

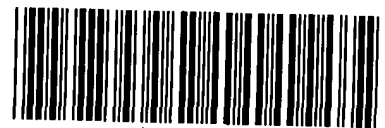
Registration number: 08047886

Offshore Marine Management Holdings Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2021

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Offshore Marine Management Holdings Limited

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Offshore Marine Management Holdings Limited

Company Information

Director R L D Grimmond

Registered office First Floor Office
Unit J The Underfall Boat Yard
Cumberland Road
Bristol
BS1 6XG

Registered number 08047886

Auditors Corrigan Accountants Limited
1st Floor
25 King Street
Bristol
BS1 4PB

Offshore Marine Management Holdings Limited

Director's Report for the Year Ended 31 December 2021

The director presents his report and the consolidated financial statements for the year ended 31 December 2021.

Director of the group

The director who held office during the year was as follows:

R L D Grimmond

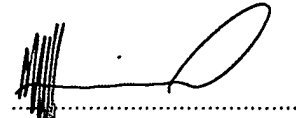
Reappointment of auditors

A resolution for the re-appointment of Corrigan Accountants Limited as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the director on ~~24th March 2023~~ and signed on its behalf by:

A handwritten signature in black ink, consisting of a series of vertical strokes followed by a large, stylized loop.

R L D Grimmond
Director

Offshore Marine Management Holdings Limited

Statement of Director's Responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

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

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

Offshore Marine Management Holdings Limited

Independent Auditor's Report to the Members of Offshore Marine Management Holdings Limited

Opinion

We have audited the financial statements of Offshore Marine Management Holdings Limited (the 'parent company') for the year ended 31 December 2021, 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, and Notes to the Financial Statements, including 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 and of the parent company's affairs as at 31 December 2021 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 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.

Other matters

The financial statements for the year ended 31 December 2020 were unaudited.

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 or the 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 director with respect to going concern are described in the relevant sections of this report.

Offshore Marine Management Holdings Limited

Independent Auditor's Report to the Members of Offshore Marine Management Holdings Limited

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 director is 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the 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 Director's 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Director's Report and from the requirement to prepare a Strategic Report.

Offshore Marine Management Holdings Limited

Independent Auditor's Report to the Members of Offshore Marine Management Holdings Limited

Responsibilities of the director

As explained more fully in the Statement of Director's Responsibilities (set out on page 3), the director is 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 director determines 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 director is 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, 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 fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the parent company, its group, and the sector in which the group operates.
- We obtained an understanding of how the parent company is complying with those legal and regulatory frameworks by making enquiries to management.
- We assessed the susceptibility of the parent company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - o identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - o understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - o challenging assumptions and judgements made by management in its significant accounting estimates;
 - o identifying and testing journal entries, in particular any unusual journal entries; and
 - o assessing the extent of compliance with the relevant laws and regulations.

Offshore Marine Management Holdings Limited

Independent Auditor's Report to the Members of Offshore Marine Management Holdings Limited

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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

Corrigan Accountants Limited

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Stuart Crisp BSc FCA (Senior Statutory Auditor)

For and on behalf of Corrigan Accountants Limited, Statutory Auditor

1st Floor
25 King Street
Bristol
BS1 4PB

Date: 24 March 2023

Offshore Marine Management Holdings Limited

Consolidated Profit and Loss Account for the Year Ended 31 December 2021

	Note	2021 £	Unaudited 2020 £
Turnover		5,068,914	1,361,268
Cost of sales		<u>(4,438,271)</u>	<u>(887,221)</u>
Gross profit		630,643	474,047
Administrative expenses		(723,188)	(717,846)
Other operating income		<u>61,159</u>	<u>131,651</u>
Operating loss	3	(31,386)	(112,148)
Interest payable and similar expenses		<u>(7,973)</u>	<u>(5,637)</u>
Loss before tax		<u>(39,359)</u>	<u>(117,785)</u>
Loss for the financial year		<u><u>(39,359)</u></u>	<u><u>(117,785)</u></u>

The notes on pages 14 to 25 form an integral part of these financial statements.

