receivables	12	6,500	153
Cash and cash equivalents		3	28
		6,503	181
Current liabilities			
Trade and other payables	13	1,439	1,497
Net current assets/(liabilities)		5,064	(1,316)
Total assets less current liabilities		22,072	22,074
Net assets		22,072	22,074
Equity			
Called up share capital	14	17,000	17,000
Other reserves	15	65,000	65,000
Retained earnings		(59,928)	(59,926)
Total equity		22,072	22,074

The financial statements of Rever Offshore International Limited were approved by the board of directors and authorised for issue on 09/11/2020 and are signed on its behalf by:

DocuSigned by:

Barry Macleod

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Barry John MacLeod

Director

Company Registration No. 07188049

REVER OFFSHORE INTERNATIONAL LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital £'000	Other reserves £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2018	17,000	-	(138,688)	(121,688)
Year ended 31 December 2018:				
Profit and total comprehensive income for the year	-	-	78,762	78,762
Transfer to other reserves (note 15)	-	65,000	-	65,000
Balances at 31 December 2018	17,000	65,000	(59,926)	22,074
Year ended 31 December 2019:				
Loss and total comprehensive loss for the year	-	-	(2)	(2)
Balances at 31 December 2019	17,000	65,000	(59,928)	22,072

REVER OFFSHORE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Rever Offshore International Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is 1 Park Row, Leeds, United Kingdom, LS1 5AB. The nature of the Company's operations and its principal activities are set out on the strategic report on page 1.

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

1.1 Accounting convention

These financial statements were prepared in accordance with the Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company has chosen to adapt the formats of the statement of financial position and statement of comprehensive income and has applied the relevant presentation requirements of IAS 1 Presentation of Financial Statements.

Due to the Company taking the option to present in accordance with IAS 1, comparative financial information has been re-presented where necessary. Re-presentation has not affected the substance of the financial information which remains unchanged.

The financial statements are presented in Great British Pounds (£) which is the Company's functional and presentation currency, being the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest thousand pounds (£'000) except when otherwise stated.

The Company meets the definition of a qualifying entity under FRS 101, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67of IFRS 3 Business Combinations. Equivalent disclosures are included in the consolidated financial statements of Fara Holdco Limited in which the entity is consolidated;
- the requirements of paragraph 33 (c) of IFRS 5 Non current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment (iii) paragraph 118 (e) of IAS 38 Intangibles Assets, (iv) paragraphs 76 and 79(d) of IAS 40 Investment Property and (v) paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 39 to 40, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

1 Accounting policies **(Continued)**

1.2 Exemption from preparing consolidated financial statements

The Company is exempt from the preparation and delivery of consolidated financial statements because it is included in the Group accounts of Fara Holdco Limited. The financial statements of Fara Holdco are available to the public and can be obtained as set out in note 16.

1.3 Going concern

The Company's operating activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 1. These steps included removing a vessel from the Fara Group fleet and withdrawing from the ROVSV market as well the resulting headcount reductions. These steps place the Fara Group, of which this Company is a subsidiary, on a strong grounding for future development, performance and positioning within the market in which it operates. The Fara Group has considered the current performance in the year to date, the projected vessel utilisation and rates through to the end of 2020 and beyond and has carefully considered the level of cash reserves required to enable it to continue to operate for at least 12 months from the date of approval of the financial statements.

The North Sea DSV market represents over 90% of the Group's activity and is primarily operated through Rever Offshore International Limited's subsidiary entities. This division has restructured in recent years to remain competitive within the market place. DSV rates are seasonal, the average vessel rate over the next 12 months is expected to remain consistent with the prior period at mid-market range for a comparable vessel. Over the past 12 months a number of measures have been implemented to ensure robust pricing including increased scrutiny on financial modelling and internal reviews.

Taking into account the above and in light of COVID-19, the directors have prepared financial projections covering a period of at least 12 months from the date of approval of these financial statements. The assumptions which are most significant in these projections are:-

- DSV utilisation
- DSV day rates
- Project margins

The base case forecasted days and revenue planned in the next 12 months assumes a normalised level of utilisation based on repeat business for key clients. The Company has a robust business development function that includes tracking market activity and liaising directly with Client's on future requirements. Several long-term agreements are agreed with key clients contributing to stability when forecasting day rates for the next 12 months. It is not unusual for bookings for next summer not to be made at this time and whilst winter periods are expected to remain competitive the Company is confident in the high level of service that continues to be delivered to Clients with the expectation being that repeat business will be successfully maintained throughout the 12 month period similar to prior year levels. The wider Fara Group is satisfied that it has enough headroom under a base scenario for the period to November 2021.

