Registration number: 00020535

Bibby Marine Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2022

Bibby Marine Limited

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Bibby Marine Limited

Company Information

Directors

Sir Michael Bibby Bt. DL
Geoffrey Bibby
John Hughes
Jonathan Lewis
Nigel Quinn
Andrew Goody
Howard Woodcock

Company secretary

Bibby Bros. & Co. (Management) Limited

Registered office

3rd Floor
Walker House
Exchange Flags
Liverpool
L2 3YL
United Kingdom

Auditor

Mazars LLP
One St Peters Square
Manchester
M2 3DE

Bibby Marine Limited

Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

Principal activity

The principal activity of the company is to act as the holding company for Bibby Line Group Limited's specialist marine assets and services businesses. In these accounts, the Group refers to Bibby Marine Limited and its subsidiaries. Group activities are structured around two divisions relating to the ownership and operation of floating accommodation vessels ('Accommodation Services') and walk to work vessels ('Walk to Work').

Bibby Marine Limited is incorporated and headquartered in the United Kingdom and undertakes its operations through a number of trading subsidiaries. The Accommodation Services division owns six accommodation vessels that operate in international markets with branches registered in Australia, Sweden and Norway. The Walk to Work business owns two vessels, servicing the renewables and oil and gas markets, predominantly in Europe with branches in The Netherlands and Germany.

Business Review

The Group's key financial performance indicators during the year were as follows:

Accommodation services	2022 £'000	2021 £'000
Turnover	3,592	10,930
Operating (loss) / profit	(4,057)	1,890

The division had a disappointing year with three of the six vessels failing to secure employment during 2022, which resulted in a drop in revenue and profitability. Rising global inflation combined with economic uncertainty, partly due to the ongoing war in Ukraine, resulted in few major projects being commissioned around the world, significantly reducing the division's addressable market. The pipeline of opportunities improved during the second half of 2022. The division now has two vessels on charter and a further three vessels with charters signed after 31 December 2022 that start over the next few months. All five charters continue through 2024 and, in two cases, for some years after that.

Management remains confident that the medium-term market outlook is positive due to opportunities to support government initiatives around the world with long-term accommodation and the growing commitment of national governments around the world to energy security and major infrastructure improvements in coastal areas. Our safety record continues to be excellent and our focus on a strong safety culture remains.

Walk to work	2022 £'000	2021 £'000
Turnover	13,408	14,949
Operating profit	1,118	692

Business review (continued)

Walk to work (continued)

During 2022 the Bibby Wavemaster I vessel successfully completed the first year of a three-year charter to Total that provides a minimum of 50% utilisation per year until the end of 2024. The Bibby Wavemaster Horizon vessel completed its third full year of service on a 10-year contract on the Hohe See and Albatross offshore windfarms in the North Sea, performing in line with expectations. Turnover in the division fell due to reduced utilisation of the Bibby Wavemaster I vessel during the fourth quarter of 2022, in part due to the vessel being unavailable for three weeks due to its five-yearly dry docking, an increase in maintenance off-hire periods on the Bibby Wavemaster Horizon vessel and a reduction in average client numbers on board both vessels. The division's profitability improved during the year despite the revenue shortfall due to direct and overhead cost efficiencies.

Management remains confident that the division will see future revenue and profit growth based on the strong underlying market for vessels that serve the offshore windfarm market, with a further two years to run on the three-year charter to Total and a further seven years on the Bibby Wavemaster Horizon vessel's 10-year contract.

The Group's consolidated operating loss before interest and tax for the year was £2.9m (2021: £2.6m profit).

Future developments

The Directors plan to invest further in the walk to work business given the attractive long-term market. To support this the Group will continue to investigate low and zero carbon emissions vessel technology.

Principal risks and uncertainties

The financial performance of the Group is dependent upon the performance of its two divisions. The Group's executive team is responsible for the day-to-day management of both divisions. The Bibby Marine Limited Board determines what matters are reserved for the Board and has established a risk management framework encompassing both financial and non-financial risks. In addition, regular management reporting disciplines, including annual budgets, three-year strategic planning, monthly management accounts and quarterly Board meetings ensure that the Board of Bibby Marine Limited can adequately oversee the performance of the Group and its divisions.

Vessel utilisation

A key risk for the Group is adequate vessel utilisation to maintain profitability. To manage this risk and to take advantage of opportunities, the Group looks to react quickly to market conditions to achieve its growth objectives and proactively engages directly with clients, including national governments, as well as the global broker network. The Group provides well maintained and safe assets; added value services; prompt responses to customer queries; and develops strong relationships with customers.

Vessel valuations

The future valuation of the Group's vessels represents a risk, including the risk of technical obsolescence. This risk is managed by obtaining regular vessel valuations, including future valuations on a range of scenarios, carrying out annual impairment reviews and investing in enhancements to the vessel when considered cost effective.

Principal risks and uncertainties (continued)

Quality, health, safety and environment including Covid-19 (QHSE)

The health and safety of our staff, crew and clients is of primary importance. Failure to implement our strict QHSE policies and procedures across the whole organisation could lead to serious incidents resulting in serious injury or loss of life. We mitigate these risks through the operation of a robust QHSE system and mandated training. The Group continues to operate under some COVID-19 working protocols where necessary to ensure the continued safety of our staff, crew and clients. Although the risks associated with the pandemic are reducing as vaccination programmes enable easing of the restrictions on the economy, the potential effects of further variants on economic and operational disruption will continue to be closely monitored.