Offshore Marine Management Holdings Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2021

	2021 £	Unaudited 2020 £
Loss for the year	<u>(39,359)</u>	<u>(117,785)</u>
Loss on revaluation of tangible fixed assets	(547,504)	-
Deferred tax credit on revaluation loss/gain	<u>109,227</u>	<u>17,641</u>
	<u>(438,277)</u>	<u>17,641</u>
Total comprehensive loss for the year	<u>(477,636)</u>	<u>(100,144)</u>

The notes on pages 14 to 25 form an integral part of these financial statements.

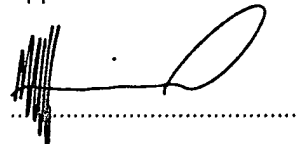
Offshore Marine Management Holdings Limited

(Registration number: 08047886)

Consolidated Balance Sheet as at 31 December 2021

	Note	2021 £	Unaudited 2020 £
Fixed assets			
Tangible assets	6	340,257	1,008,997
Current assets			
Debtors	8	2,344,824	773,620
Cash at bank and in hand		<u>134,742</u>	<u>59,778</u>
		2,479,566	833,398
Creditors: Amounts falling due within one year	9	<u>(2,913,915)</u>	<u>(1,336,838)</u>
Net current liabilities		<u>(434,349)</u>	<u>(503,440)</u>
Total assets less current liabilities		(94,092)	505,557
Creditors: Amounts falling due after more than one year	9	(58,696)	(71,482)
Provisions for liabilities	5	<u>(49,535)</u>	<u>(158,762)</u>
Net (liabilities)/assets		<u>(202,323)</u>	<u>275,313</u>
Capital and reserves			
Called up share capital	10	10,000	10,000
Capital contribution reserve		418,305	418,305
Revaluation reserve		145,709	676,830
Profit and loss account		<u>(776,337)</u>	<u>(829,822)</u>
Total equity		<u>(202,323)</u>	<u>275,313</u>

Approved and authorised for issue by the director on 24th March 2023.



 R L D Grimmond
 Director

The notes on pages 14 to 25 form an integral part of these financial statements.

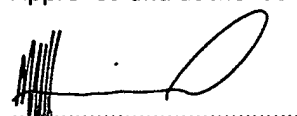
Offshore Marine Management Holdings Limited

(Registration number: 08047886)
Company Balance Sheet as at 31 December 2021

	Note	2021 £	Unaudited 2020 £
Fixed assets			
Investments	7	301	300
Current assets			
Debtors	8	168,974	114,845
Cash at bank and in hand		<u>125,612</u>	<u>281</u>
		294,586	115,126
Creditors: Amounts falling due within one year	9	<u>(322,027)</u>	<u>(129,244)</u>
Net current liabilities		<u>(27,441)</u>	<u>(14,118)</u>
Total assets less current liabilities		<u>(27,140)</u>	<u>(13,818)</u>
Net liabilities		<u>(27,140)</u>	<u>(13,818)</u>
Capital and reserves			
Called up share capital	10	10,000	10,000
Profit and loss account		<u>(37,140)</u>	<u>(23,818)</u>
Total equity		<u>(27,140)</u>	<u>(13,818)</u>

The company made a loss after tax for the financial year of £13,322 (2020 - profit of £49,766).

Approved and authorised for issue by the director on 24th March 2023



R L D Grimmond
Director

The notes on pages 14 to 25 form an integral part of these financial statements.

Offshore Marine Management Holdings Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £	Capital contribution reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2021	10,000	418,305	676,830	(829,822)	275,313
Loss for the year	-	-	-	(39,359)	(39,359)
Loss on revaluation	-	-	(547,504)	-	(547,504)
Deferred tax credit on revaluation loss	-	-	109,227	-	109,227
Total comprehensive income	-	-	(438,277)	(39,359)	(477,636)
Transfers	-	-	(92,844)	92,844	-
At 31 December 2021	<u>10,000</u>	<u>418,305</u>	<u>145,709</u>	<u>(776,337)</u>	<u>(202,323)</u>

	Share capital £	Capital contribution reserve £	Revaluation reserve £	Profit and loss account £	Total £
Unaudited:					
At 1 January 2020	<u>10,000</u>	<u>418,305</u>	<u>752,033</u>	<u>(804,881)</u>	<u>375,457</u>
Loss for the period	-	-	-	(117,785)	(117,785)
Deferred tax credit on revaluation gain	-	-	17,641	-	17,641
Total comprehensive income	-	-	17,641	(117,785)	(100,144)
Transfers	-	-	(92,844)	92,844	-
At 31 December 2020	<u>10,000</u>	<u>418,305</u>	<u>676,830</u>	<u>(829,822)</u>	<u>275,313</u>

The notes on pages 14 to 25 form an integral part of these financial statements.