Accordingly, taking into account the current Covid-19 and oil price environment, the directors have formed the judgement that at the time of approving the financial statements, the Group has access to adequate cash resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. Consequently, the financial statements have been prepared on a going concern basis.

REVER OFFSHORE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies **(Continued)**

Furthermore, the shareholders have provided a letter of support to the Group confirming their willingness to support the Group for at least 12 months from the date of approval of the financial statements. After making appropriate enquiries, the directors are satisfied this support will include the Group not being required to repay the £15.3m shareholder loan due for repayment on 10 July 2021. The repayment of this loan is currently not included in the Group's projections. This letter of support extends to the Fara Group's subsidiaries which includes Rever Offshore International Limited.

The directors have formed the judgement that at the time of approving the financial statements, the Group has adequate cash resources to continue in operational existence for at least 12 months from the date of approval of the financial statements taking into account the current COVID-19 and oil price environment and to support the subsidiaries of the Group including Rever Offshore International Limited. Accordingly, the financial statements have been prepared on a going concern basis.

1.4 Turnover

Turnover is derived from the provision of management services to a related company and is recognised over the period of time the benefit is consumed. A segmental analysis can be found at note 4.

1.5 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.6 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below:

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

1.7 Cash and cash equivalents

Cash and cash equivalents 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. Bank overdrafts are shown within borrowings in current liabilities.

REVER OFFSHORE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies **(Continued)**

1.8 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost using the effective interest method:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

The Company's financial assets comprise only those measured at amortised cost.

REVER OFFSHORE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies **(Continued)**

Amortised cost and effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

The Company has no purchased or originated credit-impaired financial assets.

Interest income is recognised in profit or loss and is included in the "finance income" line item.

Foreign exchange gains and losses
The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses on amounts due from group companies. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The expected credit losses on these financial assets are estimated with reference to the net assets of the respective counterparty at reporting date. An expected credit loss allowance is recognised to the extent the financial asset exceeds the net assets of the counterparty. In the event the counterparty's net assets are less than the carrying amount of the financial asset and the counterparty is an active trading entity, further consideration of the counterparties projected future cash inflows is made before recognition of an expected credit loss. To the extent there are supportable expectations for the counterparty to generate sufficient future cash inflows to settle amounts due to the Company, no expected credit loss is recognised.

The amounts due from group companies do not have set repayment dates.

1 Accounting policies **(Continued)**

Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;
b. a breach of contract, such as a default or past due event (see (ii) above);
c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e. the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy
The Company writes off a financial asset when there is information indicating that there is no realistic prospect of recovery, e.g. when the related group company is being wound up and has no capacity to settle the outstanding amounts due to fellow group companies.

Derecognition of financial assets
The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The Company does not have compound instruments.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities
All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The Company only has financial liabilities subsequently measured at amortised cost.

1 Accounting policies **(Continued)**

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

1.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 income statement, 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.

2 Adoption of new and revised standards and changes in accounting policies

In the current year, the following new and revised Standards and Interpretations have been adopted by the company and have an effect on the current period or a prior period or may have an effect on future periods:

IFRS 9	Prepayment features with negative compensation
IFRS 16	Leases

These amendments revise the requirements for the presentation of the financial statements. This does not impact the company's reported position.

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations, which have not yet been applied in the financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 17	Insurance Contracts
IFRS 10 and IAS 18 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 3 (Amendments)	Definition of a business
IAS 1 and IAS 8 (Amendments)	Definition of material
Conceptual Framework	Amendments to References to the Conceptual Framework in IFRS Standards

The directors do not expect that the adoption of the other Standards listed above will have a material impact on the financial statements of the Company aside from additional disclosures.

REVER OFFSHORE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

3 Critical accounting estimates and judgements

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting estimates
The directors are of the opinion that there are no significant critical judgements, apart from those involving estimations which are dealt with separately below, that have been made in applying the Company's accounting policies that require to be disclosed.

