Registration number: 00989531

Bibby Holdings Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2018

Bibby Holdings Limited

Contents

Bibby Holdings Limited

Company Information

Directors

Ian Crook

Andrew Goody

Jonathan Lewis

Company secretary

Bibby Bros. & Co. (Management) Limited

Registered office

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

Auditor

Deloitte LLP
Statutory Auditor
Horton House
Exchange Flags
Liverpool
United Kingdom
L2 3PG

Bibby Holdings Limited

Strategic Report for the Year Ended 31 December 2018

The Directors present their strategic report for the year ended 31 December 2018.

Principal activity

The principal activity of the company is to act as a holding company for the group's two business units: Marine and Plant Hire.

The Marine business unit comprises three businesses: Bibby Maritime, Bibby HydroMap and Bibby Marine Services.

Bibby Maritime operates a fleet of Coastels which provide high quality floating accommodation, moored near-shore, principally for workers on construction projects in remote locations including oil and gas, mining or engineering projects. The accommodation services business owns 5 vessels operating in international markets and has a branch registered in Australia. All vessels offer single berth en-suite accommodation for between 180 and 350 workers and we manage the process of mobilisation, hook up and operations to our customers.

Bibby HydroMap also owns 5 vessels and provides sea-bed survey, geotechnical and inspection services to clients in the renewables, oil and gas, telecommunications and ports and harbours sectors. The hydrographic survey business operating predominantly in the United Kingdom.

Bibby Marine Services operates a Service Operations Vessel (SOV), Bibby Wavemaster I, with walk to work capability, which came into operation in September 2017. Bibby Wavemaster I is servicing the renewables and oil and gas markets, predominantly in Europe. The vessel has on-site work and storage facilities plus accommodation for up to 90 maintenance personnel, management and crew. The second vessel, Bibby Wavemaster Horizon, is due to enter service later in 2019.

The Plant Hire business unit is a specialist provider of plant and site accommodation with the largest fleet of welfare vans and wheelwashes in the UK providing self-contained welfare provision to enable independent operation of construction sites before installation of utilities.

At the date of this report, the directors are not aware of any likely further major changes in the group's activities in the next year.

Review of the business – Marine

Key financial and other performance indicators for the Marine business were as follows:

	2018	2017
Turnover - accommodation services	£6,084,446	£5,245,251
Operating (loss) - accommodation services	(£3,380,847)	(£3,093,447)
Turnover - hydrographic surveying	£21,034,566	£9,976,448
Operating profit / (loss) - hydrographic surveying	£2,184,587	(£1,943,923)
Turnover - walk to work	£9,051,174	£2,182,565
Operating profit / (loss) - walk to work	£1,833,353	(£374,695)

Accommodation services

The accommodation services business continues to be affected by macro factors in the energy and raw material sectors, but prospects did improve during 2018, with all 5 vessels working during the year including a short period where all were on charter simultaneously.

We remain cautious in our expectations regarding general market conditions in 2019, but the business is positioned to react flexibly and quickly to any new opportunities and market improvement. Previous changes to our business development processes and networking delivered improvements in new and diverse sectors in 2018 and we expect this to continue into 2019, particularly in Europe. This was reflected by the vessel, Bibby Stockholm, which commenced a long-term charter in 2018 supporting the renewables sector, which is secured until late 2019 and potentially beyond. In the meantime, whilst some delivery costs did increase during the year, we have maintained tight control of the cost base.

Review of the business – Marine *(continued)*

Our safety record continued to be excellent with no lost time incidents in the year, and our focus on a strong safety culture will remain.

Hydrographic survey

The business more than doubled revenue in 2018, having gained significant contract wins in the offshore renewable sector. The directors are encouraged by the improved revenue performance and continued cost management which delivered a turnaround from loss in 2017 to a profit. We anticipate our pipeline to remain strong in this growing sector and are still well-placed to take advantage of recovery in the oil and gas markets. Our strategy is to continue to develop our USP of innovation and quality as a way of differentiating ourselves in the market.

Walk to work

The vessel, Bibby WaveMaster 1, continued its early promise with virtually continuous service throughout 2018, across 3 separate charters and achieving over 98% utilisation. Our increasing market presence and reputation gives the directors confidence of maintaining high utilisation levels in line with or ahead of the investment business case. Building on this success, our second vessel, Bibby WaveMaster Horizon is now being purpose built to deliver a 10 year contract in the offshore wind sector and will commence operations in late 2019.

Review of the business – Plant Hire

Key financial and other performance indicators for the Plant Hire business were as follows:

- Turnover growth: 18.2% (2017: 11.0%)
- EBITDA: £5.0m (2017: £5.2m)
- EBITDA margin: 18.2% (2017: 22.4%)
- Hire fleet net book value: £25.3m (2017: £19.9m)
- Ratio of net external debt to EBITDA: 3.9 (2017: 2.6)
- Shareholders' funds: £5.6m (2017: £5.3m)

Turnover in the year was 18% ahead of the previous year at £27.3m. This growth was achieved by increased penetration of the company's core road, rail and infrastructure contractor markets with a number of major new contracts secured in the year in line with our strategy. Growth was supported by investment of nearly £10m in new hire assets, strong utilisation of hire fleet and solid revenues from servicing hire assets at customer sites. Asset investment in the year was focused on the company's core welfare fleet and eco range of products.