Cyber security

The Group places increasing reliance on IT to conduct its operations both offshore and onshore. Any attack leading to the loss of data, or to data confidentiality, completeness and accuracy being compromised, would result in operational and reputational damage. The Group mitigates the risk through operating robust policies around passwords, multi-factor authentication, reporting of suspicious emails, mandated cyber training for all staff, regular security patching and penetration testing and intrusion detection and prevention processes.

Brexit

The Group has not experienced any significant impact from the Brexit transition. The Group continues to monitor the impact that Brexit will have on the business in the longer term, but the international nature of the trade means that it has so far been relatively unaffected by changes in working arrangements. We continue to work with the relevant authorities to ensure that the impact is minimised, and mitigation actions are implemented where possible.

The Ukraine conflict

The Group has no direct trading exposure to either Ukraine or Russia, but the effects of the war have added to the challenging conditions in the Accommodation Services market during 2022 by reducing the number of major global projects commissioned in coastal projects and have added to inflationary pressures on expenditure in both the Accommodation Services and Walk to Work divisions.

Fuel prices

The Group has exposure to fuel price movements which are monitored closely.

Financial instruments

Objectives and policies

The Group's activities expose it to a number of financial risks including foreign exchange risk, credit risk, liquidity risk and cash flow risk. The use of financial derivatives within each subsidiary is governed by the company's policies approved by the Group Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. The Group does not use derivative financial instruments for speculative purposes.

Foreign exchange risk:

The Group secures its earnings on a mix of short, medium and long-term international charters priced according to market demand and length of charter. The Group's functional currency is pound sterling. The Group uses forward currency contracts to hedge contracted foreign currency income where appropriate.

Principal risks and uncertainties (continued)

Financial instruments (continued)

Objectives and policies (continued)

Credit risk:

The Group's principal financial assets are bank balances, and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The assessment of customers' financial condition and reliability is an important factor when negotiating charters for the vessels. The Group evaluates the counterparty risk of potential customers based on due diligence procedures as well as management's experience in the industry. Credit periods for charter hire are carefully evaluated with advanced invoicing arrangements. Mobilisation fees are typically paid in advance of underlying hire periods in the accommodation services business.

The credit risk on liquid cash funds is limited because the counterparties are global banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk:

Bibby Marine Limited does not have any long-term bank borrowings of its own but guarantees certain debt of its subsidiary undertakings. Bibby Wavemaster 1 Limited has long-term bank loan facilities. Bibby Wavemaster 2 Limited has long term finance lease and loan facilities. The liquidity risk associated with Bibby Wavemaster 2 Limited's facilities is managed by matching the lease and loan tenors with the vessel's existing long-term charter.

These lease and loan facilities require the Group to maintain a minimum adjusted net worth ratio, interest cover and liquidity. A breach of these covenants would constitute an event of default and if not cured within the applicable grace period set out within the terms of the facilities, would provide our lenders with the right to require us to either provide additional security or pay down the indebtedness to a level compliant with the loan covenants. The Group continues to comply with all debt covenants.

The Group has a £1.5m bank overdraft facility that is expected to be renewed for a further 12 months when it expires in October 2023.

The Group manages liquidity risk by adherence to strict cash flow forecasting procedures to ensure sufficient funds are available to meet liabilities as they fall due, including servicing lease and bank loan obligations.

Cash flow risk:

The Group provides assets and services in international markets and is therefore exposed to currency movements on sales and purchases made in foreign currencies. This exposure is mitigated by matching costs and revenue in the same currency where possible and using forward currency exchange contracts where appropriate.

Approved by the Board on 22 June 2023 and signed on its behalf by:

Nigel Quinn

Director

Bibby Marine Limited

Directors' Report for the Year Ended 31 December 2022

The directors present their report and the audited consolidated financial statements for the year ended 31 December 2022.

Directors of the group

The directors who held office during the year and up to the date of signing these accounts were as follows:

Sir Michael Bibby Bt. DL
Geoffrey Bibby
John Hughes
Jonathan Lewis
Susan Worden (resigned 27 May 2022)
Nigel Quinn
Andrew Goody (appointed 1 June 2022)
Howard Woodcock (appointed 16 March 2023)

Directors' liabilities

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

Dividend

No dividend was paid during the year ended 31 December 2022 (2021: £nil).

Matters included in the Strategic Report

In accordance with s414C(11) of the Companies Act 2006, included within the strategic report is information relating to future developments and the financial instruments policies and risks of the business, which would otherwise be required by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008' to be contained in the directors' report.

Branches outside the United Kingdom

The Maritime business has branches registered in Australia, Sweden and Norway. The Walk-to-Work business has branches registered in The Netherlands and Germany.

Disclosure of information to the auditor

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 directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Bibby Marine Limited

Directors' Report for the Year Ended 31 December 2022 (continued)

Going concern

The Group's operating activities, together with the factors likely to affect its future development, performance and *position are set out in the Business Review on pages 2 and 3. In addition, the Strategic Report sets out the principal* risks and uncertainties which exist within the business and how these risks and uncertainties are managed.

As described in the Strategic Report, the Accommodation Services business had a disappointing year in 2022. However, this business now has two vessels on charter and a further three vessels with charters signed after 31 December 2022 that start over the next few months. All five charters continue through 2024 and, in two cases, for some years after that. The division has a £1.5m bank overdraft facility that is expected to be renewed for a further 12 months when it expires in October 2023.

