Bibby Line Group Limited

Registration number: 00034121

Bibby Line Group Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2021

Bibby Line Group Limited

Bibby Line Group Limited

Company Information

Chairman	Sir Michael Bibby Bt. DL
Group Managing Director	Jonathan Lewis
Other Directors	David Anderson Geoffrey Bibby
Company secretary	Bibby Bros. & Co. (Management) Limited
Registered office	3rd Floor Walker House Exchange Flags Liverpool United Kingdom L2 3YL
Auditors	Mazars LLP One St Peter's Square Manchester United Kingdom M2 3DE

Bibby Line Group Limited

Chairman's Statement

Introduction

In our last accounts, I described 2020 as a pivotal year for us; simultaneously trading through the Covid-19 pandemic while restructuring the group to generate future profits as we emerged from the economic downturn.

I'm pleased to be able to confirm that in 2021 we have indeed returned to profitability. While a substantial element of our reported profits this year have come from the sale of Costcutter, which completed in February 2021, the underlying trading also generated a positive return. Given the sales of the Costcutter and Distribution businesses, as well as the refinancing of the Wavemaster vessels, the business has a strong balance sheet and liquidity to start investing for growth again.

The results in 2021 were delivered through the hard work and tenacity of our colleagues who have continued to provide excellent service to customers despite working through the Covid-19 pandemic, while building on the substantial operational changes undertaken by the business over the course of 2020 to reduce the cost base and increase agility to react to changing circumstances.

Our renewed optimism for the future is supported by a more focused portfolio of businesses, healthy cash balance in Bibby Line Group Limited, financial headroom within the subsidiary businesses, revitalised management teams, committed colleagues and exposure to growth markets in which we have strong customer relationships.

This improved performance and positive future outlook has allowed us to pay the first shareholder dividend since 2019, launch the first share buyback since 2014, and acquire a new vessel in June 2021.

Trading performance

Our Financial Services business returned to profitability over 2021 despite overall market demand being subdued as a result of governments providing financial support to our customer base. The restructuring undertaken in 2020 was timely. Growth is now resuming, and our BFS 4.0 programme is ensuring we have a competitive digital presence for the business and that our efficient operating platforms are starting to deliver real benefits, with Net Promoter Scores substantially increased. Although bad debts are still at very low levels, the market remains very competitive with low margins, low interest rates and clients still benefitting from cheap funding provided by the government during the pandemic, reducing the amount they need to borrow from the mainstream markets. We expect to see the government loans unwinding and bad debts increasing as the economy develops. Interest rates are already rising as inflation increases.

Our Marine business has had a positive year, supporting customers in Africa, Asia and Europe. We are also building on the funding we received from Mari-UK to develop a perspective on the ideal zero carbon propulsion solution for windfarm service vessels and have won two new grants from the Clean Maritime Demonstration Competition to support this research. Prospects for the business are strong given the increased global focus on infrastructure investment, further investment to improve global energy security, and the strong focus on increased investment into offshore wind. Charters for the windfarm vessels have already been secured for most of 2022. For the accommodation vessels, we have received numerous enquiries, but are still seeking to convert them into actual charters.

Garic had a record year supporting UK construction through its environmentally-friendly welfare products. It has continued to innovate new products to help its customers reduce fuel usage, and has certified its products as being compatible with HVO biofuel, allowing its customers to reduce their carbon footprint still further. The business has been affected by the global supply chain pressures as supply of new assets has been restricted thus the limiting the speed at which we can grow this business in 2021. This tight supply of assets into the market has however helped us to recover inflationary cost pressures through our income streams.

Chairman's Statement

Sustainability

In order for us to be relevant in our markets for the next 30 years (at least) we need to ensure we remain not only profitable but can clearly demonstrate our value to all stakeholders through the way we operate. In 2021 we launched Project Compass to focus on sustainability across four areas: Environment, Community, People and Customer. This programme developed an overall vision which is to be "A family business, known for creating a better future together".

Not only are we working with customers to develop environmentally friendly solutions for their businesses, we are also ensuring that our own operations are environmentally responsible. All new company cars will be hybrid or fully-electric. We are investigating ways for Garic's HGV and service vehicle fleet to transition to lower emission technologies. For colleagues, we are launching a salary sacrifice scheme to allow them to lease hybrid or fully-electric cars, reducing their own carbon footprint.

Our Giving Something Back programme is being relaunched, and we have doubled the amount of colleague fundraising and charitable giving we will match. We have supported many colleagues already to give paid time to charities and other community activities under our "Donate a Day" initiative. Following Russia's invasion of Ukraine, our colleagues have been tremendously generous giving money, time and in some cases accommodation to the refugees and the broader humanitarian effort. We hope for a swift end to hostilities.

We have brought additional focus to learning and development and invested in new online training systems for all colleagues. We have continued to prioritise our colleagues' health and wellbeing throughout the pandemic, including additional focus on mental health, and were proud to be commended by the Sailors' Society for our pioneering work on mental health for seafarers.

We aim to build ever deeper partner relationships with our customers and have initiated regular customer forum sessions in each of the businesses, helping us to ensure we are able to adapt our business to serve their changing needs.

As a family business, we are able to invest in initiatives like Project Compass, and continue to focus on the Bibby Values, because we know that not only is it the right thing to do but ultimately it is the reason our customers will work with us rather than the competition, as long as we remain competitive on price and product offering.

Leadership

We have refreshed management teams across our group. This has been spearheaded by Jonathan Lewis who started as Group Managing Director on 1st Jan 2021, and includes Marine and Garic both appointing Chief Executive Officer's ("CEO") from within the group, with BFS strengthening its senior team during the year.

Simon Perry was appointed to the BFS board as an independent director and chair of the BFS audit committee. We are benefiting from his intellect, experience and independence as we continue to transform the business.

I am also very proud that Jebb Kitchen, Managing Director of Bibby Line Limited, was announced as a winner of the 2021 Merchant Navy Medal for Meritorious Service. At all times Jebb has exuded the values of being professional, knowledgeable, honest, open and fair. He truly embodies what being part of Bibby Line Group is all about.

Bibby Line Group Limited

Chairman's Statement

Global outlook

The external environment remains highly unpredictable with the implementation of Brexit, the Covid-19 pandemic, and Russia's invasion of Ukraine happening in a little over two years, all contributing to substantial increases in the cost of living. As such, it is harder than ever to make predictions, but we remain confident as we are well positioned in markets that should benefit from rising interest rates (Financial Services), energy security (Marine) and infrastructure spend (Garic) to keep the economy going as discretionary consumer spending tightens. What we can do, however, is to ensure that we have great people committed to run an agile, future-focused business, appropriately funded, and motivated to deliver excellent customer service with really efficient operations.

I would like to take the opportunity to thank all of our colleagues, customers, partners, shareholders and other stakeholders in supporting us throughout 2021 and beyond as we face an uncertain world together, but one in which we have renewed confidence and resilience.

Sir Michael Bibby Bt. DL

Bibby Line Group Limited

Strategic Report

The Directors present their strategic report for the year ended 31 December 2021.

This strategic report has been prepared for the group as a whole and therefore gives greater emphasis to those matters which are significant to Bibby Line Group Limited ('BLG') and its subsidiary undertakings when viewed as a whole.

Introduction:

Bibby Line Group is a diverse, international business, and during 2021 operated in multiple countries and employed c. 1,300 people in financial services, marine, infrastructure support and retail.

Founded in Liverpool in 1807, we are one of the UK's oldest family owned businesses, with more than 210 years' experience of providing personal, responsive and flexible customer solutions.

We focus our sustainability efforts on how we look after the environment, improve the communities in which we work and live, protect and offer a great experience for our people, and how we nurture long-term relationships with our customers.

Purpose and values:

BLG's purpose is to grow the long-term value of the group. Guided by our shared values, we are custodians of the family business for future generations, creating a diverse group of innovative companies that develop colleagues, delight customers and give back to communities.

Our shared group values are - Work Together, Be Better, Be Innovative, Trust Each Other, Do the Right Thing - these guide every decision we make, and all combine to help us deliver excellent customer service.

Strategy:

BLG is the parent company of a group of trading businesses. The group is 91.8% owned by members of the Bibby family, principally through family trusts. The board, in consultation with them, has set seven corporate strategic objectives:

1. Maximise the long-term real value of shareholders' funds by achieving a compound growth rate in shareholders' funds inclusive of dividends of not less than 8% per annum, measured over 7 year rolling periods.
2. Keep a business portfolio capable of generating recurring earnings and a dividend flow to the holding company to provide security against cyclical downturns in any particular market.
3. Attract, motivate and retain high quality personnel.
4. Maintain our excellent reputation for high quality, integrity and safety of operations.
5. Be aware of the impact on society of our operations and to continually improve the environment for all.
6. Continually strive for excellence in our service to customers through our flexible, personal and responsive approach.
7. Ensure BLG values flow through the company and its individual businesses in order to protect and nurture the group's reputation as a diverse and forward-looking family business.

The nature of the shareholding enables the group to take a long-term view of its trading businesses and provides the rationale for the diversification within the portfolio.

The group's corporate governance approach to managing the trading businesses in line with these objectives is set out in this report on pages 27-30.

The group aims to maintain a diversified portfolio of businesses providing multiple, uncorrelated, sources of earnings allowing reinvestment into the group or distributions to shareholders. It should also avoid excessive exposures to individual risks to provide security against downturns in any particular market or sector.

Principal activities of the subsidiary businesses:

Bibby Financial Services ('BFS') is a global financial services provider and the UK's largest independent invoice finance company. BFS helps businesses around the world grow, combining international scope with expert local knowledge.

BFS provides products and services to help businesses unlock working capital and reduce their exposure to currency fluctuations. By so doing, this enables businesses to overcome cash flow issues, purchase new equipment, grow, expand and trade overseas.