Earnings before interest, tax and depreciation (EBITDA) was slightly below the previous year at £5.0m (2017: £5.2m) despite the growth in revenue. This reflects the additional costs of investing in new sites to extend our depot coverage in line with our strategy and serving an increasing national customer base, together with input price inflation and bad debts incurred with Carillion and HT Forrest. A new depot was opened in Thurrock in October 2018 and a further depot will open in Falkirk in 2019. The expanded depot network and further automation of key business processes, together with identified cost efficiencies, should enable growth in the EBITDA margin through 2019.

On 31 October 2018 the company extended its Asset Based Lending (ABL) facility with HSBC Bank to give additional headroom. The extended facility runs to 31 October 2021, has further boosted the company's liquidity and provides funding to support the company's growth plans for the next three years.

Further details on the performance of the business units is given in their respective accounts.

Principal risks and uncertainties

The financial performance of the group is largely dependent upon each trading subsidiary performing in line with expectations. Each business has its own board of directors with executive teams responsible for the day to day management of that business. Each subsidiary within the group has established its own risk management framework encompassing both financial and non-financial controls. The individual business boards are responsible for managing those risks.

Further details concerning financial instruments and the principal risks and uncertainties of each business are disclosed within their own Financial Statements.

Brexit

There continues to be significant uncertainty around the outcome, timing and impact of Brexit.

Marine:

The Group has been preparing for different scenarios that contain both risk and opportunity. The major impacts on our business short term of a no deal Brexit may be impact on registration of vessels to work in foreign waters but we are working with the relevant authorities to prepare mitigation actions and expect minimum disruption

Garic:

In the event of a hard 'no deal' Brexit the Directors expect some disruption in supply lines that would likely reduce the rate of fleet expansion. The Directors expect the company's core UK infrastructure market to remain reasonably stable.

Approved by the Board on 15 Jan 2020 and signed on its behalf by:

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Bibby Bros. & Co. (Management) Limited
Company secretary

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

Bibby Holdings Limited

Directors' Report for the Year Ended 31 December 2018

The Directors present their annual report and the consolidated audited financial statements for the year ended 31 December 2018.

Directors of the Group

The directors who held office during the year and thereafter were as follows:

Ian Crook	(appointed 1 January 2018)
Andrew Goody	
Mark Lyons	(resigned 1 September 2019)
Jonathan Lewis	(appointed 1 September 2019)

Dividends

No dividend was proposed during the year (2017 - same).

Branches outside the United Kingdom

The subsidiary Bibby Maritime Limited has a branch registered in Australia, and a branch formerly operated in South Korea was closed down during the year.

Employment of disabled persons

The group is committed to attracting, motivating and retaining high quality personnel. It is the group's policy to train and develop each individual to maximise their contribution to the group's performance, whilst providing satisfying and fulfilling career opportunities. It is the group's policy to promote the understanding and involvement of all employees in its business aims and performance. To do this, the group continually develops effective employee communication, consultation and involvement.

The group is an equal opportunity employer which recognises and values the strength and contribution of a diverse workforce. The policy of the group is to give full and fair consideration to applications for employment made by all people including disabled persons. If any employee becomes disabled whilst employed by a group company, every effort is made to find suitable continuing employment, with re-training as necessary. Disabled persons share equally in the opportunities available for training, career development and promotion.

Going concern

In carrying out their duties in respect of going concern, the Directors have carried out a review of the company's financial position and cash flow forecast for a period of 12 months from the date of signing these financial statements. The forecast was based on a detailed review of revenue, expenditure and cash flows, taking into account specific business risks and uncertainties about the economic environment and events in the wider construction sector.

Plant hire:

On 31 October 2018, the Plant Hire business unit extended its ABL facility with HSBC UK Bank so that it now expires on 31 October 2021. The ABL facility comprises:

- a rolling inventory facility secured on qualifying fixed assets; availability is based on the net book value of the assets, capped at £30m.
- a rolling invoice discounting facility secured on the company's debtor balances, capped at £10m.

At 31 December 2018 the company had drawn £17.25m on the rolling inventory facility and £3.75m on the rolling invoice discounting facility.

At 31 December 2018 the company owed £6.6m (2017: £6.6m) to Bibby Line Group Limited, all of which was due in more than one year.

Marine:

As described more fully in the Strategic Report, market conditions for accommodation services remain challenging but improvements in vessels utilisation have been achieved.

The Group has performed scenario analyses on the level of cash reserves required to enable it to continue to operate for the foreseeable future. This analysis shows that the Group will be able to operate using committed facilities available to it, which comprise cash balances, external financial facilities, and support which has been committed by its ultimate Parent. The scenario analysis includes assumptions about the level of trading activity and a number of initiatives which are not yet contractually complete. The initiatives relate to finalising a charter for one of the coastel vessels, and completing formal documentation to utilise a working capital finance facility, both of which are well advanced and expected imminently. In addition, certain vessel disposals are being progressed with a view to reducing indebtedness and improving operational performance. A number of other potential cash benefits have been identified which are not sufficiently advanced to be incorporated into the financial projections, but which would provide further headroom against available facilities if realised.

