



SENTINEL CREWING LIMITED

**INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2021**

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COMPANIES HOUSE

SENTINEL CREWING LIMITED

COMPANY INFORMATION



Directors

R S Deans
J C Mitchell
V A Slattery (resigned 24 March 2021)
M W L Van Leeuwen (resigned 23 November 2021)
J A Black (appointed 1 April 2021)
M N Ras (appointed 23 November 2021)
R Spronk (appointed 23 November 2021)

Company secretary

MacKinnons Solicitors LLP

Registered number

SC447310

Registered office

The Exchange 1 Eighth Floor
62 Market Street
Aberdeen
Scotland
AB11 5PJ

Independent auditor

Anderson Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

SENTINEL CREWING LIMITED

REGISTERED NUMBER: SC447310

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	9,498	14,324
		<u>9,498</u>	<u>14,324</u>
Current assets			
Debtors: amounts falling due within one year	5	30,303	16,701
Cash at bank and in hand		35,974	5,727
		<u>66,277</u>	<u>22,428</u>
Creditors: amounts falling due within one year	6	(52,198)	(14,072)
Net current assets		<u>14,079</u>	<u>8,356</u>
Total assets less current liabilities		<u>23,577</u>	<u>22,680</u>
Net assets		<u><u>23,577</u></u>	<u><u>22,680</u></u>
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account		23,576	22,679
		<u>23,577</u>	<u>22,680</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

R S Deans
Director

Date: 10/5/22

The notes on pages 3 to 9 form part of these financial statements.

1. General information

Sentinel Crewing is a private limited liability company incorporated in Scotland. The registered office is The Exchange 1 Eighth Floor, 62 Market Street, Aberdeen AB11 5PJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors, having made due and careful enquiry, are of the opinion that the Company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

The wider Group has generated cash and operated successfully meeting all financial obligations in the current period to date and this has continued in Q1 2022. The Group has prepared 10 year forecasts and these continue to show significant cash generation and meeting of bank covenants, in the years ending 31 December 2022 and beyond.

At the end of 2021 the directors secured the refinancing of its existing loan facilities to provide continued investment to fund the delivery of new fleet vessels together with additional working capital for the Group, providing ongoing commitment from the bank to continue to support the Group over the next 5 years.

Therefore, at the time of approving the financial statements the directors have a reasonable expectation that the company and wider Group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Revenue

Turnover from the provision of services is recognised as provided.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2. Accounting policies (continued)

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**2. Accounting policies (continued)****2.9 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 2 - 5 years
Office equipment	- 2 - 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.13 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.14 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit and loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3. Employees

The average monthly number of employees, including directors, during the year was 5 (2020 - 6).

4. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 January 2021	24,503	1,994	26,497
Additions	-	604	604
At 31 December 2021	24,503	2,598	27,101
Depreciation			
At 1 January 2021	10,725	1,448	12,173
Charge for the year on owned assets	4,822	608	5,430
At 31 December 2021	15,547	2,056	17,603
Net book value			
At 31 December 2021	8,956	542	9,498
At 31 December 2020	13,778	546	14,324

5. Debtors

	2021 £	2020 £
Trade debtors	25,500	10,000
Other debtors	19	28
Prepayments and accrued income	4,784	6,673
	30,303	16,701

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**6. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	219	-
Amounts owed to group undertakings	48,268	12,120
Other creditors	3,711	1,780
Accruals and deferred income	-	172
	<u>52,198</u>	<u>14,072</u>

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

7. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1 (2020 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

8. Security

The group bank funding is secured by a floating charge over all the assets of the company and there is a cross corporate guarantee between the following group companies: Sentinel Crewing Limited, Sentinel Marine Limited, Sentinel Offshore Vessels Limited, Sentinel Offshore Vessels 54 Limited and Sentinel Offshore Holdings Limited. The cross company guarantee is in respect of total bank indebtedness which at the year end amounted to the value of the bank term loan of £45,000,000 (2020 - £48,659,350).

9. Commitments under operating leases

The Company had no commitments under non-cancellable operating leases at the balance sheet date.

10. Related party transactions**Transactions with related parties**

The company has taken advantage of the exemption available in accordance with section 33 of FRS 102 'Related Party Disclosures' not to disclose related party transactions with any wholly owned members of the group.

During the year the company made sales of £169,500 (2020 - £144,400) and recharged expenses of £nil (2020 - £nil) to companies with a common director. At the year end £25,500 (2020 - £10,000) was included within trade debtors.

11. Controlling party

The company considers Sentinel Offshore Holdings Limited as its ultimate parent company, a company registered in Scotland. Copies of the group financial statements can be obtained from Companies House, 4th Floor, Edinburgh Quay, 139 Fountainbridge, Edinburgh, EH3 9FF.

Throughout the year, the company was controlled by the directors.

12. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on *11 May 2022* by Derek Mair (Senior statutory auditor) on behalf of Anderson Anderson & Brown Audit LLP.