Bibby Marine ('Marine') owns and operates the Bibby WaveMaster fleet of Walk-to-Work Service Operations Vessels, which specialise in transporting offshore workers to remote work locations. It also owns six floating accommodation barges (the Bibby Pioneer being purchased in June 2021), offering flexible shoreside and near shore accommodation for workers.

Garic has led the plant hire market with exceptional service and innovative products for over 30 years. The principal activity is the design, fabrication and purchase of plant and machinery for sale or hire.

Costcutter Supermarkets Group ('Costcutter') operates as a convenience retail symbol group in the UK. Costcutter Supermarkets Group was sold to Bestway Wholesale in February 2021.

Operational Review:

Overview

In 2021, the group delivered against its long-term strategic plan, resulting in a much-improved trading result and a return to profitability despite the disruption and continuing uncertainty caused by the Covid-19 pandemic.

The sale of Costcutter completed in February 2021, concluding the strategic realignment of the portfolio. With both the Garic and Financial Services business making a profit before tax.

As we enter 2022, there is no doubt that external events continue to be challenging, particularly the significant cost of living rise for many people and the serious political, financial and humanitarian crisis, following Russia's invasion of Ukraine. However, the group is now well positioned to weather the many challenges and we look forward to continuing our growth story through 2022 and beyond.

Bibby Line Group Limited

Strategic Report

Financial Review

The financial statements contained within this report show total pre-exceptional operating profits for the Group of £6.1m marking a substantial improvement on the FY20 loss of £6.4m.

Despite the continuing economic uncertainty caused by Covid-19, Garic has had a strong year with improvements at both an operating and profit before tax level. BFS and Marine both had significantly improved years with BFS delivering a profit before tax, despite a small operating loss and Marine delivering an operating profit with a small loss before tax.

Profitability improvements in Marine were driven through its high utilisation of vessels. The WaveMaster vessels continue to support the North Sea energy sector. whilst the six floating accommodation vessels supported a diverse range of projects and customers across the globe.

BFS's improved profitability was due to increased market demand for its services following the gradual economic recovery after Covid lockdowns alongside greater efficiencies created through implementation of its new people and digital strategy, which is providing ever-improving levels of client experience. This strategy focuses on strengthening partnerships and building new distribution channels to expand the use of receivables finance, and increased agility to respond to market demands post-Covid-19 government financial support.

Increased profitability in Garic was due to higher asset utilisation during a year that saw increased demand for welfare and hygiene units, in addition to growing demand for its eco-friendly welfare solutions.

Operating Performance

	2021 £000 Continuing Operations	2021 £000 Discontinued Operations	2021 £000 Total	2020 £000 Continuing Operations	2020 £000 Discontinued Operations	2020 £000 Total
Group						
Turnover	195,599	64,025	**259,624**	194,135	638,392	**832,527**
Operating profit/(loss) (pre-exceptional items)	6,758	(696)	**6,062**	(11,740)	5,370	**(6,370)**
Operating profit/(loss)	3,753	(696)	**3,057**	(43,738)	5,309	**(38,429)**
Profit/(loss) before tax	1,309	29,616	**30,925**	(43,090)	16,498	**(26,592)**

	2021 £000	2020 £000
Continuing Operations – Turnover		
Bibby Financial Services	132,435	135,529
Bibby Marine Limited	25,880	23,967
Garic	37,284	34,639
	195,599	194,135

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Continuing Operations – Operating profit/(loss) pre-exceptional items	2021 £000	2020 £000
Bibby Financial Services	2,485	(9,305)
Bibby Marine Limited	2,652	812
Garic	5,634	3,449
Other[1]	(4,013)	(6,696)
	6,758	(11,740)

Continuing Operations – Operating profit/(loss)	2021 £000	2020 £000
Bibby Financial Services	(519)	(40,692)
Bibby Marine Limited	2,652	812
Garic	5,634	3,449
Other[1]	(4,013)	(7,307)
	3,753	(43,738)

[1] – Other includes Bibby Line Group Limited and Bibby Line Limited

Strategic Report

FY21 Highlights

i) Covid-19 response

Protecting Employees

Throughout 2021, the Group continued to prioritise the health and wellbeing of employees. Extra resource and attention was put on supporting employees' mental health, with examples including new health and wellbeing programmes, active inclusion events, one-off wellbeing initiatives and partnerships with wellbeing charities.

As government 'work from home' instructions continued throughout the year, business contingency plans were adapted and implemented with many colleagues initially continuing to work remotely. As offices reopened and many colleagues moved to hybrid working, policies and procedures for business premises were updated to reflect the latest Government guidance and to maintain the safety and wellbeing of our colleagues and visitors.

Delivering essential services

Bibby Line Group subsidiaries continued to play a key role in providing essential services.

Internationally, Marine continued to help to combat the spread of Covid-19 in Singapore by accommodating healthy foreign workers onboard its floating accommodation barges. The Bibby WaveMasters also continued to safely deliver essential services to offshore windfarms and other offshore installations.

BFS continued to support new and existing clients, funding more than £10bn of SME turnover in 2021. This included launching a £300m Pandemic Recovery Fund in May 2021 to provide longer-term sustainable funding to support clients and help stimulate the economy.

Garic continued to support the NHS and UK Government by equipping Covid-19 testing centres, as well as increased social distancing and sanitation requirements on infrastructure construction projects.

Digital transformation

The adoption and embedding of new technology is having a profound effect on how we work together. Covid-19 has resulted in accelerating new and improved ways of working and behaviours that will remain in place beyond the pandemic. Colleagues can now communicate and connect more easily, meaning our group is collaborating more than ever, and can support customers better and faster. Deeper data analysis and automating outdated processes is allowing us to make more informed decisions. We are able to be more inclusive as our talent pool isn't as reliant on geographical location and employees are able to improve the balance between work and life through home and hybrid working.

ii) Non-financial objectives

In 2021, Project Compass was launched with the aim of focusing and strengthening the group's sustainability efforts in four key areas; Environment, Community, People and Customer. For each area or 'Point', a bold vision, ambitious goal and series of colleague-led trailblazer initiatives were launched to kickstart activity. An overarching vision of being "A family business, known for creating a better future together" was also agreed and communicated.

a. Environment

The group is conscious of its impact on the environment and takes sustainability very seriously, with each business providing an annual environmental report that shows how it has worked to minimise its impact.

The Project Compass Environment vision is that 'We are committed to becoming an increasingly sustainable business, striving to minimise our own environmental impact and influencing positive change with our customers, colleagues and suppliers', with a goal of 'Net zero total carbon emissions by 2040'.

Further detail of all the Compass trailblazer projects can be found in our s.172 Statement on pages 16-20 . More details on our environmental impact can be found in the Group Streamlined Energy & Carbon Report ('SECR') on pages 23-26.

b. Community

Bibby Line Group remains committed to the communities in which it operates and aims to harness the passion of its people through its Giving Something Back fundraising programme, new Donate a Day volunteer initiative and schools and college outreach.

The Project Compass Community vision is that 'We strive to improve the quality of life for all in the communities in which we work and live', with a goal of '1,000 colleague days given to the community every year by 2024'.

c. People

Our people are our greatest asset, and are fundamental to our future success. In order to ensure we have great talent within the group, we must ensure our people feel safe, included and valued, and that our organisation, systems and process' enable them to be their best.

The Project Compass People vision is that 'We keep our colleagues safe at work and celebrate, respect and value them for who they are and what they do' with a goal of 'Colleague engagement score in top quartile of surveyed companies by 2024'.

Bibby Line Group is focused on providing safe working conditions for its people. A cross-group Safety, Health, Environment and Quality (SHEQ) team work together to keep our colleagues safe, with the aim of sending everyone home safe every day.

d. Customer

We are committed to working in partnership with our customers for long-term mutually beneficial success.

The Project Compass Customer vision is that 'We continually work to be our customers' partner of choice and support them to thrive' with a goal of 'Leading NPS customer satisfaction score of >60 by 2024'.

iii) Key personnel changes

There were several key appointments across the group in 2021 and we now have new management teams in place to lead our businesses forward.

Group Chief Financial and Strategy Officer Jonathan Lewis became Group Managing Director in January 2021. In June 2021, Nigel Quinn, who was appointed interim Marine CEO in October 2020 whilst continuing to lead our Garic business, took charge of Marine on a permanent basis. Mark Albiston was promoted from his role as Garic's Operations Director to lead the Garic business.

During the year, BFS also strengthened its senior leadership team under Global CEO Jonathan Andrew. In March 2021 Frank Ensink was appointed Managing Director of BFS Netherlands. In July 2021 Tomasz Kukulski was appointed Managing Director for BFS Poland and in August 2021 Derek Ryan was appointed Managing Director for BFS UK. In December 2021, BFS HR Director Paul Lomas left the group and was replaced by Helen Norris in January 2022.

In January 2021 Sir Michael Bibby took over as Chair for BFS and Marine, and Geoffrey Bibby joined each subsidiary Board as a non-executive director – further strengthening the family's links to the businesses. Jonathan Lewis also took over as Chair for Garic. A new non-executive director and Chair of the BFS Audit Committee, Simon Perry, was appointed to the BFS Board in March 2021 to provide fully independent oversight.

iv) <u>People Successes</u>

In September Jebb Kitchen, Managing Director of Bibby Line Limited, was announced as a winner of the 2021 Merchant Navy Medal for Meritorious Service, awarded to individuals annually on Merchant Navy Day for outstanding service and contribution to the maritime sector.

Family engagement remains a priority for the Group, and 2021 saw the launch of The Bibby NextGen programme, which actively involves members of the Bibby 7th generation with the business, opening up opportunities for them to develop and learn about our businesses and also to add real insight and value to our teams.

v) <u>Changes to Portfolio</u>

In February 2021, following FCA approval, the group completed the strategic realignment of its portfolio with the sale of Costcutter Supermarkets Group to Bestway Wholesale.