During 2018 the Group successfully secured financing for the construction of our second walk to work vessel, Wavemaster Horizon, to deliver a 10 year charter commencing in November 2019. The purchase has been financed under a structure which delivers consistent cashflows throughout the contract period and provides the Group with a framework to grow our fleet in the future. Subsequent to the end of the financial year, the vessel has been refinanced through a sale and leaseback arrangement.

Maintaining sustainable cash reserves in the longer term also relies on securing and delivering additional further work, in line with forecast levels of activity. Enquiry and tendering levels and current win rates indicate there is every expectation of winning the required work. However, whilst the growing renewables sector does offer longer-term contract opportunities, it should be noted that contracting in the current market is generally more short-term in nature and as a consequence business forecasts rely more heavily on assumptions related to contract awards than they do to contracted work.

Market conditions saw improvement in margins compared to last year and the Group has continued to focus on the cost-base to ensure the business model is sustainable in these conditions. Early-year contract wins and a strong summer in Hydromap, the Innogy extension in Marine Services and higher occupancy levels on the Scandinavian barges in Maritime all made positive contributions.

On the basis of 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.

Bibby Holdings:
The company, Bibby Holdings Limited, is financed by dividends from the trading businesses and accumulated current assets.

In order to manage liquidity risk the Group's two principal business units prepare daily, weekly and monthly cash flow forecasts, with the monthly forecasts looking forward for a rolling 15 month period. The key sensitivities are the level of cash expected to be generated from future trading and the timing of future capital expenditure. Capital expenditure commitments are at the discretion of the Directors.

Having made enquiries and considering the uncertainties referred to above, including the support required from the ultimate parent company, the directors have concluded that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the statutory financial statements.

Directors' liabilities
The company has made qualifying third party indemnity provisions for the benefit of its directors. These were made during the year and remain in force at the date of this report.

Bibby Holdings Limited

Directors' Report for the Year Ended 31 December 2018 *(continued)*

Disclosure of information to the auditor

Each of the directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Events since the balance sheet date

On 23 September 2019 the Group exchanged contracts to refinance Bibby Wavemaster Horizon through a sale and leaseback arrangement. The refinancing secures a higher loan to value ratio for the vessel and reduces the Group's equity funding requirement.

Approved by the Board on 15 January 2020 and signed on its behalf by:

Bibby Bros. & Co. (Management) Limited
Company secretary

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

Bibby Holdings 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 Parent company and of the profit or loss of the group and parent company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments 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 will continue in business.

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

Bibby Holdings Limited

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Bibby Holdings Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2018 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:
- the consolidated profit and loss account;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity; and
- the related notes 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

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

Conclusions relating to going concern

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

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

We have nothing to report in respect of these matters.

Independent Auditor's Report to the members of Bibby Holdings Limited *(continued)* Other

information

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

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

We have nothing to report in respect of these matters.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Bibby Holdings Limited

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

We have nothing to report in respect of these matters.

Use of our report

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

David Mitchell

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

Glasgow
United Kingdom

Date: 15 January 2020

Bibby Holdings Limited

Consolidated Profit and Loss Account for the Year Ended 31 December 2018

	Note	2018 £000	2017 £000
Turnover	*3*	**63,515**	40,532
Cost of sales		**(50,708)**	(34,642)
Gross profit		**12,807**	5,890
Administrative expenses		**(12,693)**	(11,531)
Operating profit / (loss)	*4*	**114**	(5,641)
Interest receivable	*5*	**-**	10
Interest payable and similar charges	*6*	**(2,321)**	(1,680)
		(2,321)	(1,670)
Loss before tax		**(2,207)**	(7,311)
Taxation	*9*	**22**	587
(Loss) / Profit for the financial year		**(2,185)**	(6,724)
Loss attributable to:			
Owners of the company		**(2,185)**	(6,724)
		(2,185)	(6,724)

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2018

	2018 £000	2017 £000
Loss for the year	**(2,185)**	(6,724)
Foreign currency translation losses	**(297)**	(251)
Total comprehensive expense for the year	**(2,482)**	(6,975)
Total comprehensive expense attributable to:		
Owners of the company	**(2,482)**	(6,975)
	(2,482)	(6,975)

Bibby Holdings Limited

(Registration number: 00989531)
Consolidated Balance Sheet as at 31 December 2018

	Note	2018 £000	2017 £000
Fixed assets			
Intangible assets	*10*	-	1,332
Tangible assets	*11*	98,728	82,195
		98,728	83,527
Current assets			
Stocks	*13*	1,333	1,034
Debtors	*14*	36,785	37,113
Cash at bank and in hand		5,370	3,924
		43,488	42,071
Creditors: Amounts falling due within one year	*15*	(21,582)	(17,263)
Net current assets		21,906	24,808
Total assets less current liabilities		120,634	108,335
Creditors: Amounts falling due after more than one year	*15*	(73,106)	(58,296)
Provisions for liabilities	*17*	(55)	(84)
Net assets		47,473	49,955
Capital and reserves			
Called up share capital	*18*	5,000	5,000
Retained earnings		42,473	44,955
Equity attributable to owners of the company		47,473	49,955
Non-controlling interests		-	-
Total equity		47,473	49,955