In the Walk to Work business, the Bibby Wavemaster 1 vessel is part way through a three-year contract with a major customer ensuring at least 50% utilisation per year across 2023 and 2024 and continues to win work in its client base *in the short-term charter market. During 2022 the Bibby Wavemaster Horizon vessel completed its third operational* year under a 10-year charter that runs until November 2029.

Maintaining sustainable cash reserves in the longer term relies on securing and delivering work in line with forecast levels of activity. Current charter, enquiry and tender activity across the Accommodation Services business supports the expectation of having the required level of work across the fleet, with continued opportunities on major energy, infrastructure and public sector projects. The Bibby Wavemaster 1 vessel continues to see healthy charter and enquiry levels from the growing offshore renewables sector and the offshore oil & gas market. Our forecasts for this vessel and for the Accommodation Services business necessarily rely on assumptions related to future contract awards as well as work already contracted. The Group continues to focus on its cost-base to ensure the business model of both divisions is sustainable.

Forecasts of future cash generation across the Group have been prepared for the period to 12 months after the date of signing these accounts. These forecasts take account of current and expected changes in the commercial environment and include downside scenarios. The forecasts assume that debt facilities currently provided will be maintained. Ongoing support for intercompany facilities, consisting of loans in place at the date of signing the accounts and further temporary funding facilities identified as being required by the company's forecasts, has been confirmed by Bibby Line Group and Bibby Holdings Limited.

Based on the above approach, the directors have formed the judgement at the time of approving the financial statements, that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, 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 the Accounting Policies statement in Notes to the Financial Statements.

Approved by the Board on 22 June 2023 and signed on its behalf by:

Jeanette Hampson, Bibby Bros. & Co. (Management) Limited

Company secretary

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

Bibby Marine Limited

Directors' Responsibilities Statement

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 applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 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 then 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;
- *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.

Bibby Marine Limited

Independent Auditor's Report to the members of Bibby Marine Limited

Opinion

We have audited the financial statements of Bibby Marine Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated profit and loss account, consolidated statement of comprehensive income, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 2022 and of the group's loss 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.

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 group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Independent Auditor's Report to the members of Bibby Marine Limited (continued)

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 course of 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 this regard.

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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you 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.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 8, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the members of Bibby Marine Limited (continued)

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 the financial statements. The extent to which our procedures are capable ofi detecting irregularities, including firaud is detailed below.

Irregularities, including fiaud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including firaud

Based on our understanding of the group and the parent company, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fi aud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

To help us identifiy instances ofi non-compliance with these laws and regulations, and in identifiying and assessing the risk ofi material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring ofi management and, where appropriate, those charged with governance, as to whether the Group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, ifi any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

Independent Auditor's Report to the members of Bibby Marine Limited (continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.

Valerie Levi

Valerie Levi (Jun 23, 2023 13:23 GMT+1)

Valerie Levi (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

One St Peters Square
Manchester
M2 3DE

23 June 2023

Bibby Marine Limited

Consolidated Profit and Loss Account for the Year Ended 31 December 2022

	Note	2022 £'000	2021 (restated) £'000
Turnover	3	17,000	25,879
Cost of sales		(15,409)	(19,456)
Gross profit		1,591	6,423
Administrative expenses		(4,530)	(4,133)
Other operating income	4	-	292
Operating (loss)/profit		(2,939)	2,582
Interest expense	5	(3,272)	(3,101)
Loss before tax		(6,211)	(519)
Taxation	9	487	909
(Loss)/profit for the financial year		(5,724)	390

The notes on pages 19 to 42 form an integral part of these consolidated financial statements.

Bibby Marine Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2022

	2022 Total £'000	2021 Total £'000
(Loss)/profit for the year	(5,724)	390
Foreign currency translation (losses)/gains	(242)	200
Total comprehensive (loss)/profit for the year	(5,966)	590
Total comprehensive (loss)/profit attributable to:		
Owners of the company	(5,966)	590

The notes on pages 19 to 42 form an integral part of these consolidated financial statements.

Bibby Marine Limited

Registration number: 00020535

Consolidated Balance Sheet as at 31 December 2022

	Note	2022	2021 (restated)
		£'000	£'000
Fixed assets			
Tangible fixed assets	11	66,494	65,942
Current assets			
Stocks	13	449	185
Debtors: amounts due within one year	14	3,942	5,638
Debtors: amounts after more than one year	14	7,806	6,905
Cash at bank and in hand		464	3,396
		12,661	16,124
Creditors: Amounts falling due within one year	15	(10,302)	(9,302)
Net current assets		2,359	6,822
Total assets less current liabilities		68,853	72,764
Creditors: Amounts falling due after more than one year	15	(71,028)	(68,973)
Net (liabilities) / assets		(2,175)	3,791
Capital and reserves			
Called up share capital	17	2,500	2,500
(Accumulated losses) / Retained earnings		(4,675)	1,291
Shareholder's funds		(2,175)	3,791

Approved and authorised by the Board on 22 June 2023 and signed on its behalf by:

Andrew Goody

Director

The notes on pages 19 to 42 form an integral part of these consolidated financial statements.