<u>2022 Outlook</u>

2021 was a transitional year for the group. In line with our long-term strategic plan, our smaller but stronger portfolio of businesses, improved liquidity and new management teams have helped the group return to profit, while still driving long-term value creation.

The world continues to be a challenging environment to conduct business. Across the globe, pandemic restrictions remain in place, and closer to home we look to recover from the financial impact of two years of disruption. The UK is still navigating global markets following Brexit, and the invasion of Ukraine by Russia, and subsequent humanitarian crisis is sending shockwaves around the world. All this is contributing to a dramatic rise in the cost of living affecting us all and our businesses.

However, we are confident that our portfolio of businesses is well positioned for success in their markets, and there will be a strong focus in 2022 on building on the strong progress and the return to profitability achieved in 2021.

BFS has taken huge steps to future proof the business by focusing on delivering its refreshed strategy, which is allowing it to become a more agile and efficient international provider of working capital solutions for SMEs. With government Covid-19 loan schemes ending, and economic activity increasing, BFS is well placed to step in to support its clients to thrive.

Strategic Report

Following delays to offshore maintenance programmes and infrastructure projects during the pandemic, Marine experienced improved vessel utilisation throughout 2021, and we expect this to continue throughout 2022. The WaveMaster vessels continue to provide excellent levels of access to installations in the North Sea, and the floating accommodation barges are capable of supporting a number of large infrastructure projects around the world, bolstered by the recent purchase of the Bibby Pioneer. The company is well positioned to support the commitment to quadruple offshore wind farm capacity to 40 gigawatts by 2030.

Our Marine business is also emerging as a thought leader within the low and zero carbon maritime space, helping to deliver a ground-breaking research project to explore a range of zero-carbon fuel systems, which has the potential to revolutionise the global shipping industry. A great example of how the group is taking a long-term view to help combat climate change.

Garic's green credentials are also positioning the company well as customers look to decarbonise their operations to support their emission reduction plans. Although we anticipate fluctuations in demand following Covid-19, the focus for 2022 will be on evolving our eco-offer, while maintaining high utilisation and customer service levels.

Across all three businesses, therefore, we see the opportunity for continued profitable growth, and have the right priorities, plans and people in place with which to capture the opportunities provided as our end markets navigate troubling times.

Risk Management:

Risk Management, robust governance and internal controls are key to the way, as a group, we manage all aspects of our business. Our risk management processes and systems are designed to manage and mitigate rather than eliminate risk. A risk framework is in place which is adopted by our businesses, including risk registers, with output being reported to subsidiary boards and summarised to the BLG group Audit and Risk Committee. In addition, we operate the three lines of defence model:

- Ownership of risk at a business level
- Central Management support and board oversight
- Independent review

This framework allows us to review and escalate key risks facing the group in a timely manner in order to manage and mitigate outcomes, and as far as possible, to protect the profitability and success of BLG.

Principal Risks & Uncertainties:

This section highlights the principal risks and uncertainties that affect the group. This does not represent a comprehensive list of all the risks that the group faces but focuses on those that are currently considered to be the most relevant:

Group Composition

The group disposed of Distribution and Costcutter in 2020 and 2021 respectively, increasing the proportion of the business comprised by the remaining subsidiaries, which further emphasises the reliance on Financial Services for future profitability, cash generation and growth. The BLG board, as part of their annual review of operating plans, continually consider the desired shape of the portfolio with regard to the composition of the group, the present market conditions and future expectations. Any investment and divestment plans are fully appraised with reference to the shape of the group.

People

Our success depends on our people, and the failure to recruit and retain talent could have an impact on business disruption through key individuals leaving the group. Engaged colleagues are vital if we are to maintain high levels of customer service and develop new products and services. We operate a culture where we engage, motivate and enable colleagues to achieve their potential. Inclusion and diversity, safety, health and well-being, training and career development are all essential parts of our culture to ensure we are meeting the needs of our people. In 2021, the group carried out its annual employee engagement survey which is designed to gauge how colleagues feel about working at BLG and its subsidiary businesses, what improvements can be made and identifying areas of excellence. The engagement survey helps foster a culture of ownership and continuous improvement. In 2021, Project Compass was initiated and includes a People 'Point' of the Compass. As part of this, we are transitioning colleague engagement surveys to a monthly cadence allowing more frequent and timely feedback.

New Technologies

Our future growth is dependent on rapidly and effectively adopting new technologies to support our strategy and enable us to operate effectively in our current markets. Our businesses are already reviewing new technologies to help us succeed and will continue to do so, with the group committed to ensuring that investment in new technology and new working practices are implemented to help our business thrive for future generations.

Environment and Climate Change

How we act as a responsible business (regarding the impact our operations, products and services have on our environment) is fundamental to the future success of our group. As a group, the businesses have taken actions to reduce their carbon footprint. In 2021, Project Compass was initiated and includes an Environment 'Point' of the Compass.

Reputation

Bibby Line Group is a diverse, international business and managing the reputational risk of the name and brand is of paramount importance to the group. Bibby Line Group's values are integral to the way the group does business and we expect all colleagues to do the right thing and protect the name and reputation of the group. The group is made up of substantially autonomous businesses which operate separately from one another but are aligned on group values and the sustainability principles set out in Project Compass. Risks with a potential reputational impact are identified on the relevant group and subsidiary risk registers and appropriate controls are in place including an escalation procedure to the group board.

All new business opportunities are also risk assessed including potential impact on reputation of the businesses and the group, and processes are in place to manage any brand reputation incidents from sold businesses bearing the name of the company.

Covid-19 / Pandemic

The group's number one priority continues to be the safety of our colleagues and customers throughout the pandemic and we remain confident in our business model and strong experience of our colleagues to respond well to the challenges and opportunities that arise. The group's businesses have demonstrated operational resilience to continue to operate effectively through the pandemic, with a large proportion of colleagues being able to work from home, supported by robust systems and technology. Where our colleagues have not worked remotely, Covid-19 safety measures have been introduced and monitored to ensure the safety of our colleagues and customers. The group and its subsidiaries are sufficiently funded to manage against temporary reductions in profit. The group continues to take a considered approach to managing the impact of Covid-19 on its key stakeholders.

Data Security

It is essential that the security of customer, colleague and company confidential data be maintained. A major information security breach could have a negative financial and reputational impact on the business. The risk landscape is increasingly challenging with deliberate acts of cybercrime on the rise, and heightening the risk exposure to broader business disruption as well as to data breaches.

We continue to develop and test information security strategies and to build the necessary capability to respond to the increasing number and sophistication of attacks. Information security policies are in place, which focus on encryption, network security, access controls, system security, data protection and information handling. All colleagues are required to complete mandatory training on how to keep our information safe.

Strategic Report

Section 172(1) statement:

The BLG board of directors consider, both individually and together, that they have acted in the way that, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s.172 (1)(a-f) of the Companies Act) in the decisions taken during the year ended 31 December 2021 and have exercised their duties while having regard to s.172 matters.

The stakeholders we consider in this regard are our employees, our subsidiary businesses, our shareholders, our customers and suppliers, our funders and the local communities in which we are located.

The board recognises that building strong relationships with our stakeholders will help us to deliver our strategy in line with our long-term values and operate the business in a sustainable way.

BLG is a family owned business which seeks to maintain its good name and standing by supporting its subsidiaries to protect employees and suppliers. On rare occasions, however, for the benefit of the long-term success of the group it has regrettably had to take difficult decisions as a last resort.

The section below covers how the directors of the company have acted in the way they have considered, in good faith, to most likely promote the success of the company for the benefit of its members as a whole, and in doing so have regarded (amongst other matters):

(a) The likely consequences of any decision in the long-term

The group is over 90% owned by members of the Bibby family, principally through family trusts. The shareholder objectives have been built into the Company objectives, shared on page 6.

The nature of the shareholding enables the group to take a long-term view of its trading businesses and provides the rationale for diversification within the portfolio.

Long-term strategic opportunities are captured in the annual Strategy and Group Operating Plan processes which are presented to the group board every year. The Operating Plan covers a three-year horizon, with the Strategy review looking further out as appropriate. Short-term opportunities to improve performance, resilience and liquidity are captured through monthly and quarterly performance review meetings with each business, which are led by the Group Managing Director and/or subsidiary board Chair respectively.

The strong governance structure in place within the Company, as highlighted in detail on pages 27-30, has also been cascaded to the subsidiary boards to ensure clarity on decisions requiring subsidiary and holding company board approval.

A long-term incentive plan is in place for the executive directors on the group board and certain senior employees in the central team, to incentivise the delivery of long-term objectives.

As highlighted within our values, we try to look ahead, to anticipate customer needs and deliver innovative solutions.

(b) The interests of the company's employees

As stated on page 6 of the Strategic Report, our values are core to the way in which we do business. Our colleagues are the most important part of our business, and we deliver on our objectives by living our values. Our aim is to give colleagues the right tools and training for their job, and support and trust them to carry out their role in a professional and customer-focused way in line with our values. Whilst we support and trust our colleagues to carry out their roles, we also have controls in place to ensure performance is maintained and also that health and wellbeing are monitored, especially as a proportion of our colleagues continue to work from home.

Providing a safe and healthy working environment is a critical objective for the company. Throughout 2021 BLG has continued to develop its safety culture with continuous improvement of safe systems of work and risk management. The group's operating procedures evolved during 2021 in response to the Covid-19 pandemic to reflect emerging best practice in creating safe places to work including appropriate social distancing for all employees unable to work from home and in all customer, supplier and stakeholder interactions.