Approved and authorised by the Board on 15 January 2020 and signed on its behalf by:

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Jonathan Lewis

Director

Bibby Holdings Limited

(Registration number: 00989531)
Company Balance Sheet as at 31 December 2018

	Note	2018 £000	2017 £000
Fixed assets			
Investments	*12*	**2,500**	2,500
Current assets			
Debtors	*14*	**35,126**	38,221
Cash at bank and in hand		**3,036**	16
		38,162	38,237
Creditors: Amounts falling due within one year	*15*	**(79)**	(198)
Net current assets		**38,083**	38,039
Total assets less current liabilities		**40,583**	40,539
Provisions for liabilities	*17*	**(41)**	(82)
Net assets		**40,542**	40,457
Capital and reserves			
Called up share capital	*18*	**5,000**	5,000
Retained earnings		**35,542**	35,457
Total equity		**40,542**	40,457

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. The profit for the financial year was £85,000 (2017: loss of £479,000).

Approved and authorised by the Board on 15 January 2020 and signed on its behalf by:

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Jonathan Lewis

Director

Bibby Holdings Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £000	Retained earnings £000	Total equity £000
At 1 January 2018	5,000	44,955	49,955
Loss for the year	-	(2,185)	(2,185)
Other comprehensive expense	-	(297)	(297)
Total comprehensive expense	-	(2,482)	(2,482)
At 31 December 2018	5,000	42,473	47,473

	Share capital £000	Retained earnings £000	Total equity £000
At 1 January 2017	5,000	51,930	56,930
Loss for the year	-	(6,724)	(6,724)
Other comprehensive expense	-	(251)	(251)
Total comprehensive expense	-	(6,975)	(6,975)
At 31 December 2017	5,000	44,955	49,955

Company Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £000	Retained earnings £000	Total £000
At 1 January 2018	5,000	35,457	40,457
Profit for the year and Total Comprehensive Income	-	85	85
At 31 December 2018	5,000	35,542	40,542

	Share capital £000	Retained earnings £000	Total £000
At 1 January 2017	5,000	35,936	40,936
Loss for the year and Total Comprehensive Expense	-	(479)	(479)
At 31 December 2017	5,000	35,457	40,457

1 *General information*

Bibby Holdings Limited ('the Company') is a private company limited by shares incorporated in the United Kingdom and registered in England. The address of its registered office and principal place of business is 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

Basis of preparation

These financial statements have been prepared using the historical cost convention modified to include certain items at fair value.

Bibby Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the reduced disclosure framework available to it in respect of its separate financial statements. Exemptions have been taken in relation to the presentation of a separate profit and loss account, key management personnel disclosures and a cash flow statement.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings up to 31 December 2018.

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 sold off during the year are consolidated for the periods from or to the date on which control passed.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. The profit for the financial year was £85,000 (2017: loss of £479,000).

Business combinations are accounted for under the purchase method. The accounting periods of subsidiary undertakings are coterminous with those of the company.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Going concern

In carrying out their duties in respect of going concern, the Directors have carried out a review of the company's financial position and cash flow forecast for a period of 12 months from the date of signing these financial statements. The forecast was based on a detailed review of revenue, expenditure and cash flows, taking into account specific business risks and uncertainties about the economic environment and events in the wider construction sector.

Plant hire:

On 31 October 2018, the Plant Hire business unit extended its ABL facility with HSBC UK Bank so that it now expires on 31 October 2021. The ABL facility comprises:

- a rolling inventory facility secured on qualifying fixed assets; availability is based on the net book value of the assets, capped at £30m until 30 June 2019 and £35m thereafter.
- a rolling invoice discounting facility secured on the company's debtor balances, capped at £10m.

At 31 December 2018 the company had drawn £17.25m on the rolling inventory facility and £3.75m on the rolling invoice discounting facility.

At 31 December 2018 the company owed £6.6m (2017: £6.6m) to Bibby Line Group Limited, all of which was due in more than one year.

Marine:

As described more fully in the Strategic Report, market conditions for accommodation services remain challenging despite the improvements in vessel utilisation. In response to such conditions, scenario analyses have been performed to review the level of cash reserves required to enable the Group to continue to operate for the foreseeable future. This analysis shows that the Group will be able to operate as a going concern for the foreseeable future using facilities made available to it, which comprise cash balances, external financial facilities, and support which has been committed by its ultimate Parent. This analysis includes assumptions about the level of trading activity and a number of initiatives which are not yet contractually complete. These initiatives relate to finalising a charter for one of the coastel vessels, and completing formal documentation to utilise a working capital finance facility, both of which are well advanced and expected imminently. In addition, certain vessel disposals are being progressed with a view to reducing indebtedness and improving operational performance. A number of other potential cash benefits have been identified which are not sufficiently advanced to be incorporated into the financial projections, but which would provide further headroom against available facilities if realised.

The directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations of external debt liabilities. In addition, the Company's assets are assessed for recoverability on a regular basis, and the directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis. Furthermore, the Group (BLG) has indicated that support will continue to be provided, which combined with the other actions and initiatives being put in place, will ensure the business has sufficient financial facilities.