Key sources of estimation uncertainty
The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of investments
Investment values have been assessed for recoverability based on value-in-use. Determination of value-in-use involves estimation of future cash flows to be generated through the use of assets and discounting these cash flows at an appropriate discount rate. The cash flows and discount rate are estimates. The estimated cash flows for the winter period in Q1 2020 are at risk of change within the next 12 months from 31 December 2019 due to fluctuations of DSVs and day rates achieved by the entities in which the Company holds an investment. A lower oil price environment results in an increased supply of DSVs in the market due to clients deferring non-essential inspection, repairs and maintenance work and also suspending capital expenditure. Projected cash flows have been discounted at 11% (2018: 12%).

4 Revenue

4.1 Disaggregated revenue information

	2019 £'000	2018 £'000
Revenue analysed by class of business		
Management services	190	1,143

	2019 £'000	2018 £'000
Revenue analysed by geographical market		
Europe	190	1,143

4 Revenue (Continued)

Set out below, is the reconciliation of revenue from contracts with group companies:

	2019 £'000	2018 £'000
Revenue		
Inter-group	190	1,143

5 Exceptional items

	2019 £'000	2018 £'000
Corporate restructuring	-	112,929
Fees incurred	-	(7,056)
Intercompany write-off	-	(27,026)
	-	78,847

Retrospective application of IFRS9 resulted in an intercompany write off of £27.0m in 2018.

On 18 January 2018, Rever Offshore International Limited was acquired by Fara Holdco Limited. When the acquisition occurred, £175m 7.5% senior secured notes held by Rever Offshore International Limited were released and the holders of the secured notes received 1,875k shares in Fara Holdco Limited. These shares had a deemed value of £65m being the fair value of the bond at the transaction date. The difference between the bond nominal value and the deemed value was written back to the statement of comprehensive income. Accrued interest on the bond amount to £6,972k was also written back offset by the write off of unamortised fees relating to the original loan issue amounting to £4,043k. Professional fees of £7m were also incurred in relation to this transaction.

6 Operating profit

	2019 £'000	2018 £'000
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	-	(1)

The audit fee for the current year of £21k (2018: £21k) has been borne by a fellow subsidiary, Rever Offshore UK Limited. The auditor did not provide any non-audit services in the current or previous year.

7 Directors' remuneration

No emoluments were paid by the Company to the directors in the current or prior year in respect of their services as it is not practical to apportion directors' services to specific companies across the group. The total remuneration paid by group companies in respect of the directors of this Company amounts to £497k in the current year (2018: £925k). There were no employees, other than directors, in the current or prior year.

8 Finance income

	2019 £'000	2018 £'000
Finance income		
Interest on bank deposits	-	7

9 Finance costs

	2019 £'000	2018 £'000
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	2	56

10 Income tax credit

	2019 £'000	2018 £'000
Current tax		
UK corporation tax on (loss)/profit for the current year	-	(3)

The credit for the year can be reconciled to the (loss)/profit per the income statement as follows:

	2019 £'000	2018 £'000
(Loss)/profit before taxation	(2)	78,759
Expected tax charge based on a corporation tax rate of 19.00% (2018: 19.00%)	-	14,964
Effect of expenses not deductible in determining taxable profit	-	(15,367)
Adjustments to tax charge in respect of prior years	-	(2)
Group relief	-	402
Taxation credit for the year	-	(3)

Excess management charges available to carry forward and utilise against future profits of £699k (2018: £698k) have not been recognised.

11 Fixed asset investments

	£000
Subsidiary companies	
At 1 January 2019	23,390
Disposals	(6,382)
At 31 December 2019	17,008

The parent company has investments in the following subsidiary undertakings:

Subsidiary undertakings	Percentage of ordinary share capital held %	Registered office	Country of incorporation	Principal activity
Rever Offshore UK Limited	100	1	United Kingdom	Offshore Oil and Gas Services
Rever Offshore Project Personnel Pte Limited	100	2	Singapore	Crew Supply
Rever Offshore Diving Services Pte Limited	100	2	Singapore	Crew Supply
Rever Offshore Inc	100	5	USA	Subsea Services
Rever Offshore Norway AS	100	3	Norway	Subsea Services
Rever Offshore Guernsey Limited	100	4	Guernsey	Crew Supply
Rever Offshore Singapore Pte Limited*	100	2	Singapore	Offshore Oil and Gas Services
Rever Offshore Freighters Limited*	100	1	United Kingdom	Ship Owning
Rever Subsea ROV LLC**	100	4	USA	ROV Services