Following the first ever group-wide engagement survey, which launched in October 2020, the group focused in 2021 on delivering local action plans to help improve the colleague experience. Building on this success, during 2021 the group also started its transition towards a new engagement survey, taking advantage of technological advancements. Peakon is an intelligent listening platform that will be delivered across the group in 2022 and will improve how we monitor and understand colleague experiences, opinions and behaviours regarding company culture, providing a benchmark and consistent measurement approach across the group, and externally.

The holding company engages with colleagues across the group through a variety of channels including: Bibby eNews – an electronic newsletter that includes news, features and stories from across the group; Group MD written updates; social media posts and news; and programme or project specific updates through subsidiary townhalls (delivery of colleague updates in person or via Teams/Zoom), company newsletters, and local digital channels.

In 2021, Project Compass was launched and includes a specific People 'Point'. Key initial areas of focus include; health and wellbeing, so that colleagues all have the best chance to be happy and healthy at work; active inclusion, so they all feel welcome and included; and learning and development, so colleagues can better support each other to learn and reach their full potential.

(c) The need to foster the company's business relationships with suppliers, customers and others

As highlighted in our values, we seek to understand the goals of our businesses, customers, suppliers and people and we work together as a team.

The group's principal trading subsidiaries use external Net Promoter Scores and Trustpilot ratings to monitor service level provision to their customers.

The group communicates openly with the BLG Pension Trustee Board, providing trading updates at least twice a year.

The holding company also provides regular financial information and business updates to its main relationship banks, credit reference agencies and main third-party advisors to ensure those parties have a detailed understanding of the business.

In 2021, Project Compass was launched with a specific Customer 'Point'. Key initial areas of focus include; setting stretching customer Net Promotor Score ("NPS") satisfaction targets; setting up customer councils to listen to their needs and work in partnership on solutions; and establishing customer charters to set high expectations for the services we deliver.

(d) The impact of the company's operations on the community and the environment

Safety, Health, Environment and Quality (SHEQ) is considered fundamental to our business success and our colleagues' wellbeing. The group is committed to being a responsible organisation and minimising environmental impact, creating safe places for our people to work and develop, and supporting our communities.

In respect of our three key focus areas, some of the actions taken in 2021 are highlighted below:

Minimising Environmental Impact

- Globally, maritime transport accounts for 3.5% to 4% of all climate change emissions; mostly carbon dioxide. In 2021, Marine, in collaboration with other marine industry leaders, continued their WaveMaster Zero C project, which aims to analyse and determine which alternative fuel is best suited to the next generation service operation vessels. The results of this project have the potential to revolutionise the global shipping industry.
- Garic continued to lead the way with its award-winning eco-range which is helping customers to reduce the negative impact on the environment, whilst still providing market leading infrastructure solutions. Over 65% of Garic's fleet is now Eco/Hybrid, and the solar energy that this element of its fleet alone delivers daily is enough to power over 200 homes.
- Each subsidiary presents an environmental report to their board on an annual basis and our Streamlined Energy Carbon Reporting (SECR) is on pages 23-26.
- In 2021, Project Compass was initiated and includes a specific Environment 'Point'. Key initial areas of focus include taking group-wide measures to decarbonise our assets, projects to reduce single use plastics and a move towards 100% renewable energy at each of our sites.

Creating Safe Places

- Marine reported no Lost Time Injuries (LTIs) again in 2021, meaning no LTIs have been sustained on their WaveMaster vessels in the 1.5 million exposure hours to 31 December 2021 since operations began.
- Garic received a Gold RoSPA award for the third year running in recognition of its outstanding health and safety achievements.

Supporting Our Communities

- The Giving Something Back (GSB) Programme, now in its 15th year, supports employees to fundraise and volunteer for causes close to their hearts, including match funding support.
- In 2021, despite a reduction in the size of the group and, fundraising opportunities due to the Covid-19 pandemic, colleagues were still able to fundraise and donated over £65,600 (2020: £143,000) to charity. In September the Group ran its first central event since 2019, with 20 colleagues walking 25km through the Brecon Beacons, raising over £7,000 for various charities. In November BLG launched a group-wide fundraising campaign for Movember, raising over £7,500, and in December each business organised Christmas food and gift collections for local charities and families in need.

- In 2021, Project Compass was initiated and includes a specific Community 'Point'. Key initial areas of focus include; reigniting the Giving Something Back Programme to encourage colleague fundraising and event participation, including an increase in matched funding limits; allowing colleague paid leave to volunteer in communities through the new Donate a Day initiative; and building partnerships with local schools and colleges to support disadvantaged children better.

(e) The desire of the company to maintain a reputation for high standards of business conduct

The Bibby values provide an important guiding framework for decisions and actions.

The holding company board of directors ensures that appropriate processes are in place to recruit and employ suitably qualified and trained employees within each business as well as taking key decisions regarding investment for the future.

If issues are detected, the group board react quickly to support the business in seeking answers, working with external parties where specific expertise is required, and correcting as necessary.

The Audit and Risk Committee helps to ensure that high standards are maintained through its review of the application of corporate governance, corporate reporting, risk management, and internal control activities, led by the internal audit function. This includes overseeing the relationship with the group's external auditor.

Despite the group's reduction in size, meaning it no longer has to report on Corporate Governance, we remain committed to good corporate governance and choose to apply the Wates Corporate Governance Principles for large private companies. More detail of our approach can be found on pages 27-30.

(f) The need to act fairly as between members of the company

The group board of directors understands the need to act fairly between members of the company. We engage with our shareholders through a number of channels with examples including the annual report, annual review, AGM and trading updates, and are responsive to all questions from shareholders.

In 2021, the company made an offer to all shareholders to buy back their shares. Around 1.5% of shares were repurchased.

Key decisions in the year

We consider the key decisions to be those decisions taken by the board directly, which should not be delegated to either management or a committee of the board, and which may have a potentially material impact on the group's strategy, stakeholders or the long term value creation of the group. These key decisions can be grouped into the following categories:

- Review and approval of key judgements affecting the annual financial results
- Capital allocation (approval of the annual budget, subsidiary investment and disposal, and recommendation of interim or full year dividends)
- Material funding and treasury matters
- Tax strategy and governance
- M&A activity
- Review of matters reserved for the board (including appointment of new auditors)
- Material supplier and customer contracts
- Strategy review

Bibby Line Group Limited

Strategic Report

- Review of the group's three year operating plans
- Group statements and policies (including the approval of the group's modern slavery statement and gender pay gap report)

Approved by the board on 28 July 2022 and signed on its behalf by:

………………………………………………..

Jonathan Lewis

Director

Bibby Line Group Limited

Directors' Report

The Directors present their annual report and audited consolidated financial statements for the year ended 31 December 2021.

Directors of the Group:

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

Sir Michael Bibby Bt. DL – Chairman

Jonathan Lewis – Group Managing Director

David Anderson

Geoffrey Bibby

Directors' liabilities:

The company has made qualifying third party indemnity provisions for the benefit of its directors which were in place during the year and remain in force at the date of this report. Similar provisions are in place for directors of all subsidiaries within the group.

Group Results:

The group profit for the year after taxation amounts to £35.5m (2020: £25.9m loss).

After taking account of movements through the statement of changes in equity, total shareholders' funds have increased from £141.8m to £174.2m. A review of the group's pre-tax results is shown on pages 8-9.

Dividends

A FY21 interim dividend of £64.00 per ordinary share and £217.32 per A ordinary share was paid in January 2021.

A further FY21 interim dividend of £27.26 per ordinary share and £92.55 per A ordinary share was paid in August 2021.

No final dividend has been announced or will be paid in respect of FY21.

Going concern statement:

The Company has historically been financed by dividends from the trading subsidiaries, principally Bibby Financial Services. Each subsidiary business has external financing and there are no banking guarantees in place between the subsidiary businesses and the Company in respect of external financing. The Company does provide support to certain subsidiary businesses for capital expenditure, working capital, and, when appropriate, to fund losses. It has also provided support for the financing of the WaveMaster vessels. In these cases, formal loan agreements are put in place and draw-downs and repayments under those agreements are reflected in the cash flow forecasts. There are no contractual obligations to provide funding over and above the amounts defined within existing agreements. Requests for financial support from the subsidiary businesses are considered on a case-by-case basis, subject to strict business case criteria and as a minimum requiring the approval of the Group Managing Director.

Directors' Report

The directors have a reasonable expectation that BLG has adequate resources to continue in operational existence for a period of at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

In reaching this assessment the directors considered the financial statements, the group's budget, operating plan, the ongoing impact of Covid-19 and updated cash flow forecasts for a period of 12 months from the date of signing these financial statements. They have also considered the cash flow forecasts of the trading businesses for the same period. The completion of the disposal of the Costcutter business in February 2021, has significantly improved BLG's liquidity position, especially when coupled with the disposal of Bibby Distribution in December 2020. Additionally, further external financing was secured in 2021 in respect of the WaveMaster Horizon vessel which provided additional liquidity to BLG.

Based on this assessment the directors consider that the group maintains sufficient capital and liquidity to meet both the contractual requirements of the divisions and the requirements which might reasonably be expected to arise in a downside scenario. Taking into account reasonable potential changes in trading performance, the directors consider that BLG has sufficient liquidity to cover its forecast costs without need for dividends from its subsidiaries.

At 31 December 2021 the Company owed £15.5m (2020: £15.5m) to Bibby Financial Services Limited and £24.1m (2020: £24.1m) to Bibby Holdings Limited, both of which are repayable on demand. Both Bibby Financial Services Limited and Bibby Holdings Limited have confirmed there is no expectation that the loans will be called within the next 12 months.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies in Note 3b of the Financial Statements.

Matters included in the Strategic Report:

In accordance with s414C(11) of the Companies Act 2006, included within the Strategic Report is information relating to the future development of the business, charitable donations, and the financial instruments policies and risks of the business, which would otherwise be required by Schedule 7 of the 'Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 'to be contained in the Directors' report. Details of the principal activities, the FY21 business review and corporate responsibility are also included within the Strategic Report on pages 6-20.