On that basis the directors believe that there are no material uncertainties that would lead to significant doubt upon the company's ability to continue as a going concern.

Bibby Holdings:

The company, Bibby Holdings Limited, is financed by dividends from the trading businesses and accumulated current assets.

In order to manage liquidity risk the Group's two principal business units prepare daily, weekly and monthly cash flow forecasts, with the monthly forecasts looking forward for a rolling 15 month period. The key sensitivities

Going concern (continued)

are the level of cash expected to be generated from future trading and the timing of future capital expenditure. Capital expenditure commitments are at the discretion of the Directors.

Having made enquiries and considering the uncertainties referred to above, including the support required from the ultimate parent company, the directors have concluded that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the statutory financial statements.

Revenue recognition

Revenue is recognised when the significant risks and rewards are considered to have been transferred to the customer, and in the same period in which the assets or services are made available to customers. 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 other sales-related taxes.

Long Term Contracts

Where the outcome of a long term contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. Where the outcome of a long term contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Government grants

Government 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.

Finance income

Interest income is recognised when it is probable that the economic benefits will flow and the amount of revenue can be measured reliably. Income is recognised using the effective interest method, which discounts estimated future cash flows through the expected life of the financial asset to which the interest income is derived, so tis net carrying amount on initial recognition.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of subsidiary undertakings who prepare their financial statements in foreign currencies are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets, transactions entered into to hedge certain foreign currency risks, results of overseas operations, and on foreign currency borrowings to the extent that they hedge the group's investment in such operations, are reported in other comprehensive income or accumulated in equity (attributed to non-controlling interests as appropriate). All other exchange differences are included in the profit and loss account.

Tax

Current tax, including UK Corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to payless tax in the future have occurred at the balance sheet date. The deferred tax assets and liabilities are not discounted.

Deferred tax assets are regarded as recoverable and recognised in the financial statements when, on the basis of available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the timing differences can be deducted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised. Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the timing differences and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if:

a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Property, plant and equipment

Tangible assets are included at cost, less depreciation and any provisions for impairment.

Depreciation

Depreciation is provided on a straight line basis to write off the cost of tangible fixed assets, less their estimated residual value, over their expected useful economic lives. Residual values are calculated at the amount currently expected to be obtained on disposal, less costs of disposal.

The annual rates of depreciation are:

Asset class	Depreciation rate
Fleet	Varying rates between 5% and 20%
Furniture, fittings and equipment	Varying rates between 4% and 20%
Land and buildings	Varying rates between nil and 50%

Impairment of fixed assets

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

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is calculated by consideration of the future cash flows related to the assets. The judgments involved in these impairment reviews are set out in the critical accounting judgments and key sources of estimation uncertainty on page 20.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a cash-generating unit (CGU), the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

For other financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the recoverable amount. Debts are written off when there is no realistic prospect of recovery. Specific provisions are made to reduce all impaired balances to their expected realisable values. A further provision is made for losses not specifically identified, based on past experience, knowledge of the Group's exposure and other relevant factors. The charge for the year for bad debts is included in operating costs.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing the excess of the fair value of the consideration over the fair value of the separable net assets acquired, is capitalised and written off on a straight line basis over its useful economic life.

The remaining useful economic life of goodwill is considered separately for each acquisition. The amortisation period is dependent upon the circumstances of each acquisition and is currently between 4 and 20 years.

Provision is made for any impairment.

Investments

Investments are shown at cost less any provision for impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on deposit less overdrafts which are repayable on demand.

Inventories

Stock is stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to net realisable value. Cost includes the direct costs of bringing the stock to its current condition and location, including procurement, direct labour costs and attributable overheads where appropriate. Provision is made for obsolete and slow moving stock where appropriate.

Trade payables

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Liabilities

Financial liabilities are classified according to the substance of the contractual arrangement entered into.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives.

The capital elements of future lease obligations are recorded as liabilities, with the interest elements being charged to the profit and loss account over the period of the lease to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

Rentals under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Financial instruments

The Group has elected to apply the recognition and measurement provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument, and are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Critical accounting judgments and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

Tangible fixed assets

Assessing indicators of impairment of property, plant and equipment and intangibles assets - Marine
In assessing whether there have been any indicators of impairment associated with the Group's property, plant and equipment and goodwill, the directors have considered both external and internal sources of information such as asset market values, changes in technological, economic and legal environments, evidence of obsolescence or physical damage of assets and any changes in economic performance of assets. Their carrying value is £70,940k (2017: £59,992k).

Fleet residual value - Marine
Management consider 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.

Depreciation of tangible assets – Plant Hire
Determining the most appropriate useful economic life of tangible fixed assets hired to customers requires an estimation of their useful life and residual value of disposal.

The useful economic life and subsequent depreciation charge and net book value are estimated by the directors based on the historic useful life and residual value of each asset class with allowance made for the risk of technical charge.

Critical judgments in applying Group's accounting policies

The critical judgments that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

Revenue recognition - Marine

Revenue relating to the hydrographic surveying business is adjusted for work in progress. Revenue is recognised when the outcome of a transaction can be estimated reliably, by reference to the stage of completion of the transaction at the end of the reporting period. When the outcome cannot be estimated reliably revenue is recognised only to the extent of the costs recognised that are recoverable. The amount of revenue recognised in the profit or loss in the period is based on the percentage completion method. The estimates of total revenue and costs are reviewed and revised where appropriate as the service progresses but at least on an annual basis.