Bibby Marine Limited

Registration number: 00020535

Company Balance Sheet as at 31 December 2022

	Note	2022 £'000	2021 £'000
Non-current assets			
Investments	12	1	1
Current assets: Debtors	14	10	329
Creditors: Amounts falling due within one year	15	(205)	(3,545)
Net Current liabilities		(195)	(3,216)
Total assets less current liabilities		(194)	(3,215)
Creditors: Amounts falling due after more than one year		(3,197)	-
Net liabilities		(3,391)	(3,215)
Capital and reserves			
Called up share capital	17	2,500	2,500
Accumulated losses		(5,891)	(5,715)
Shareholder's funds		(3,391)	(3,215)

The Company's loss for the year was £175,264 (2021: £81,181 profit).

Approved and authorised by the Board on 22 June 2023 and signed on its behalf by:

Andrew Goody

Director

The notes on pages 19 to 42 form an integral part of these consolidated financial statements.

Bibby Marine Limited

Consolidated Statement of Changes in Equity

	Share capital £'000	Retained earnings / (accumulated losses) £'000	Total Equity £'000
At 1 January 2021	2,500	701	3,201
Profit for the year	-	390	390
Other comprehensive profit	-	200	200
Total comprehensive income for the year	-	590	590
At 1 January 2022	2,500	1,291	3,791
Loss for the year	-	(5,724)	(5,724)
Other comprehensive loss	-	(242)	(242)
Total comprehensive loss for the year	-	(5,966)	(5,966)
At 31 December 2022	2,500	(4,675)	(2,175)

Company Statement of Changes in Equity

	Share Capital £'000	Accumulated losses £'000	Total £'000
At 1 January 2021	2,500	(5,797)	(3,297)
Profit and total comprehensive income for the year	-	82	82
At 1 January 2022	2,500	(5,715)	(3,215)
Loss and total comprehensive loss for the year	-	(176)	(176)
At 31 December 2022	2,500	(5,891)	(3,391)

The notes on pages 19 to 42 form an integral part of these consolidated financial statements.

Bibby Marine Limited

Consolidated Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 £'000	2021 (restated) £'000
Cash flows from operating activities			
(Loss)/profit after tax for the year		(5,724)	390
Adjustments to cash flows from non-cash items:			
Depreciation	4	4,759	5,335
Unrealised foreign exchange	4	(1,404)	1,468
Finance charges		3,271	3,101
Taxation	9	(487)	(909)
Movements in working capital			
(Increase) / decrease in stock		(264)	13
Increase / (decrease)/ in trade and other payables		687	(1,419)
Decrease in trade and other debtors		1,179	489
Cash generated from operations		**2,017**	**8,468**
Taxation paid		(27)	(11)
Net cash generated from operating activities		**1,990**	**8,457**
Cash flows from investing activities			
Acquisitions of tangible fixed assets		(1,815)	(1,757)
Net cash used in investing activities		**(1,815)**	**(1,757)**
Cash flows from financing activities			
Interest paid		(1,105)	(1,223)
Proceeds from inter-company borrowings		2,500	5,140
Repayment of inter-company borrowings		-	(6,562)
Proceeds from new bank borrowings or long-term loans		-	6,924
Repayment of bank borrowings		(2,547)	(4,627)
Capital element of hire purchase and finance lease payments		(2,556)	(2,507)
Net cash used in financing activities		**(3,708)**	**(2,855)**
Net (decrease)/increase in cash and cash equivalents		(3,533)	3,845
Cash and cash equivalents at 1 January	22	3,396	(449)
Cash and cash equivalents at 31 December	22	(137)	3,396

The company is a qualifying entity for the purposes of FRS 102 and has elected to take the exemption under paragraph 1.12(b) of FRS 102 not to present the company statement of cash flows.

The notes on pages 19 to 42 form an integral part of these consolidated financial statements.

1. General information

Bibby Marine Limited ('the Company') and its subsidiaries (together 'the Group') provide marine assets and operational services. The Company is a private company limited by shares incorporated in England and Wales. The address of its registered office and principal place of business is 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL.

Statement of compliance

The group and individual financial statements of Bibby Marine Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS102') and the Companies Act 2006.

2. Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these consolidated and individual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These consolidated and individual financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed later in this note 2.

The company has taken advantage of the exemption in section 408 of the Companies Act from presenting its individual profit and loss account.

Basis of consolidation

The Group consolidated financial statements include the financial statements of the company and all its subsidiary undertakings together with the Group's share of the results of associates made up to 31 December 2022. A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity, including its subsidiaries, so as to obtain benefits from its activities. Where the Group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary. Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements. An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the group has significant influence. The Group contains no associates or joint ventures.

Any subsidiary undertakings sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively. Where control of a subsidiary is lost, the gain or loss is recognised in the consolidated income statement. The cumulative amounts of any exchange differences on translation, recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings. The gain or loss also

2. Accounting policies (continued)

Basis of consolidation (continued)

includes amounts included in other comprehensive income that are required to be reclassified to profit or loss but excludes those amounts that are not required to be reclassified.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the Group's interest in the entity.

Prior year restatement

In previous years unamortised debt arrangement costs in relation to two debt facilities were included in prepayments and the annual amortisation charge was included within interest costs. Prior year figures have been restated to deduct such costs from the gross loan balance payable in respect of a bank facility and to include them as part of the capitalised asset cost in respect of a finance lease facility, as required by FRS102. Further details are set out in note 23.