The Strategic report, specifically the s172 statement, includes the following information:

i) how the directors have engaged with employees; and

ii) how the directors have had regard to employee interests, and the effect of that regard, including on the principal decisions taken by the group during the financial year.

The Strategic report also contains information on how the directors have had regard to the need to foster the group's business relationships with suppliers, clients and others, and the effect of that regard, including on the principal decisions taken by the group during the financial year.

Non-adjusting events after the financial period:

Dividends:

An FY22 interim dividend of £27.71 per ordinary share and £92.55 per A ordinary share was paid in January 2022 and a further FY22 interim dividend of £55.43 per Ordinary share and £185.10 per A Ordinary share was paid in July 2022.

Financial instruments:

As highlighted within the Strategic Report, policies are in place to effectively manage the financial risks, with the most significant considered to be liquidity risk, capital adequacy, finance cost risk and credit risk. In each case, the risk is managed by matching assets and liabilities on the relevant basis.

Disabled employees:

It is the policy of the group to ensure that all sections of the community have an equal opportunity in matters related to employment including giving full and fair consideration to applications for employment made by 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.

Research and development:

As highlighted on page 18, globally maritime transport accounts for 3.5% to 4% of all climate change emissions; mostly carbon dioxide. In 2021, Marine, in collaboration with other marine industry leaders, continued their WaveMaster Zero C project (see the SECR below for further details). The results of this project have the potential to revolutionise the global shipping industry.

Garic continues to develop its award-winning eco-range, which is helping customers to reduce the negative impact on the environment. The company has a dedicated in-house Research & Development team who research and develop innovative eco-focused products and continuously develop more energy efficient iterations of existing products. The Company's manufacturing facility is used to build, test and refine proto-type products in-house. The Research & Development team work closely with the sales team to ensure product development reflects evolving customer needs, reduces energy consumption and lowers harmful emissions. Over 65% of Garic's fleet is now Eco/Hybrid.

Streamlined Energy & Carbon Reporting:

The group recognises the impact climate change has on the environment and society and we are committed to reducing our energy consumption as well as our impact on the environment from our business operations.

This requires significant investment in our vessels, vehicles and offices and we have taken great strides to reduce our impact on the environment. Various programmes / initiatives have been introduced including Sustainable Business Futures, Garic eco ranges and WaveMaster Zero-C.

In 2021, Project Compass was established to bring greater focus to the shareholder strategic objectives, one of which is the Environment. The group remains committed to continuously improving its environmental performance and has launched Project Compass with a clear vision as noted below:

"We are committed to becoming an increasingly sustainable business, striving to minimise our own environmental impact and influencing positive change with our customers, colleagues & suppliers.

Our strategy to achieve this is:

1. **Be Responsible** – Measuring our current impact across our businesses and supply chains with a plan to improve our collective carbon footprint and GHG emissions and reduce our impact on the environment

2. **Be Responsive** – manage our environmental and reputational risk by monitoring and addressing risks across our businesses and our supply chains whilst educating our colleagues, clients and suppliers

3. **Be strategic** – Leveraging opportunity and increasingly investing in sustainable solutions putting environmental decisions front and centre of all commercial decision making to achieve these objectives

Each of our businesses are committed to this vision and are to develop a strong robust baseline to measure our carbon footprint individually and collectively and develop and implement plans.

Energy Efficiency actions

In the reporting period, BLG and its subsidiaries have continued to promote the efficient usage of energy and how this can be reduced. A highlight of some of the actions taken include:

- Marine has introduced various programmes and initiatives including Sustainable Business Futures, Route planning and WaveMaster Zero-C which is a project to evaluate five different alternative vessel fuels and a feasibility study reviewing the retrofitting of battery, hydrogen fuel cells and carbon capture technologies to existing vessels' power generation systems; simultaneously exploring ways to reduce our own Scope 1 emissions using alternative clean fuels to enable clean port calls e.g. HVO. The project was the main reason behind the team winning the Innovation Award at the Mersey Maritime Industry Awards in September 2021.
- A Marine project to replace fluorescent lighting with LED alternatives is lowering energy consumption on all vessels.
- Marine are working closely with their caterers on energy reduction measures and on board the WaveMaster vessels have so far reduced single use plastic by 65% and introduced 'No Moo Mondays', no longer serving any beef products on Mondays - which has a far greater impact on the environment than other food sources .
- All new Garic Euro 6 service HGVs are equipped with an automated engine idle system that will switch the engine off when left for a period of time, plus ongoing driver training programmes and education to reduce impact on the environment. Following the success of its eco range, Garic continues to research, develop and launch products that reduce both Garic and its customers' carbon footprint.
- BLG head office and Bibby Marine moved to a 100% renewable energy provider during 2021. All Garic depots and offices have moved to renewable, RIGO certified energy during 2021. The full benefit of which will mature in 2022. 18 BFS offices are now run on renewable energy, with the remaining offices putting plans in to switch or support carbon offsetting initiatives.
- Only Hybrid plugin / Electric vehicles are now available on all company car grouping levels and charge points for electric and hybrid vehicles are to be installed across the group. Salary sacrifice schemes that support colleagues to purchase green models are also in place within each company to encourage more colleagues to change from diesel or petrol.
- BFS Sustainable Business Futures team meet on a regular basis to discuss environmental subjects, raise awareness through campaigns and agree actions.

GHG Emissions and Usage

Emissions - continuing operations (CO_2e tonnes)		**2021**	**2020**
Gas	UK	-	0.4
	Non-UK	-	-
Electricity	UK	446	535
	Non-UK	113	947
Transport (owned)	UK	8,492	3,388
	Non-UK	11,957	13,950
Transport (business travel)	UK	68	79
	Non-UK	-	-
Total		21,076	18,899

Intensity ratio	**2021**	**2020**
Turnover (£1m)	195.59	194.14
CO_2e/£1m turnover	109.37	100.01

Energy consumption used to calculate the above emissions (kWh)		**2021**	**2020**
	UK	33,864,176	24,010,878
	Non-UK	45,240,331	47,643,013
	Total	79,104,507	71,653,891

NOTE: SECR-reportable scope 3 emissions for Marine only include business travel where the company purchased the fuel (category 6).

Costcutter left the group in February 2021 - both current and prior year data has been excluded from the tables above. Distribution left the group in December 2020 and has been excluded from prior year data.

During 2021, Marine acquired an additional vessel and all vessels worked at some point during 2021, increasing emissions. Emissions from the vessels owned by the Marine business account for 84.8% of the Group's total carbon emissions and 87.4% of owned transport emissions. The Directors recognise that this is an area which must be improved and is the key driver for the company initiating the WaveMaster Zero C Project; a feasibility study which started in October 2020. The project is led by Bibby Marine, in partnership with Damen Shipyards, Houlder, Lloyd's Register, ORE Catapult, and Square 5, with support from EFC Energy Solutions and Ricardo. MaRI-UK are providing grant funding to this project via the Clean Maritime Call grant fund.

The Zero C Project is now reaching its conclusion and is currently being evaluated, not only looking at the technical feasibility but also its safety, landside infrastructure requirements and environmental credentials, along with the commercial business case. The output will be a preference list of green fuels for new build SOVs as part of detailed recommendation report due out later in 2022.

Building on the success of The Zero C Project, Bibby Marine is now also working with partners on two related projects as part of the Department for Transport (DfT) Clean Maritime Demonstration Competition which is helping bring the due date of zero emission vessels within British waters and elsewhere ever closer.

Emissions from the vehicles operated by Garic account for a further 12.2% of the Group's total carbon emissions and 12.6% of owned transport emissions and, as highlighted above, Garic use Euro 6 service HGVs equipped with an automated engine idle system to reduce emissions and are monitoring the developments in alternative fuels for HGVs.

Methodology

The methodology used to calculate the SECR greenhouse gas emissions is the UK Government GHG conversion factors for Company Reporting 2021. In addition, electricity emissions use metered kWh consumption taken from supplier invoices or from energy brokers data. Transport emissions have been calculated from Fuel Card data and expense claims.

Statement of disclosure to the auditors:

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

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditors:

Mazars LLP have expressed their willingness to continue in office as auditors and a members' written resolution to reappoint them in accordance with the provisions of s.485 of the Companies Act 2006 will be proposed to the members by the directors.

Approved by the Board on 28 July 2022 and signed on its behalf by:

…………………………………………………..

Janine Al-Kazaz

Bibby Bros. & Co. (Management) Limited

Company Secretary

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

Bibby Line Group Limited

Statement of Corporate Governance Arrangements

Although we do not have to apply the Wates Principles for 2021, due to recent changes in our revenue and employee numbers, the company is committed to the principles of good corporate governance contained in the Wates Corporate Governance Principles for large private companies for the year ended 31 December 2021 and we continue to seek to apply the general principles, as set out below:

Purpose and leadership:

An effective board develops and promotes the purpose of a company, and ensures that its values, strategy and culture align with that purpose.

Founded in Liverpool in 1807, we are one of the UK's oldest family owned businesses, with over 200 years' experience of providing personal, responsive and flexible customer solutions.

As set out on page 6, our purpose is to grow the long-term value of the group. Guided by our shared values, we are custodians of the family business for future generations, creating a diverse group of innovative companies that develop colleagues, delight customers and give back to communities.

Our values are core to the way in which we do business. These are set out on page 6.

An overview of the group's strategy and our corporate strategic objectives are also set out on page 6.

Board composition:

Effective board composition requires an effective chair and a balance of skills, backgrounds, experience and knowledge, with individual directors having sufficient capacity to make a valuable contribution. The size of a board should be guided by the scale and complexity of the company.