Offshore Marine Management Holdings Limited

Company Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £	Profit and loss account £	Total £
At 1 January 2021	10,000	(23,818)	(13,818)
Loss for the year	-	(13,322)	(13,322)
At 31 December 2021	<u>10,000</u>	<u>(37,140)</u>	<u>(27,140)</u>
Unaudited:	Share capital £	Profit and loss account £	Total £
At 1 January 2020	10,000	(73,584)	(63,584)
Profit for the year	-	49,766	49,766
At 31 December 2020	<u>10,000</u>	<u>(23,818)</u>	<u>(13,818)</u>

The notes on pages 14 to 25 form an integral part of these financial statements.

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

First Floor Office
Unit J The Underfall Boat Yard
Cumberland Road
Bristol
BS1 6XG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

Statement of compliance

These financial statements were prepared in accordance and comply with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. While the company is exempt from the requirement to prepare consolidated financial statements, the director has chosen to not take advantage of that exemption.

Basis of preparation

These financial statements have been prepared using the historical cost convention, except for the marine equipment fixed asset category which is recorded at a valuation.

The financial statements are prepared in pounds sterling, which is the functional currency of the parent company, and rounded to the nearest £.

Going concern

The consolidated balance sheet and the company's own balance sheet both show net liabilities, and the parent company's balance sheet includes debtors owing from group undertakings. The director has prepared the financial statements on the going concern basis which assumes that the parent company and the group will have sufficient financial resources in order to meet their liabilities for a period of at least 12 months from the date of approving these financial statements.

Taking into account the financial performance of the group since the year-end, the director considers it appropriate to prepare the financial statements on a going concern basis.

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2021.

No Profit and Loss Account is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a loss after tax from the financial year of £13,322 (2020 - profit of £49,766).

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

The results of subsidiaries acquired or disposed of during the year (other than acquisitions or disposals which are group reconstructions - see 'Merger accounting' below) are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Merger accounting

Where an acquisition amounts to a group reconstruction, such as the acquisition of Offshore Marine People and Academy Limited from the ultimate parent company, the merger accounting method is applied. The assets and liabilities of the acquired entity are consolidated using the existing book values used in the financial statements of the acquired entity prior to the acquisition.

The results and cash flows of all the combining entities have been brought into the financial statements of the group from the beginning of the financial year in which the combination occurred. The comparative information includes the total comprehensive income for all the combining entities for the previous reporting period and their statement of financial position for the previous reporting date, with no adjustments necessary to achieve uniformity of accounting policies.

The acquisition date was 17 December 2021.

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the group's activities.

In general, the impact of the above on the group's long term contracts is therefore that revenues are recognised only to the extent that the company obtains the right to consideration in exchange for its performance, by reference to the stage of completion. Stage of completion might be measured either according to the completion of certain contract milestones to which a fair proportion of total contract value has been allocated, or by an assessment of the costs incurred to date as a proportion of total estimated costs.

If the contract revenue to be recognised exceeds the amounts invoiced to date then accrued income arises. If recognised revenues are less than invoiced amount then the difference is shown as deferred income within liabilities.

Foreign currency transactions and balances

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

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

Tax

The tax expense for the period represents the sum of the current tax expense and deferred tax expense. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

Tangible assets

Tangible fixed assets are stated in the balance sheet at cost initially, with the exception of the marine equipment which is stated at valuation. Subsequently, tangible assets are recorded less any accumulated depreciation and accumulated impairment losses.

Marine equipment is held at fair value, applying the revaluation model permitted by FRS 102. The equipment held in this category is highly specialised and so valuations of these assets are based on estimates of depreciated replacement cost. The valuations will be reviewed with sufficient regularity to avoid a material difference between estimated fair value and the carrying value in the accounts.