Going concern

Forecasts of future cash generation across the Group have been prepared for the period to 12 months after the date of signing these accounts. These forecasts take account of current and expected changes in the commercial environment, the company's net liability position and include downside scenarios. The forecasts assume that debt facilities currently provided will be maintained. Ongoing support for intercompany facilities, consisting of loans advanced and still outstanding at the date of signing the accounts, has been confirmed by Bibby Line Group.

Based on the above approach, the directors have formed the judgement at the time of approving the financial statements, that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details are set out in the Directors' Report on page 7 of these financial statements.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Group and value added taxes. The Group bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest. The Group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Group retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the Group's revenue channels have been met, as described below.

2. Accounting policies (continued)

Revenue recognition (continued)

Revenue from marine vessels

Revenue arising from services provided to customers for marine vessels operating in the Accommodation Services and Walk to Work divisions represents hire income receivable from charterers for the charter or hire of the Group's vessels. Revenue is recognised on a time accrual basis over the hire period.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts for services performed in the normal course of business, net of discounts and commission.

Interest income

Interest income is recognised using the effective interest rate method.

Employee benefits

A range of benefits is provided to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension scheme

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are included as accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

Annual bonus plans

The Group operates a number of annual bonus plans for employees. An expense is recognised in the profit and loss account when the Group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

Long term incentive plans

The Group operates cash-settled long term incentive plans at an operating business level for certain members of management. The plans are based on the business' performance over a rolling three-year period against a variety of measures, including growth in net asset value and an individual's personal targets in developing the business. A liability for the plan is recognised based on the estimated amount payable under the terms of the incentive plan.

Government grants

The Group accounts for government grants using the accruals method. Grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group and Company with no future related cost are recognised in the profit or loss in the period in which they become receivable.

2. Accounting policies (continued)

Foreign currency transactions and balances

The functional currency of the Group and Company is pounds sterling. Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transactions took place. Where this is not possible to determine, income and expense items are translated using an average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities are reported in the profit or loss account.

For the purposes of presenting the consolidated financial statements the assets and liabilities of the Group's two subsidiaries which prepare their financial statements in a foreign denominated currency are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising on re-presentation are recognised through other comprehensive income within equity and presented within the Group's retained earnings reserve.

Tax

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In these cases, tax is also recognised in other comprehensive income or directly in equity respectively. Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

A number of companies in the Group are members of the UK Tonnage Tax regime. UK Tonnage Tax is an alternative method of calculating corporation tax profits by reference to the net tonnage of the ship operated. The tonnage tax profit replaces both the tax-adjusted commercial profit/loss on shipping trade and the chargeable gains/losses made on the disposal of tonnage tax assets.

Deferred tax arises from timing differences between taxable profits and total comprehensive income as recognised in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in different periods to those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply at the time of the reversal of the timing differences.

2. Accounting policies (continued)

Tangible assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs. Depreciation is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- Fleet: 5% - 20%
- Plant & Machinery: 6.66% - 33.3%

Subsequent additions and major components

Subsequent costs, including major inspections, are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Group and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs, maintenance and minor inspection costs are expensed as incurred.

Dry docking expenditure

All costs associated with dry-docking are capitalised as a separate asset and written off over the period to the next dry docking (generally five years). When new vessels are constructed an amount from the total build cost is treated as a separate asset and depreciated over the period to the first dry docking.

Assets in the course of construction

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating (losses)/gains'.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take considerable time to prepare for their intended use, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

Leased assets

At inception the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

2. Accounting policies (continued)

Tangible assets (continued)
Finance leased assets: Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised as assets at commencement of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined, the Group's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Operating leased assets: Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

Impairment of fixed assets
At each balance sheet date, the Group reviews the carrying value of its property, plant and equipment and intangible assets, including goodwill, to determine whether there is an indication that the asset (or the asset's cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset (or the asset's cash generating unit) is compared to the carrying amount of the asset (or the asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of (a) the fair value of the asset less costs to sell and (b) value in use of the asset. Value in use is defined as the present value of the future cash flows before interest and tax that are obtainable as a result of the asset's (or asset's cash generating unit's) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk- free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account unless the asset has been revalued, in which case the impairment loss is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any remaining impairment loss is recognised in the profit and loss account.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Goodwill is allocated on acquisition to the cash generating unit expected to benefit from the synergies of the combination. Goodwill is included in the carrying value of cash generating units for impairment testing.

2. Accounting policies (continued)

Business combinations and goodwill
Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the sum of the consideration at the date of each transaction.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or, (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights.

Where the fair value of contingent liabilities cannot be reliably measured, they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values of the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units that are expected to benefit from the combination.

Goodwill is amortised over its expected useful life, which is estimated to be 20 years unless otherwise stated.

Investments
Investment in a subsidiary company is held at cost less accumulated impairment losses.

Stock
Stock comprises spare parts for the fleet and is valued at the lower of cost and net realisable value.

Provisions and contingencies

Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

2. Accounting policies (continued)

Provisions and contingencies (continued)

Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or the amount cannot be reliably measured at the reporting date or, (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable

Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets (continued)

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss account.

If there is a decrease in an impairment loss due to an event occurring after the impairment was recognised, the impairment is reversed, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of amortisation) had no impairment loss been recognised in prior periods. The impairment reversal is recognised in the profit and loss account.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the profit and loss account, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

2. Accounting policies (continued)

Financial instruments (continued)
Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, in which case the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. In the event that a facility is drawn down the relevant fees paid are presented as net of outstanding debt for loan facilities, or capitalised as part of fixed assets cost for lease facilities, and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Amounts payable are classified as non-current liabilities if payment is due in more than one year.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. Changes in the fair value of derivatives are recognised in the profit and loss account in finance costs or finance income as appropriate unless they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished as a result of the contractual obligation being discharged, cancelled or expires.