In making its judgment, management considered the detailed criteria for the recognition of revenue from the reliably measure the outcome of the transaction and determine the stage of completion

3 Turnover

The analysis of the group's turnover for the year by class of business is as follows:

	2018 Total £000	2017 Total £000
Marine	36,170	17,404
Plant hire	27,345	23,128
	63,515	40,532

The analysis of the group's turnover for the year by market is as follows:

	2018 Total £000	2017 Total £000
UK	50,907	35,287
Rest of World	12,608	5,245
	63,515	40,532

4 Operating loss

Operating loss is stated after charging:

	2018 £000	2017 £000
Depreciation expense	9,788	7,785
Amortisation expense	1,332	1,416
Foreign exchange losses	281	141
Operating lease expense - plant and machinery	1,364	1,085
Operating lease expense – other	913	684
Loss on disposal of property, plant and equipment	144	18

Bibby Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 *(continued)*

5 Interest receivable

	2018 £000	2017 £000
Interest income on bank deposits	-	10

6 Interest payable and similar charges

	2018 £000	2017 £000
Interest on bank overdrafts and borrowings	916	540
Interest on obligations under finance leases and hire purchase contracts	588	770
Interest payable to group companies	586	159
Foreign exchange losses	-	211
Amortisation of debt issuance costs	231	-
	2,321	1,680

7 Staff costs

The aggregate payroll costs were as follows:

	2018 £000	2017 £000
Wages and salaries	13,581	11,646
Social security costs	1,450	1,296
Other pension costs	528	458
	15,559	13,400

Directors' emoluments are borne by fellow group undertakings and are not recharged to the company.

The average monthly number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2018 Total No.	2017 Total No.
Marine	151	132
Plant Hire	245	225
	396	357

8 Auditor's remuneration

	2018 £000	2017 £000
Audit of these financial statements	**8**	8
Audit of the financial statements of subsidiaries of the company pursuant to legislation	**67**	47
	75	55

Other fees to auditor

There were no other fees payable to the auditor in the year (2017 – same).

9 Taxation

Tax charged in the profit and loss account:

	2018 £000	2017 £ 000
Current taxation		
UK corporation tax	**1**	-
UK corporation tax adjustment in respect of prior periods	**274**	292
	275	292
Foreign tax	**164**	-
Foreign tax adjustment in respect of prior periods	**-**	(439)
Total current income tax	**439**	(147)
Deferred taxation		
Deferred tax charge on pension scheme costs	**4**	-
Arising from origination and reversal of timing differences	**1,863**	(322)
Effect of change in tax rate on opening liability	**-**	16
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	**(2,328)**	(134)
Total deferred taxation	**(461)**	(440)
Tax (credit) / charge in the income statement	**(22)**	(587)

Bibby Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2018 *(continued)*

The tax on loss before tax for the year is lower (2017 - higher) than the standard rate of corporation tax in the UK of 19.00% (2017 – 19.25%).

The differences are reconciled below:

	2018 £000	2017 £000
(Loss) / profit before tax	(2,207)	(7,311)
Corporation tax at standard rate	(419)	(1,407)
Group relief surrendered for nil consideration	(386)	478
Non-taxable expenses / (income) not deductible for tax purposes	(45)	679
Other timing differences	-	81
Effect of foreign tax rates	31	(439)
UK deferred tax expense relating to changes in tax rates or laws	103	(137)
Adjustment for prior periods	(2,054)	158
Tax increase from effect of capital allowances and depreciation	2,636	-
Tax increase from effect of unrelieved tax losses carried forward	112	-
Total tax (credit) / charge	(22)	(587)

Deferred tax

Group

Deferred tax assets and liabilities

2018	Asset £000
Accelerated capital allowances	494
Pensions	9
Other timing differences	147
Trading losses	637
	1,287

2017	Asset £000
Accelerated capital allowances	817
Pensions	14
Other timing differences	(6)
	825

Deferred taxation is provided at the rates substantively enacted at the year-end being 19% (to April 2020) and 17% thereafter depending on expected duration of the timing difference (2017 – 20% to April 2017, 19% to April 2020 and 17% thereafter respectively).

10 Intangible assets

Group

	Goodwill £000
Cost	
At 1 January and 31 December 2018	16,619
Amortisation	
At 1 January 2018	15,287
Amortisation charge	1,332
At 31 December 2018	16,619
Carrying amount	
At 31 December 2018	-
At 31 December 2017	1,332

11 Tangible assets

Group

	Land and buildings £000	Furniture, fittings and equipment £000	Fleet £000	Total £000
Cost or valuation				
At 1 January 2018	310	44,213	112,290	156,813
Additions	-	11,170	15,124	26,294
Disposals	-	(1,912)	(1,342)	(3,254)
Transfers	36	1,014	(133)	917
Foreign exchange movements	-	-	634	634
At 31 December 2018	346	54,485	126,573	181,404
Depreciation				
At 1 January 2018	310	18,934	55,374	74,618
Charge for the year	-	4,817	4,971	9,788
Disposals	-	(1,439)	(1,248)	(2,687)
Transfers	36	935	(54)	917
Foreign exchange movements	-	-	40	40
At 31 December 2018	346	23,247	59,083	82,676
Carrying amount				
At 31 December 2018	-	31,238	67,490	98,728
At 31 December 2017	-	25,279	56,916	82,195

Included in the net book value of furniture, fittings and equipment is £979,000 (2017 - £16,077,000) relating to assets held under finance leases and hire purchase agreements. There are no tangible fixed assets held by the parent company.