If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in the revaluation reserve within equity. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

The decrease of an asset's carrying amount as a result of a revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, as follows:

Fixtures & fittings	Straight line over 3 years
Plant & machinery	Straight line over 3 years
Marine equipment	Straight line over 10 years
IT equipment	Straight line over 2 years

Investments

Investments are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Debtors

Trade debtors are recognised initially at the transaction price. They are subsequently measured less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Creditors

Trade creditors are recognised at the transaction price.

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.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

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

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

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Defined contribution pension obligation

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

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

Employee benefits

The costs of short-term employee benefits, including the cost of any unused holiday entitlement, is recognised in the period in which the employee's services are received.

3 Significant accounting estimates and judgements

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of certain assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below:

- **Contract liabilities and credit notes owed from suppliers**

Trade creditors of £2,030,342 (2020: £369,513) are stated net of a £257,000 provision for credit notes owed from suppliers (2020: nil). One of the group's larger contracts, whilst substantially complete by the year-end, involved a number of complexities related to the performance of certain obligations, the revenues owed to the company for those parts of the contract, and - in turn - amounts owed to subcontractors and suppliers. A large portion of the £257,000 provision has been settled via credit notes from suppliers since the year-end. However, some of the balance is still being discussed with suppliers and therefore the final amounts owed by the company to its suppliers are not confirmed. When estimating this provision, management's judgements in this area are based on their knowledge of the specific contract and the related issues, and on their experience of similar projects in the past.

Should the total value of final credit notes (relating to 2021 costs) differ from management's forecasts as at 31 December 2021 then the adjustments to these estimates will be credited or charged (as applicable) to profits in the period since.

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Significant accounting estimates and judgements (continued)

- Revaluation of marine equipment

Tangible fixed assets includes marine equipment which is measured at an estimate of its fair value rather than it being measured, as is the case with other tangible fixed assets, at depreciated historical cost. The fair value of the equipment as at 31 December 2021 is £300,000 (2020 - £953,442). The year-end estimate is based on a valuation of depreciated replacement cost. Any valuation of a fixed asset, unless it is based on observable market prices for the same or similar assets, involves judgement and estimation. However, given the very specialist nature of the marine equipment in question, and the relatively volatile nature of the marine industry during the year under review and since the year-end - due to continuing effects of the Covid-19 pandemic and other factors - there is significant estimation uncertainty regarding the 31 December 2021 valuation.

Should the true replacement cost differ from the estimate as at 31 December 2021 then the adjustment to that estimate would be credited or charged (as applicable) to profit or loss in the period since.

4 Staff numbers

The average number of persons employed by the company during the year was 1 (2020 - 1).

5 Taxation

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Deferred tax

Group

Deferred tax assets and liabilities

	Liability £
2021	
Deferred tax liability relating to unrealised revaluation gains	<u>49,535</u>
	Unaudited Liability
2020	£
Deferred tax liability relating to unrealised revaluation gains	<u>158,762</u>

Company

The company has not recognised any deferred tax balances (2020 - nil).

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

6 Tangible assets

Group

	Fixtures & fittings £	Computer equipment £	Marine equipment £	Total £
Cost or valuation				
At 1 January 2021	69,700	5,588	1,059,380	1,134,668
Revaluations	-	-	(759,380)	(759,380)
At 31 December 2021	<u>69,700</u>	<u>5,588</u>	<u>300,000</u>	<u>375,288</u>
Depreciation				
At 1 January 2021	17,636	2,097	105,938	125,671
Charge for the year	13,673	1,625	105,938	121,236
Eliminated on revaluation	-	-	(211,876)	(211,876)
At 31 December 2021	<u>31,309</u>	<u>3,722</u>	<u>-</u>	<u>35,031</u>
Carrying amount				
At 31 December 2021	<u>38,391</u>	<u>1,866</u>	<u>300,000</u>	<u>340,257</u>
At 31 December 2020 (Unaudited)	<u>52,064</u>	<u>3,491</u>	<u>953,442</u>	<u>1,008,997</u>

Revaluation

The marine equipment was initially valued by the director as at 31 December 2019, applying the revaluation model. The carrying amount as at 31 December 2021 has been updated to an estimate of 31 December 2021 fair value provided by a third party valuer. Fair value is based on depreciated replacement cost. If the cost model was applied then the carrying value of the marine equipment would be £116,658 (2020: £130,943).