Offsetting

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

Derivatives

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk arising in relation to foreign denominated sales invoices. The Group does not hold or issue derivative financial instruments for speculative purposes. Derivative financial instruments are initially recognised at fair value at the date the derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. The resulting gain or loss is recognised the profit and loss account.

Trade debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business. Trade debtors are recognised at the transaction price, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

2. Accounting policies (continued)

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, when applicable, are shown within current liabilities.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if the Group does not have an unconditional right, at the end of the reporting period to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders
Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Critical accounting judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. Critical judgements in applying the Group's accounting policies

Revenue recognition

In making its judgement management considered the detailed criteria for the recognition of revenue from the rendering of services set out in FRS 102 Section 23 Revenue and, in particular, whether the Group could reliably measure the outcome of the transaction and determine the stage of completion.

2. Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

Finance lease asset

The Group has applied an asset life of 20 years to the vessel, Bibby Wavemaster Horizon, which is recognised as a finance leased fixed asset. The finance lease is for a period of ten years. The vessel is being treated as a fixed asset with a life of 20 years as, in the judgement of the Directors, it is highly likely that the option to purchase the vessel after ten years will be exercised, given that the asset is expected to be operational for 20 years.

b. Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, often not equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives, residual values and resulting annual depreciation charge are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Asset residual values

Management considers the residual value of the vessels not to be material on the basis that the cost of dismantling the asset is estimated to be equivalent to any value remaining in the vessel at the end of its life.

3. Revenue

The analysis of the Group's revenue for the year by class of business is as follows:

	2022 £'000	2021 £'000
Accommodation services	3,592	10,930
Walk to Work	13,408	14,949
	17,000	25,879

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

3. Revenue (continued)

The analysis of the Group's revenue for the year by geographical market is as follows:

	2022 £'000	2021 £'000
UK	791	7,957
Rest of world	16,209	17,922
	17,000	25,879

4. Operating profit

Operating profit is arrived at after charging/(crediting)	2022 £'000	2021 £'000
Depreciation (note 11)	4,759	5,335
Foreign exchange (gain)/loss	(1,404)	1,468

5. Interest payable and similar charges

	2022 £'000	2021 £'000
Interest on bank overdrafts and borrowings	1,049	953
Interest on obligations under finance leases and hire purchase contracts	545	621
Interest payable to Bibby Line Group companies	1,601	1,477
Other interest	77	50
	3,272	3,101

6. Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:	2022 £'000	2021 (restated) £'000
Wages and salaries	2,958	2,960
Social security costs	364	332
Pension costs, defined contribution scheme	251	213
	3,573	3,505

In order to more fairly represent the staff costs of the Group we have excluded agency staff costs from staff costs for the comparative period.

6. Staff costs (continued)

The average number of persons employed by the Group (including directors) during the year was as follows:

	2022 No.	2021 No.
Accommodation services	44	43
Walk to Work	4	5
	48	48

The parent company does not have any employees.

7. Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 £'000	2021 £'000
Remuneration	517	451
Compensation for loss of office	29	-
Contributions paid to money purchase pension schemes	53	25
	599	476

During the year the number of directors who were receiving benefits was as follows:

	2022 No.	2021 No.
Accruing benefits under money purchase pension schemes	4	3

In respect of the highest paid director:

	2022 £'000	2021 £'000
Remuneration	234	155
Company contributions to money purchase pension scheme	28	-
	262	155

The company directors' remuneration was borne in both years by subsidiary companies.

8. Auditors' remuneration

	2022 £'000	2021 £'000
Fees payable to the company's auditor for:		
Audit of the company's financial statements	15	12
Audit of the financial statements of subsidiaries of the company pursuant to legislation	66	55
	81	67

No non-audit fees were payable to the company's auditor

9. Tax on profit

Tax charged/(credited) in the profit and loss account compromises:	2022 £'000	2021 £'000
Current tax on profit on ordinary activities		
UK corporation tax	-	-
UK corporation tax adjustment to prior periods	(17)	-
Tonnage tax	2	1
	(15)	1
Foreign tax	22	-
Foreign tax adjustment to prior periods	(290)	184
	(268)	184
Total current tax	(283)	185
Deferred taxation		
Arising from origination and reversal of timing differences	(151)	(404)
Effect of change in tax rate	(48)	(716)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	(5)	26
Total deferred taxation	(204)	(1,094)
Total tax on loss on ordinary activities	(487)	(909)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - lower than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

9. Tax on profit (continued)

The Finance Bill 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction will not occur, and the Corporation Tax rate will be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020. The Finance Act 2021 has now changed the mainstream corporation tax rate to 25% for the financial year 2023.

The difference between the actual tax charge and taxation at the standard corporation tax rate is analysed below.

	2022 £'000	2021 £'000
Loss before tax	(6,211)	(519)
Corporation tax credit at standard rate	(1,180)	(99)
Losses subject to tonnage tax regime	2	1
Effect of expense not deductible in determining taxable profit/(loss)	343	404
Other timing differences	(3)	(248)
Effect of foreign tax rates	(6)	-
Deferred tax credit relating to changes in tax rates or laws	(48)	(716)
Adjustments in respect of previous years	(313)	211
Group relief	718	(462)
Total tax credit for the year	(487)	(909)

There is no expiry date on timing differences, unused tax losses or tax credits.