12 Investments

Company

	2018 £000	2017 £000
Investments in subsidiaries	2,500	2,500

The subsidiaries of the group are set out below. All parent companies of the trading businesses' subgroups are UK incorporated companies. All interests are in ordinary share capital (or the equivalent) with voting rights.

* interest not held directly by Bibby Holdings Limited

Company Name	Country of Incorporation	Registered Office	% Equity Share Capital Held	Type of Business
1. Bibby Taurus Limited	England & Wales	α	100%	Holding company
2. Garic Limited	England & Wales	α	100%*	Equipment hire
3. Bibby Marine Limited	England & Wales	α	100%	Holding company
4. Bibby WaveMaster I Limited	England & Wales	α	100%*	Ownership and operation of marine vessels
5. Bibby WaveMaster 2 Limited	England & Wales	α	100%*	Ownership and operation of marine vessels
6. Bibby Marine Services Limited	England & Wales	α	100%*	Holding company
7. Bibby Renewables Limited	England & Wales	α	100%*	Dormant
8. Bibby Marine Management Limited	England & Wales	α	100%*	Vessel Management
9. Bibby Marine Survey Services Limited	England & Wales	α	100%*	Non-trading
10. Bibby Athena Limited	England & Wales	α	100%*	Ownership and operation of hydrographic survey vessels

12 Investments (continued)

11.	Bibby Tethra Limited	England & Wales	α	100%*	Ownership and operation of hydrographic survey vessels
12.	Bibby HydroMap Limited	England & Wales	β	100%*	Ownership and operation of hydrographic survey vessels
13.	Hydromap Limited	England & Wales	β	100%*	Dormant
14.	Bibby Maritime Limited	England & Wales	α	100%*	Ownership and operation of floating accommodation vessels
15.	Bibby Bergen Limited	England & Wales	α	100%*	Ownership and operation of floating accommodation vessels
16.	Bibby Challenge Limited	England & Wales	α	100%*	Ownership and operation of floating accommodation vessels
17.	Bibby Maritime Crewing Services Limited	England & Wales	α	100%*	Provision of crew services
18.	Bibby Maritime Nigeria Limited	Nigeria	π	100%*	In liquidation
19.	Bibby Progress Limited	England & Wales	α	100%*	Ownership and operation of a floating accommodation unit
20.	Bibby Renaissance Limited	England & Wales	α	100%*	Dormant
21.	Bibby Stockholm Limited	England & Wales	α	100%*	Ownership and operation of a floating accommodation unit
22.	Bibby Ship Management (Eastern Europe)	Russian Federation	ɪ	85.71%*	Non-trading

Registered offices:

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

β Maritime House, 4 Brunel Road, Croft Business Park, Bromborough, CH62 3NY, United Kingdom

π 25 Adeyemo Alakija Street, Victoria Island, Lagos, Nigeria

ɪ 1/2 Atarbekova str, 350062, Krasnodar, Krasnodar

Bibby Taurus Limited has taken advantage of an exemption from audit under section 479A of the Companies Act 2006. As the immediate parent, Bibby Holdings Limited, has provided a statutory guarantee for any outstanding liabilities of Bibby Taurus Limited.

13 Stocks

	Group 2018 £000	2017 £000
Work in progress	**35**	224
Finished goods and goods for resale	**1,298**	810
	1,333	1,034

14 Debtors

	Group 2018 £000	2017 £000	Company 2018 £000	2017 £000
Trade debtors	**9,950**	8,239	**-**	11
Amounts owed by group undertakings	**21,377**	24,335	**35,122**	37,540
Other debtors	**912**	445	**4**	-
Prepayments	**3,259**	2,519	**-**	-
Deferred tax asset	**1,287**	825	**-**	-
Corporation tax asset	**-**	750	**-**	670
Total current trade and other receivables	**36,785**	37,113	**35,126**	38,221

The amounts owed by group undertakings relate to loans provided to support the relevant businesses. The loans bear interest at a rate of 8%.

15 Creditors

	Note	Group 2018 £000	2017 £000	Company 2018 £000	2017 £ 000
Due within one year					
Loans and borrowings	*16*	**10,852**	6,405	**-**	-
Trade creditors		**5,629**	4,293	**-**	-
Amounts due to related parties		**237**	215	**79**	198
Other payables		**1,631**	1,753	**-**	-
Accrued expenses		**3,003**	4,597	**-**	-
Corporation tax liability	*9*	**230**	-	**-**	-
		21,582	17,263	**79**	198

15 Creditors *(continued)*

		Group		Company	
		2018	2017	**2018**	2017
	Note	**£000**	£000	**£000**	£000
Due after one year					
Loans and borrowings	*16*	**58,179**	51,453	**-**	-
Amounts due to related parties		**14,739**	6,626	**-**	-
Other non-current financial liabilities		**188**	217	**-**	-
		73,106	58,296	**-**	-

Amounts due to related parties relate to working capital funding provided by subsidiary undertakings together with consideration for tax losses. The loans are non-interest bearing with no scheduled date for repayment.