The Board of Directors is set out on page 21. The overall size of the BLG board has been reduced in line with the reduced size and complexity of the group, whilst maintaining a balance of skills and experience. The group board recognised the importance of introducing specific independent industry experience and governance expertise to the subsidiary boards and in 2021 appointed a non-executive director to sit on the BFS board to provide relevant experience and challenge.

The role of the board is to work with management to review, challenge, and agree the strategy of the business, monitor progress against the strategy and review the mitigation of risks that may affect the execution of the strategy as well as decisions regarding allocation of equity within the Group. The board is collectively responsible for ensuring that the group is well governed and there is an appropriate portfolio of companies to spread risk effectively. It also reviews trading performance, funding facilities, talent management, and maintains oversight of the group's systems of risk management and internal control.

The non-executive directors are responsible for bringing independent scrutiny and judgement to bear on the decisions taken by the board. The group has a separate Chairman and Group Managing Director to ensure that the balance of responsibilities, accountabilities and decision making across the group are effectively maintained.

The schedule of matters reserved for the board includes the appointment of group directors or divisional chief executives, significant acquisitions, significant capital expenditure or leases, financial guarantees and bank facilities, and changes to Group accounting policies.

The BLG Board held seven board meetings during 2021, supplemented by regular executive team meetings, communication via email, and conversations between the executive and non-executive directors. During 2021 there was full attendance at all board meetings.

Statement of Corporate Governance Arrangements

During 2021, the subsidiary boards included at least one representative of the group holding company as a non-executive director, at least one of whom was an executive director of BLG. The Garic Board was chaired by the Group Managing Director and the Marine and BFS Boards were chaired by the Group Chairman. From 1 January 2022 the Group Managing Director took over as BFS Board Chair.

The group board is responsible for the appointment of the subsidiary Chief Executives who are granted significant autonomy as to how to run their business, with oversight from their subsidiary board. The group has cascaded the governance structure to the subsidiary boards providing clarity on decisions requiring subsidiary, and Group Board approval.

Directors' responsibilities:

The board and individual directors should have a clear understanding of their accountability and responsibilities. The board's policies and procedures should support effective decision-making and independent challenge.

The executive team is responsible for day to day management, with certain restrictions on their powers set out in the company's 'Matters reserved for board approval' schedule. The Group Managing Director, Jonathan Lewis, is the only Executive member of the Group Board.

There is one non-family non-executive director, David Anderson, who has been on the board since August 2012. He is considered to be wholly independent in that he has no business relationships with the company that might influence his independence or judgement.

We also have two family Directors, Sir Michael Bibby Bt. DL and Geoffrey Bibby. Geoffrey Bibby represents the interests of the major shareholders, and Sir Michael Bibby Bt. DL, acting as Chairman, represents the interests of all shareholders.

Each board member has a clear understanding of their accountabilities and responsibilities. The board receives a monthly performance report which contains key commercial and operational performance reporting, financial information and KPIs. The performance report facilitates board discussion and engagement on key issues.

Of the seven board meetings held in 2021, there were five board meetings with broad agendas, one board meeting focussed on assessing an investment proposal, one board meeting that was designated as a Strategy Day to focus on both the group and divisional strategies and an annual two day meeting that predominantly focused on the review of the group and divisional operating plans.

Certain governance responsibilities are delegated to the Audit and Risk Committee and Remuneration Committee. The Audit and Risk Committee's purpose is set out below and the Remuneration Committee's purpose is set out below.

The Audit and Risk Committee's purpose is to review the application of corporate governance, corporate reporting, risk management, and internal control principles within BLG and advise the group board on such matters. The Audit and Risk Committee also oversees the group's relationship with the group's external auditor.

The Audit and Risk Committee members are the non-executive directors of the company (apart from the Chairman), who are considered to have appropriate financial expertise. During 2021, the Chairman, external auditor, Group Managing Director, Director of Group Finance & Tax and Group Head of Internal Audit were invited to attend meetings of the committee as required.

During 2021 the committee met five times, in line with the company's financial reporting cycle. There was full attendance by the committee members at all of the meetings. The Audit and Risk Committee reviewed the work of internal audit within BLG and met with the external auditors to review the completion of the 2020 statutory audit, confirm independence of the auditors and planning for the 2021 statutory audit.

The Audit and Risk Committee continually reviews the form of the Annual Report to ensure that it accurately meets the needs of its recipients, whilst at the same time properly reflects the group's status as a private company.

The Audit and Risk Committee has set guidelines for the pre-approval of all non-audit services to be provided by the external auditors. The committee reviewed the external audit fee arrangements and concluded that they are appropriate.

The Group Chair of the Audit & Risk Committee was temporarily appointed as Chair of the BFS Audit Committee in March 2021 until an independent non-executive director could be appointed to the BFS board. The Group Chair of the Audit & Risk Committee was invited to continue to attend the BFS Audit Committee meetings during 2021.

Opportunity and risk:

A board should promote the long-term sustainable success of the company by identifying opportunities to create and preserve value and establishing oversight for the identification and mitigation of risks.

Long-term strategic opportunities are captured in the annual Strategy Day and the annual group operating plan process which is presented to the group board every year and covers a three year horizon. Short-term opportunities to improve performance, resilience and liquidity are captured through monthly and quarterly performance review meetings with each business, which in 2021 was attended by the Group Managing Director.

Our Principal Risks and Uncertainties are detailed on pages 14-15. These are monitored and managed through the quarterly performance review meetings with each business and are reported to the BLG group Audit & Risk Committee.

Remuneration:

A board should promote executive remuneration structures aligned to the long-term sustainable success of a company, taking into account pay and conditions elsewhere in the company.

The board delegates responsibility for the remuneration of holding company executive directors, any subsidiary business Chief Executive Officer, and other senior managers with salary over a certain level to the Remuneration Committee.

The Remuneration Committee's purpose and guiding principles is to review and approve the remuneration (including all salary, bonus and other benefits) of the holding company executive directors, any subsidiary business Chief Executive Officer, and other senior managers with salary over a certain level. The members of the Remuneration Committee are the non-executive directors of the company, except the Chairman. During 2021 the Group Managing Director and Group HR Director were in attendance at each Remuneration Committee meeting, and the Chairman was also invited to attend.

The Remuneration Committee met four times during 2021. There was full attendance throughout the year.

In determining these remuneration packages, the committee has regard to:

- the importance of recruiting and retaining management of the quality required;
- aligning the objectives of management with those of the shareholders; and

- giving every encouragement to enhancing the group's performance through innovation and achievement in the very competitive markets in which the group operates.

All executive directors have service contracts with the company which are terminable within six months by either party. Details of Company only director remuneration is given in note 12 to the financial statements.

The group operates a long-term incentive plan for the executive directors of the group board, senior employees in the central team and certain executive directors and key employees of the main operating subsidiaries.

Stakeholder relationships and engagement:

Directors should foster effective stakeholder relationships aligned to the company's purpose. The board is responsible for overseeing meaningful engagement with stakeholders, including the workforce, and having regard to their views when taking decisions.

The group is committed to being a responsible organisation, including minimising environmental impact, creating safe places for our people to work and develop, while supporting our communities, as explained in our s.172 Statement on pages 16-20.

As also described on pages 16-20, the group continually develops effective employee communication, consultation and involvement. Colleague engagement surveys are completed in all businesses with the results and related actions being reviewed at the quarterly performance reviews.

The group's businesses use external Net Promotor Scores, Trustpilot ratings or similar tools to support strong service level provision to their customers.

The group communicates openly with the BLG Pension Trustee Board, providing trading updates not less than twice a year.

2022 Changes to Governance Arrangements

The Group Head of Internal Audit left the business at the end of February 2022. With effect from 1 March 2022, PwC have been appointed to provide internal audit services to the Group and its subsidiaries and with effect from 23 May 2022 a Risk & Assurance Manager joined the Group to oversee the group risk management processes.

David Anderson, in his role as senior independent NED will hold annual meetings with the Trustees of the Bibby Family Trusts, which make up the majority shareholder of the Bibby Line Group. The first of these meetings took place in March 2022.

As the Group delivers new growth the Board will review its composition and decide whether further skills and experience are required.

Directors' Responsibilities Statement

For the year ended 31 December 2021

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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 will continue in business.

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

Independent Auditor's Report to the members of Bibby Line Group Limited

For the year ended 31 December 2021

Opinion

We have audited the financial statements of Bibby Line Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise consolidated profit and loss account, consolidated statement of comprehensive income, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity, consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Independent Auditor's Report to the members of Bibby Line Group Limited

For the year ended 31 December 2021

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 31, 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 the 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. Based on our understanding of the group and the parent company, and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries, management bias through judgements and assumptions in significant accounting estimates.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations.

- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

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

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

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

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

Use of the audit report

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

Tim Hudson

*Tim Hudson (*Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

One St Peter's Square, Manchester

28 July 2022

Bibby Line Group Limited

Consolidated Profit and Loss Account
For the year ended 31 December 2021

	Note	Continuing Operations £000	Discontinued Operations £000	Total 2021 £000	Continuing Operations £000	Discontinued Operations £000	Total 2020 £000
Turnover	5	195,599	64,025	259,624	194,135	638,392	832,527
Cost of sales		(165,506)	(60,196)	(225,702)	(175,348)	(582,828)	(758,176)
Gross profit		30,093	3,829	33,922	18,787	55,564	74,351
Administrative expenses		(23,721)	(4,596)	(28,317)	(32,155)	(52,022)	(84,177)
Other operating income	6	386	71	457	1,628	1,828	3,456
Operating profit/(loss) before exceptional items		6,758	(696)	6,062	(11,740)	5,370	(6,370)
Exceptional items	9	(3,005)	-	(3,005)	(31,998)	(61)	(32,059)
Operating profit/(loss)		3,753	(696)	3,057	(43,738)	5,309	(38,429)
Profit/(loss) on disposal of fixed assets	8	100	35	135	(208)	51	(157)
Profit on disposal of subsidiaries	8	-	30,389	30,389	-	15,760	15,760
Profit/(loss) on ordinary activities before interest		3,853	29,728	33,581	(43,946)	21,120	(22,826)
Finance cost (net)	7	(2,544)	(112)	(2,656)	856	(4,622)	(3,766)
Profit/(loss) on ordinary activities before taxation		1,309	29,616	30,925	(43,090)	16,498	(26,592)
Taxation on loss on ordinary activities	13	4,613	-	4,613	749	(90)	659
Profit/(loss) for the financial year		5,922	29,616	35,538	(42,341)	16,408	(25,933)

Bibby Line Group Limited

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2021

	Note	2021 £000	2020 £000
Profit/(loss) for the financial year		**35,538**	**(25,933)**
Remeasurement of net defined benefit on pension liabilities	29	2,529	(1,692)
Currency translation difference on foreign currency net investments		(2,360)	1,619
Deferred tax credit on remeasurement of the defined benefit pension scheme		(632)	321
Total comprehensive income/(expense) for the year		**35,075**	**(25,685)**
Total comprehensive income/(expense) for the year attributable to:			
Equity shareholders of the Company		**35,075**	**(25,685)**

Bibby Line Group Limited

Consolidated Balance Sheet
As at 31 December 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	15	4,591	11,262
Tangible assets	16	99,492	120,611
Investments	14	-	149
		104,083	132,022
Current assets			
Stock	17	1,710	2,971
Debtors	18	938,950	898,001
Cash and cash equivalents		73,852	103,604
		1,014,512	1,004,576
Creditors: Amounts falling due within one year	19	(250,568)	(526,175)
Net current assets		763,944	478,401
Total assets less current liabilities		868,027	610,423
Creditors: Amounts falling due after more than one year	20	(693,589)	(463,855)
Provisions for liabilities and charges	22	(1,717)	(2,202)
Net Assets excluding pension asset		172,721	144,366
Pension asset	29	1,706	-
Pension liability	29	(226)	(2,581)
Net assets		174,201	141,785
Capital and reserves:			
Called-up share capital	24	17,708	18,005
Other reserves		572	275
Profit and loss account		155,921	123,505
Total shareholders' funds		174,201	141,785

The financial statements of Bibby Line Group Limited (registered number: 00034121) were approved by the board of directors and authorised for issue on 28 July 2022. They were signed on its behalf by:

Jonathan Lewis

Director

Bibby Line Group Limited

Company Balance Sheet

As at 31 December 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	16	174	215
Investments	14	67,600	67,600
		67,774	67,815
Current assets			
Debtors	18	29,530	50,219
Cash at bank and in hand		19,071	13,907
		48,601	64,126
Creditors: amounts falling due within one year	19	(44,904)	(51,279)
Net current assets		3,697	12,847
Total assets less current liabilities		71,471	80,662
Creditors: amounts falling due after more than one year	20	(154)	(154)
Provisions for liabilities and charges	22	(423)	(701)
Net Assets excluding pension asset		70,894	79,807
Pension asset	29	1,706	-
Pension liability	29	(226)	(2,581)
Net assets		72,374	77,226
Capital and reserves:			
Called-up share capital	24	17,708	18,005
Capital redemption reserve		572	275
Profit and loss account		54,094	58,946
Total shareholders' funds		72,374	77,226

The company has not presented its own profit and loss account as permitted by Section 408 of the Companies Act 2006.

The company has made a loss for the financial year of £4,093,000 (2020: £5,546,000 profit).

The financial statements of Bibby Line Group Limited (registered number 00034121) were approved by the board of directors and authorised for issue on 28 July 2022. They were signed on its behalf by:

Jonathan Lewis

Director

Bibby Line Group Limited

Consolidated Statement of Changes in Equity

	Called-up share capital £000	Capital redemption £000	Profit and loss account £000	Total £000
At 1 January 2021	18,005	275	123,505	141,785
Profit for the financial year	-	-	35,538	35,538
Currency translation differences	-	-	(2,360)	(2,360)
Share buy back	(297)	297	(985)	(985)
Remeasurement of net defined benefit pension liabilities (note 29)	-	-	2,529	2,529
Tax relating to items of other comprehensive income	-	-	(632)	(632)
Total comprehensive income	17,708	572	157,595	175,875
Dividends paid on equity shares (note 25)	-	-	(1,674)	(1,674)
At 31 December 2021	17,708	572	155,921	174,201

	Called-up share capital £000	Capital redemption £000	Profit and loss account £000	Total £000
At 1 January 2020	18,005	275	149,190	167,470
Loss for the financial year	-	-	(25,933)	(25,933)
Currency translation differences	-	-	1,619	1,619
Remeasurement of net defined benefit pension liabilities (note 29)	-	-	(1,692)	(1,692)
Tax relating to items of other comprehensive income	-	-	321	321
Total comprehensive expense	-	-	(25,685)	(25,685)
At 31 December 2020	18,005	275	123,505	141,785

Bibby Line Group Limited

Company Statement of Changes in Equity

	Called-up share capital £000	Capital redemption £000	Profit and loss account £000	Total £000
At 1 January 2021	18,005	275	58,946	77,226
Loss for the financial year	-	-	(4,090)	(4,090)
Share buy back	(297)	297	(985)	(985)
Remeasurement of net defined benefit pension liabilities	-	-	2,529	2,529
Tax relating to items of other comprehensive income	-	-	(632)	(632)
Total comprehensive income	17,708	572	55,768	74,048
Dividends paid on equity shares (note 25)	-	-	(1,674)	(1,674)
At 31 December 2021	17,708	572	54,094	72,374

	Called-up share capital £000	Capital redemption £000	Profit and loss account £000	Total £000
At 1 January 2020	18,005	275	54,771	73,051
Profit for the financial year	-	-	5,546	5,546
Remeasurement of net defined benefit pension liabilities	-	-	(1,692)	(1,692)
Tax relating to items of other comprehensive income	-	-	321	321
Total comprehensive income	-	-	4,175	4,175
At 31 December 2020	18,005	275	58,946	77,226

Bibby Line Group Limited

Consolidated Cash Flow Statement

For the year ended 31 December 2021

	Note	2021 £000	2021 £000	2020 £000	2020 £000
Net cash inflow/(outflow) from non-financial services operating activities	26		8,498		24,987
Net cash inflow/(outflow) from financial services operating activities	26		(118,737)		238,234
Net cash flows from operating activities			(110,239)		263,221
Cash flows from investing activities					
Purchase of tangible and intangible fixed assets		(7,530)		(13,853)	
Proceeds on sale of tangible fixed assets		1,154		1,716	
Interest received		253		353	
Disposal of a subsidiary		16,259		45,599	
Net cash flows from investing activities			10,136		33,815
Cash flows from financing activities					
Equity dividends		(1,674)		-	
Dividends paid on preference shares		(15)		(15)	
Interest paid		(2,232)		(3,747)	
Proceeds from draw down of existing borrowing facilities (Repayment of amounts borrowed)		84,520		(275,772)	
Capital element of hire purchase and finance lease payments		(2,507)		(2,505)	
New loans		8,004		3,000	
New hire purchase and finance lease agreements		-		2,159	
Net cash flows from financing activities			86,096		(276,880)
Net increase in cash and cash equivalents			(14,007)		20,156
Cash and cash equivalents at beginning of year			91,617		71,778
Non-cash items			(10,230)		(2,825)
Effect of foreign exchange rate changes			(3,799)		2,508
Cash and cash equivalents at end of year	28		63,581		91,617

Given the Group contains a significant financial services entity the cashflow presented needs to incorporate both presentations. As a result readers may wish to review the financial statements of Bibby Financial Services Limited which are available from Companies House or their registered office of 3rd Floor Walker House, Exchange Flags, Liverpool, L3 3YL.

1. General information

Bibby Line Group Limited ('the company') and its subsidiaries (together 'the group') provides invoice finance, asset finance, trade finance and foreign exchange services to small and medium sized businesses, marine assets and services, construction equipment sales and hire. The company is a private company limited by shares and is incorporated in England. The address of its registered office is 3rd Floor, Walker House, Exchange Flags, Liverpool, L2 3YL.

2. Statement of compliance

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

3. Summary of significant accounting policies

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

a. Basis of preparation

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group and company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4. The company has taken advantage of the exemption in section 408 of the Companies Act from presenting its individual profit and loss account.

b. Going concern

The Group meets its day-to-day working capital requirements through its bank facilities. The Group's forecasts and projections, taking account of possible changes in trading performance, show that the Group should be able to operate within the level of its current facilities. After challenging the forecasts including assessing the impact of possible downside scenarios, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements. The reasons for the appropriateness of this assumption are in the Directors' Report on pages 21-22.

3. Summary of significant accounting policies (continued)

c. Exemptions for qualifying entities under FRS102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions. The company has taken advantage of the following exemptions in its individual financial statements: from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows; from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7.

d. Basis of consolidation

The group consolidated financial statements include the financial statements of the company and all of its subsidiary undertakings together with the group's share of the results of associates made up to 31 December. A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary. Where a subsidiary has different accounting policies to the group, adjustments are made to those subsidiary financial statements to apply the group's accounting policies when preparing the consolidated financial statements. An associate is an entity, being neither a subsidiary nor a joint venture, in which the group holds a long-term interest and where the group has significant influence.

The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting. Any subsidiary undertakings or associates sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively. Where control of a subsidiary is lost, the gain or loss is recognised in the consolidated income statement. The cumulative amounts of any exchange differences on translation, recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings. The gain or loss also includes amounts included in other comprehensive income that are required to be reclassified to profit or loss but excludes those amounts that are not required to be reclassified.