10. Intangible assets – Group

	Goodwill £'000
Cost or valuation	
At 1 January and 31 December 2022	2,324
Amortisation	
At 1 January and 31 December 2022	2,324
Carrying amount	
At 31 December 2022 and 31 December 2021	-

11. Tangible Fixed Assets

Group	Plant and machinery £'000	Fleet £'000	Total £'000
Cost or valuation			
At 1 January 2022	47	134,539	134,586
Additions	5	1,810	1,815
Transfers	47	(47)	-
Foreign exchange movements	-	4,484	4,484
At 31 December 2022	99	140,786	140,885
Depreciation			
At 1 January 2022	19	68,625	68,644
Charge for the year	25	4,734	4,759
Transfers	6	(6)	-
Foreign exchange movements	-	988	988
At 31 December 2022	50	74,341	74,391
Carrying amount			
At 31 December 2022	49	66,445	66,494
At 31 December 2021	28	65,914	65,942

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2022 £'000	2021 £'000
Fleet	32,723	32,952

12. Investments

Company

Subsidiaries	**£**
Cost	
At 31 December 2021 and 31 December 2022	400

Group

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

Subsidiary undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
Principal activity: ownership and operation of a floating accommodation vessel			**2022**	**2021**
Bibby Maritime Limited	UK	Indirect	100%	100%
Bibby Pioneer Limited *	UK	Indirect	100%	100%
Bibby Bergen Limited	UK	Indirect	100%	100%
Bibby Progress Limited	UK	Indirect	100%	100%
Bibby Challenge Limited	UK	Indirect	100%	100%
Bibby Stockholm Limited	UK	Indirect	100%	100%
Principal activity: provision of crew services				
Bibby Maritime Crewing Services Limited	UK	Indirect	100%	100%

12. Investments (continued)

Principal activity: ownership and operation of windfarm support vessels				
Bibby Wavemaster 1 Limited	UK	Indirect	100%	100%
Bibby Wavemaster 2 Limited	UK	Indirect	100%	100%
Bibby Marine Services Limited	UK	Direct	100%	100%
Principal activity: provision of marine management services				
Bibby Marine Management Limited	UK	Direct	100%	100%
Principal activity: dormant company				
Bibby Marine Survey Services Limited	UK	Direct	100%	100%
Bibby Maritime Nigeria Limited ^	UK	Indirect	100%	100%

The class of shares held in all the above entities is ordinary.

All entities except for those marked with ^ are registered at 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL. The entity marked ^ is registered at 25 Adeyemo Alakija Street, Victoria Island, Lagos, Nigeria.

For the year ended 31 December 2022, with the exception of Bibby Wavemaster 2 Limited and Bibby Maritime Limited, each of the remaining trading subsidiary companies within the Group were entitled to exemption from audit under s479A of the Companies Act 2006 relating to subsidiary companies. As for the year ended 31 December 2021, the company has provided a parental guarantee enabling the exemption for those remaining subsidiary companies.

13. Stocks

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Spare parts and consumables	449	185	-	-

14. Debtors

	Group		Company	
	2022	2021	2022	2021
Due within one year	£'000	£'000	£'000	£'000
Trade debtors	1,644	2,641	-	-
Other debtors	331	1,405	10	329
Prepayments	1,967	1,592	-	-
Total	3,942	5,638	10	329

Due after more than one year				
Other debtors	4,626	3,929	-	-
Deferred tax assets (note 18)	3,180	2,976	-	-
	7,806	6,905	-	-

Trade debtors are stated after provision for impairment of £nil (2021: £120,000).

15. Creditors

	Group		Company	
	2022	2021	2022	2021
Due within one year	**£'000**	**£'000**	**£'000**	**£'000**
Bank overdraft	601	-	-	-
Loans and borrowings (note 16)	5,035	5,014	-	3,532
Trade creditors	1,284	1,283	6	11
Amounts due to group undertakings	164	343	-	-
Other payables	377	462	-	-
Accrued expenses	2,329	1,407	199	2
Accrued interest	258	229	-	-
Corporation tax	254	564	-	-
	10,302	9,302	205	3,545
Due after one year				
Loans and borrowings (note 16)	71,028	68,973	3,197	-

Amounts due to group undertakings are unsecured, interest free and are repayable on demand.

The Group uses forward foreign exchange contracts to manage exposure to foreign exchange risk associated with foreign denominated income. The valuation techniques use contracted exchange rates and current forward rates as determined by the bank/issuer of the derivative contract. None are held at the year-end (2021: None).