* Investment held through Rever Offshore UK Limited
** Investment held through Rever Offshore Inc

The Registered office of each subsidiary is as indicated by the key below:
1. 1 Park Row, Leeds, LS1 5AB
2. 2 Shenton Way, #16-02, SGX Centre 1, Singapore, 068804
3. Nedre Vollgate 1, 0158 Oslo, Norway
4. Elizabeth House, Ruette Braye, St Peter Port, Guernsey, GY1 1EW

Registered agent:
5. Capitol Services Inc 1675 South State Street, Suite B, City of Dover, County of Kent DE 19901

During the year, following a Group reorganisation, the Company transferred its interests in Rever Offshore ROV Limited to a fellow subsidiary company, Rever Offshore Vessel Management Limited.

REVER OFFSHORE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

12 Trade and other receivables

	2019 £'000	2018 £'000
Other receivables	-	74
VAT recoverable	-	7
Amounts owed by fellow group undertakings - loan	6,382	-
Amounts owed by fellow group undertakings - trading	23	-
Prepayments	95	72
	6,500	153

Interest is not charged on intercompany trading or loan balances settled within terms. Intercompany balances are repayable on demand.

13 Trade and other payables

	2019 £'000	2018 £'000
Trade payables	12	-
Amounts owed to fellow group undertakings - loan	1,200	1,190
Amounts owed to fellow group undertakings - trading	227	-
Accruals	-	178
Social security and other taxation	-	126
Other payables	-	3
	1,439	1,497

Interest is not charged on intercompany trading or loan balances settled within terms. Intercompany balances are repayable on demand.

14 Share capital

	2019 £'000	2018 £'000
Ordinary share capital		
Authorised, issued and fully paid		
17,000,000 Ordinary shares of £1 each	17,000	17,000
	17,000	17,000

15 Other reserves

	2019 £000	2018 £000
Capital reserve	65,000	65,000
	65,000	65,000

REVER OFFSHORE INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

16 Ultimate parent company and controlling party

The Company is a wholly owned subsidiary of Fara Holdco Limited, the ultimate parent company, a company incorporated in Jersey. Fara Holdco Limited is the smallest and largest company in which Rever Offshore International Limited is consolidated. A copy of these accounts are available at 1 Park Row, Leeds, LS1 5AB.

The Company is not considered to have a single controlling party.

17 Related party transactions

The Company has taken advantage of the disclosure exemption under FRS 101 which exempts them from disclosing related party transactions with fellow group undertakings as outlined in IAS 24, as 100% of the voting rights are controlled by the ultimate parent undertaking, Fara Holdco Limited.

18 Events after the balance sheet date

In December 2019, a novel strain of coronavirus ("COVID-19") surfaced in China and has spread around the world resulting in worldwide business and social disruption. An emergency response plan was put in place by the Directors to manage the impact of the COVID-19 pandemic. As a result the Group has managed to maintain scheduled operations throughout the pandemic but have been impacted by higher costs related to containing the virus. In order to protect employees, the Group has rolled out PCR testing for offshore personnel and has adhered to Government advice in relation to attendance on vessels and onshore sites. Access to onshore sites is only permitted for essential or emergency business, with staff working from home, along with strict monitoring of access to the warehouse in order to reduce the risk of potential cross-contamination. Visitors onto the Group's vessels are restricted to essential personnel only. Offshore staff are required to confirm recent travel history and require a clear PCR test prior to being mobilised onto the vessels. Where possible, these costs are being shared with clients. In order to mitigate the costs to the Group and also to relieve cash flow constraints, the Group has made use of the various schemes introduced by the UK Government such as furlough grants and delaying payments to HMRC.

As well as the direct impact of COVID-19 on the mobilisation of staff on vessels and closing access to onshore sites, the COVID-19 pandemic has had a knock on impact on the oil prices and therefore projects undertaken by clients. The directors have seen some work scopes being deferred until later in the year or into future years and have taken steps to mitigate against this. The directors are aware that a prolonged disruption due to the COVID-19 pandemic or any future disruptions from future waves of the virus could have further impact on the oil prices and therefore the projects planned by clients and will take steps as necessary. Management are in continuous dialogue with key clients to understand their future requirements in order to manage resources and assets effectively. Whilst Rever Offshore International Limited does not trade in its own right, the impact of COVID-19 directly impacts the subsidiaries, mainly Rever Offshore UK Limited, in which it holds an investment.