16 Loans and borrowings

	Group	
	2018	2017
	£000	£000
Non-current loans and borrowings		
Bank borrowings	**58,179**	51,303
Finance lease liabilities	**-**	150
	58,179	51,453

	Group	
	2018	2017
	£000	£000
Current loans and borrowings		
Bank borrowings	**10,687**	6,118
Bank overdrafts	**-**	-
Finance lease liabilities	**165**	287
	10,852	6,405

16 Loans and borrowings *(continued)*

	2018 £000	2017 £000
Bank loans are repayable:		
Within one year	10,687	6,118
Between one and two years	9,559	8,706
Between two and five years	36,957	24,636
After five years	11,663	17,961
	68,866	57,421

	2018 £000	2017 £000
Finance leases are repayable		
Within one year	165	287
Between one and two years	-	150
Between two and five years	-	-
	165	437

The rates of interest payable on bank loans vary with either Euro or UK short term LIBOR or UK base rates. Obligations under finance leases are secured on the assets they finance.

17 Provisions for liabilities

Group

	Deferred Tax £000	MNOPF £000	Total £000
At 1 January 2018	2	82	84
Profit and loss account	569	(28)	541
Reclassification to debtors	(570)	-	(570)
At 31 December 2018	1	54	55

The MNOPF provision related to the Merchant Navy Officers' Pension Fund defined benefit scheme, see note 20 for further detail.

Company	Deferred Tax £000	MNOPF £000	Total £000
At 1 January 2018	-	82	82
Reclassification from creditors	(16)	-	(16)
Profit and loss account	3	(28)	(25)
At 31 December 2018	(13)	54	41

18 Share capital

Allotted, called up and fully paid shares

Group and Company

	2018		2017	
	Number (000s)	£000	Number (000s)	£000
Ordinary shares of £1 each	**5,000**	**5,000**	5,000	5,000

19 Dividends

The directors are proposing a final dividend of £Nil (2017 - £Nil).

20 Pensions

Defined contribution pension scheme

The group operates defined contribution pension schemes. The pension costs for the year represents contributions payable by the division to the scheme and amounted to £528,000 (2017 - £458,000). There are no contributions outstanding to the scheme at the end of the financial year (2017 – same).

Multi-employer pension scheme

The group contributes to the Merchant Navy Officers' Pension Fund (MNOPF) which is a multi-employer defined benefit scheme. The group is unable to identify its share of the underlying assets and liabilities of the MNOPF, but has agreed a schedule of contributions to the overall scheme deficit as set out below. These have been recognised in the pension liability on the balance sheet. The provision will unwind as contributions are paid and will increase if a revised, increased, schedule of contributions is agreed with the MNOPF. The contributions made by the Group to the MNOPF scheme over the financial year amounted to £28,000. The latest actuarial valuation of the scheme, at March 2012, identified the scheme deficit of £492,000,000. The Group has agreed to make annual contributions, based on the scheme's deficit, of £28,000 per annum from 2017 – 2020.

21 Commitments

Group

Capital commitments

The total amount of property, plant and equipment expenditure for which contracts have been placed but which are not otherwise provided for in these financial statements was £2,508,000 (2017 - £1,888,000).

Company

Capital commitments

The total amount contracted for but not provided in the financial statements was £Nil (2017 - £Nil).

21 Commitments *(continued)*

Operating lease commitments

Group

As at 31 December 2018 the group had total minimum leases payments under non-cancellable operating leases as follows:

Operating leases which expire:

	2018 £000	2017 £000
Land and Buildings		
Within one year	893	653
Within two and five years	1,791	2,453
Over five years	-	1,170
Other		
Within one year	703	928
Within two and five years	2,473	695
Over five years	613	951

22 Financial instruments

Group

Categorisation of financial instruments

	2018 £000	2017 £000
Financial assets measured at amortised cost	40,868	40,212
Financial liabilities measured at amortised cost	(94,688)	(75,559)
	(53,820)	(35,347)

23 Related party transactions

The company has taken advantage of the exemption in FRS 102 Section 33 "Related Party Disclosures" from disclosing transactions with wholly owned subsidiaries of Bibby Line Group Limited.

24 Control

The company is controlled by Bibby Line Group Limited a Company which is registered in England. Bibby Line Group Limited is the parent undertaking of the largest and smallest group which consolidates these accounts and of which the company is a member.

The ultimate controlling party is Bibby Line Group Limited and further detail is disclosed in the financial statements of Bibby Line Group Limited. These may be obtained from Bibby Line Group Limited, 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL (www.bibbylinegroup.co.uk).

25 Post balance sheet events

On 23 September 2019 the Group exchanged contracts to refinance the Bibby Wavemaster Horizon through a sale and leaseback arrangement. The refinancing secures a higher loan to value ratio for the vessel and reduces the Group's funding requirement.