7 Investments

Company

	2021 £	Unaudited 2020 £
Investments in subsidiaries	<u>301</u>	<u>300</u>

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

7 Investments (continued)

On 17 December 2021 the company purchased a subsidiary, Offshore Marine People and Academy Limited, from the ultimate parent company at a cost of £1. During the year to 31 December 2021 Offshore Marine People and Academy Limited made a profit of £87,098.

In the prior year the company formed a subsidiary, Offshore Consult Limited, at a cost of £100.

Details of undertakings

Details of the company's subsidiaries are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
Offshore Marine Equipment Limited*	First Floor Office, Unit J, The Underfall Boat Yard, Cumberland Road, Bristol, BS1 6XG England and Wales	Ordinary	100%	100%
Offshore Consult Limited*	Unit J, Underfall Boat Yard, Cumberland Road, Bristol, BS1 6XG England and Wales	Ordinary	100%	100%
OMS International Limited*	First Floor Office, Unit J The Underfall Boat Yard, Cumberland Road, Bristol, BS1 6XG England and Wales	Ordinary	100%	100%
Offshore Marine People and Academy Limited*	First Floor Office, Unit J The Underfall Boat Yard, Cumberland Road, Bristol, BS1 6XG England and Wales	Ordinary	100%	0%

* indicates direct investment of the company

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

8 Debtors

	Group		Company	
	2021	Unaudited 2020	2021	Unaudited 2020
	£	£	£	£
Trade debtors	1,593,912	286,613	63,917	63,917
Amounts owed by group undertakings	701,229	401,752	65,532	-
Director's loan account	34,561	39,671	38,227	38,227
Prepayments and accrued income	7,872	13,924	1,298	12,701
Other debtors	7,250	31,660	-	-
	<u>2,344,824</u>	<u>773,620</u>	<u>168,974</u>	<u>114,845</u>

9 Creditors

	Group		Company	
	2021	Unaudited 2020	2021	Unaudited 2020
	£	£	£	£
Due within one year				
Bank loans	15,038	8,518	-	-
Bank overdrafts	40,008	30,247	-	-
Hire purchase and finance lease liabilities	-	30,994	-	-
Trade creditors	2,030,342	369,513	17,349	28,493
Amounts due to group undertakings	570,708	684,122	302,200	99,061
Social security and other taxes	242,156	80,738	-	-
Other creditors	5,778	3,432	-	-
Accruals and deferred income	9,885	129,274	2,478	1,690
	<u>2,913,915</u>	<u>1,336,838</u>	<u>322,027</u>	<u>129,244</u>
Due after one year				
Loans and borrowings	<u>58,696</u>	<u>71,482</u>	<u>-</u>	<u>-</u>

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

10 Share capital

Allotted, called up and fully paid shares

	2021		Unaudited 2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

11 Obligations under leases and hire purchase contracts

Group

Operating leases

The total of future minimum lease payments is as follows:

	2021	2020
	£	£
Total lease commitments	<u>18,406</u>	<u>13,563</u>

12 Related party transactions

Group

Transactions with directors

	At 1 January 2021	Advances to directors	Repayments by director	At 31 December 2021
	£	£	£	£
2021				
Director	<u>39,671</u>	<u>176</u>	<u>(5,286)</u>	<u>34,561</u>
	At 1 January 2020	Advances to directors	Repayments by director	At 31 December 2020
	£	£	£	£
2020				
Director	<u>38,227</u>	<u>1,444</u>	<u>-</u>	<u>39,671</u>

Offshore Marine Management Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

13 Parent and ultimate parent undertaking

The company's immediate and ultimate parent company is Confideo Invest Holding SA, a company incorporated in Switzerland.

Offshore Marine Management Holdings Limited is both the largest and smallest parent company to prepare consolidated financial statements of the Offshore Marine Management Holdings Limited group of companies.

The ultimate controlling party is R L D Grimmond by virtue of his interest in Confideo Invest Holding SA.