16. Loans and borrowings

	Group		Company	
	2022	2021	2022	2021
Current loans and borrowings	**£'000**	**£'000**	**£'000**	**£'000**
Bank borrowings	2,308	2,503	-	-
Finance lease liabilities	2,727	2,511	-	-
Amounts due to group undertakings	-	-	-	3,532
	5,035	5,014	-	3,532

	Group		Company	
	2022	2021	2022	2021
Non-current loans and borrowings	**£'000**	**£'000**	**£'000**	**£'000**
Bank borrowings	25,945	26,259	-	-
Finance lease liabilities	17,907	19,527	-	-
Amounts owed to group undertakings	27,176	23,187	3,197	-
	71,028	68,973	3,197	-

16. Loans and borrowings (continued)

Bank borrowings

Bibby Wavemaster I Limited and Bibby Wavemaster 2 Limited have Euro denominated bank loans with sterling equivalent repayment profiles as follows:

	Group 2022 £'000	2021 £'000
No later than 1 year	2,308	2,503
Between 1-2 years	2,308	2,185
Between 2-5 years	6,926	6,554
Later than 5 years	16,711	17,520
	28,253	28,762

The group's bank loans of £28,253k (2021: £28,762k) are stated after deducting unamortised arrangement fees of £473k (2021: £514k). Bibby Wavemaster I Limited's total loans of £20,776k (2021: £22,165k) are secured by statutory mortgages on the Bibby Wavemaster I vessel and the Group's accommodation barge fleet. The interest rates on these loans range between EURIBOR plus 1.45% and EURIBOR plus 3.15%. Bibby Wavemaster 2 Limited's loan of £7,950k (2021: £7,111k) gross value including accrued interest is secured by a statutory mortgage on the Bibby Wavemaster Horizon vessel. The interest rate on this loan is 8.6% of which 2.7% is settled quarterly and the remaining 5.9% is rolled up into the loan balance.

Finance lease liabilities

Bibby Wavemaster 2 Limited has a Euro denominated 10-year finance lease facility relating to the Bibby Wavemaster Horizon vessel, as a result of a sale and lease back arrangement entered into on 19 November 2019. The future minimum finance lease payments, payable in quarterly instalments, fall due are as follows:

	Group 2022 £'000	2021 £'000
No later than 1 year	3,230	3,057
Between 1-2 years	3,230	3,057
Between 2-5 years	9,691	9,170
Later than 5 years	6,460	9,170
Total gross payments	22,611	24,454
Less: finance charges	(1,977)	(2,416)
Carrying amount of liability	20,634	22,038

The finance lease includes an option to purchase the vessel for €1 plus any outstanding debt at the end of the lease period, which, given the expected life of the vessel, it is expected to be exercised.

16. Loans and borrowings (continued)

Amount owed to group undertakings

Amounts owed to group undertakings included in non-current loans and borrowings are unsecured, incur interest at a rate of 8.0% and are all repayable in more than one year.

17. Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	2,500,152	2,500,152	2,500,152	2,500,152

18. Deferred tax asset

Group	2022 £'000	2021 £'000
At 1 January	2,976	1,882
Deferred tax charge/income	204	1,094
At 31 December	3,180	2,976

Deferred tax relates to accelerated capital allowances and is included within debtors (Note 14).

19. Pension and other schemes

Defined contribution pension scheme

The Group operates defined contribution pension schemes. The pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £250,936 (2021: £164,563).

£21,980 was outstanding at the year-end (2021: £22,551).

20. Events after the reporting period

After the end of the reporting period the Group signed charters for three of its accommodation vessels (2021: No Events after the reporting period).

21. Financial instruments

Categorisation of financial instruments - Group

	2022 £'000	2021 £'000
Financial assets measured at amortised cost	11,748	12,543
Financial liabilities measured at amortised cost	(81,330)	(78,275)
	(69,582)	(65,732)

22. Analysis of changes in net debt

Analysis of changes in net debt	2021	Cash flows	Exchange movements	Other non-cash changes	2022
	£'000	£'000	£'000	£'000	£'000
Cash at bank	3,396	(2,932)	-	-	464
Bank overdraft	-	(601)	-	-	(601)
Cash & cash equivalents	3,396	(3,533)	-	-	(137)
Bank loans	(28,762)	2,547	(1,577)	(461)	(28,253)
Finance leases	(22,039)	2,556	(1,151)	-	(20,634)
Inter-company loans	(23,187)	(2,500)	112	(1,601)	(27,176)
Net (debt)	(70,592)	(930)	(2,616)	(2,062)	(76,200)

23. Prior year restatement

In previous years unamortised debt arrangement costs in relation to two debt facilities were included in prepayments and the annual amortisation charge was included within interest costs. Prior year figures have been restated to deduct such costs from the gross loan balance payable in respect of a bank facility and to include them as part of the capitalised asset cost in respect of a finance lease facility, as required by FRS102. Net loan liabilities were overstated by £514k at 31 December 2021 (2020: £nil), the net book value of leased assets were understated by £559k at 31 December 2021 (2020: £624k) and prepayments were overstated by £1,073k at 31 December 2021 (2020: £624k). There was no impact on net assets or net cash flows.

24. Related party transactions

The Group and Company have taken advantage of the exemption in FRS102 section33 'Related Party Disclosures' from disclosing transactions with other wholly-owned members of the ultimate party.

25. Ultimate controlling party

The Company is a wholly owned subsidiary of Bibby Holdings Limited, which is the smallest group that prepares consolidated accounts that include Bibby Marine Limited, and which itself is a wholly owned subsidiary of Bibby Line Group Limited ('BLG'), both of which are registered in England and Wales. Bibby Line Group Limited is the parent undertaking of the largest group which consolidates the financial information of the Company. The ultimate controlling party is therefore considered to be Bibby Line Group Limited. Copies of the Bibby Marine and Bibby Line Group's financial statements may be obtained from the registered office of these entities at Bibby Line Group Limited, 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL (www.bibbylinegroup.co.uk).