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

e. Foreign currency

i. Functional and presentation currency

The group financial statements are presented in pound sterling and rounded to thousands. The company's functional and presentation currency is the pound sterling.

3. Summary of significant accounting policies (continued)

e. Foreign currency (continued)

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance cost (net)'. All other foreign exchange gains and losses are presented in the profit and loss account within 'administration expenses'.

iii. Translation

The trading results of group undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year-end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'total comprehensive income/expense' and allocated to non-controlling interest as appropriate.

f. Revenue recognition

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

i. Sale or service of products and assets

Sales of goods and services are recognised by the group on sale to the customer by delivery or collection, which is considered the point of delivery at which point the risks and reward of ownership transfer to the customer.

ii. Financial services

Turnover arises from asset based lending and financial services to clients, representing service charges, discount income and other charges. Service and other income is measured at the fair value of consideration received or receivable and is recognised when services are delivered, when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the entity. Discount income on financial assets that are classified as loans and receivables (including trade debtors and finance

3. Summary of significant accounting policies (continued)

f. Revenue recognition (continued)

ii. Financial services (continued)

lease receivables) is determined using the effective interest method. Effective interest when applied against a financial asset, is a method of calculating the amortised cost of a financial asset and allocating the

interest income over the expected life of the asset. The effective interest rate is the rate that exactly discounts estimated future cash flows to the instruments initial carrying value. Turnover in relation to foreign exchange services provided to customers is the net value of currencies bought and sold and net income from derivatives and is recognised at the trade date.

iii. Income from marine vessel hire

Revenue is recognised on a time accrual basis. 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.

iv. Interest income

Interest income is recognised using the effective interest rate method.

v. Dividend income

Dividend income is recognised when the right to receive payment is established.

g. Exceptional items

The group classifies certain one-off charges or credits that have a material impact on the group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the group.

h. Employee benefits

The group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

i. Short term benefits

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

ii. Defined contributory pension schemes

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

iii. Defined benefit pension plans

The group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

3. Summary of significant accounting policies (continued)

h. Employee benefits (continued)

iii. Defined benefit pension plans (continued)

The asset and/or liability is recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'remeasurement of net defined benefit on pension liabilities'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises: (a) the increase in pension benefit liability arising from employee service during the period; and (b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as 'finance cost (net)'.

The group also 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. These have been recognised in the pension liability on the balance sheet. This provision will unwind as contributions are paid and will increase if a revised, increased, schedule of contributions is agreed with the MNOPF.

iv. Annual bonus plan

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

v. Long term incentive plans

The group operates cash-settled long term incentive plans at an operating business level for certain members of management. The plans are based on the business's performance over a three year period against budget on a variety of measures, including revenue growth, an adjusted operating profit measure, cash targets and an individual's personal targets in developing the business. A liability for the plan is raised on the estimated amount payable in terms of the incentive scheme plans.

3. Summary of significant accounting policies (continued)

i. Government grants

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

Government grants relating to the Coronavirus Job Retention Scheme (CJRS) are presented separately in the statement of comprehensive income within “other operating income”.

j. Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax

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

ii. Deferred tax

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

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

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

k. Business combinations and goodwill

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

3. Summary of significant accounting policies (continued)

k. Business combinations and goodwill (continued)

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

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

Where the terms of an acquisition give rise to consideration payable on a future date and contingent on the uncertain future performance of the entity acquired, the financial statements contain the directors' best estimate of the fair value of the future liability to the extent that it can be measured reliably. The liability will be revised as further and more certain information becomes available and any changes made against goodwill.

Goodwill is amortised over its expected useful life which is currently estimated to be between 4 and 20 years. Goodwill is assessed for impairment when there are indicators of impairment, and any impairment is charged to the income statement. No reversals of impairment are recognised.

l. Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software and development - 5-10 years

Amortisation is included in 'administrative expenses' in the profit and loss account. Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances.

The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

3. Summary of significant accounting policies (continued)

l. Intangible assets (continued)

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

m. Tangible assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

i. Land & buildings

Land and buildings include freehold and leasehold offices. Land and buildings are stated at cost (or deemed cost for land and buildings held at valuation at the date of transition to FRS 102) less accumulated depreciation and accumulated impairment losses.

ii. Plant and machinery and fixtures, fittings, tools and equipment

Plant and machinery and fixtures, fittings, tools and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

iii. Dry dock costs

Dry dock costs comprising non-enhancement costs for vessels associated with their periodic dry docking are written off in the year in which the dry dock takes place. Enhancement costs are capitalised and depreciated over the useful life of the enhancement.

iv. Depreciation and residual values

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- Freehold buildings – 50 years
- Long leasehold land and buildings – 50 years
- Short leasehold land and buildings – The life of the lease
- Fleet – Varying rates between 5 and 25 years
- Vehicles and equipment – Varying rates between 3 and 10 years

v. Subsequent additions and major components

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

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

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

3. Summary of significant accounting policies (continued)

m. Tangible assets (continued)

vi. Assets in the course of construction

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

vii. Derecognition

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

n. Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

o. Leased assets

At inception the group assesses agreements that transfer the right to use assets.

The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

i. Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

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

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date. The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

ii. Operating leased assets

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

iii. Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

3. Summary of significant accounting policies (continued)

o. Leased assets (continued)

iv. Leased assets where the group is lessor

Assets leased to customers which transfer substantially all the risks and rewards of ownership to the customer are classified as finance leases and are recorded within debtors. The net investment in finance leases represents total minimum payments less gross earnings allocated to future periods.

v. Operating leased assets where the group is lessor

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.

p. Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit). The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit's) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk- free rate and the risks inherent in the asset.

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

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

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

q. Investments - company

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

3. Summary of significant accounting policies (continued)

r. Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to sell. Inventories are recognised as an expense in the period in which the related revenue is recognised. Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition. At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

s. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

t. Provisions and contingencies

i. Provisions

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

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

ii. Contingencies

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

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

u. Financial instruments

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

i. Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

3. Summary of significant accounting policies (continued)

u. Financial instruments (continued)

i. Financial assets (continued)

Such assets are subsequently carried at amortised cost using the effective interest method.

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

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except those investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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

ii. Financial liabilities

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are

3. Summary of significant accounting policies (continued)

u. Financial instruments (continued)

ii. Financial liabilities (continued)

recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii. Offsetting

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

iv. Hedging arrangements

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk arising in relation to foreign denominated sales invoices. The Company does not hold or issue derivative financial instruments for speculative purposes.

Derivative financial instruments are initially recognised at fair value at the date the derivative contract is entered into and are subsequently re-measured to fair value at each reporting date. The resulting gain or loss is recognised in profit or loss.

v. Share capital

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

w. Distributions to equity holders

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

x. Related party transactions

The group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the group financial statements.

4. Critical accounting judgements and estimation uncertainty

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

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

Viability of Subsidiaries (judgement)

In the course of preparing its financial statements, the Group considers whether events or conditions exist that may cast significant doubt upon the ongoing viability of the trading subsidiaries. This judgement is made as it is these trading businesses that will allow the group to achieve its long term objectives and forms the fundamental basis for the other key accounting estimates and judgements noted below. Management has assessed whether such conditions exist at a business subsidiary level and in particular within the Financial Services business as a key driver of the net asset value of the group. After detailed consideration of the business operating plans, including the associated execution risks offset by the mitigating actions available to the businesses and Group, it has been concluded that the judgement of ongoing viability of subsidiaries remains appropriate.

At a Company only level, an annual investment impairment review is undertaken to determine whether there are indications of impairment to the carrying value of either the company only investments in subsidiaries or the inter-company loans.

Revenue recognition (Judgement)

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

Finance lease cost (Judgement and Estimate)

The Group has applied an asset life of 20 years to the vessel, Bibby WaveMaster Horizon, which is recognised as a finance leased fixed asset. The finance lease is for a period of ten years, with a nominal consideration of €1 to repurchase the vessel at the end of the lease term. The vessel is being treated as a fixed asset with a life of 20 years as in the judgement of the Directors, it is highly likely that the option to repurchase the vessel will be exercised, given that the asset is expected to be operational for 20 years.

Assessment of the impairment of Bibby Financial Services' financial assets (judgement and estimate)

In considering indications of impairment of financial assets the Bibby Financial Services ("BFS") Directors consider a number of qualitative and quantitative factors including but not limited to: client advance ratios; client recourse arrangements; receivables lending verification coverage; ordinary client commercial variation risk impacting on receivables measurement; valuation of client security; general debtor days, and other market led intelligence. Given the specialised nature of the company's activities and its application of FRS 102 Section 34, information about the credit quality of its financial assets is contained within note 21 Financial instruments and risk management.

In setting the level of impairment provisions management is required to estimate the level and timing of cash recoverable from collect-outs, realisation of security, payment plans, corporate and personal insolvencies, and other legal actions. A case by case assessment is carried out of all loans with incurred losses and an assessment made of the quantum and timing of likely cash recoveries based on the facts and

4. Critical accounting judgements and estimation uncertainty (continued)

circumstances of each case and on significant past experiences of the Group. The timing of the expected cash flows impacts the level of discounting that occurs in reflecting the time value of money.

There is particular complexity and judgement around the level of provision required when a debtor is in arrears and enters into collect out (the process of recovering delinquent debt). The Group assesses debtors in collect out on a case-by-case basis, in terms of the expected amount that will be recovered, and the timeframe to recover the monies, which require to be discounted to reflect the time value of money. There has been no change in the methodology used to assess expected recoveries in the period.

At the balance sheet date, non-performing trade debtors and finance lease receivables totalled £30.4m (2020: £56.9m), against which impairment provisions totalled £25.0m (2020: £27.6m). See Note 21 for further details. A 10% change in the expected level of collection from debtors in collect out at year end would result in an increase / decrease of £2.5m (2020: £2.7m) in the level of required provision. If the collect out process takes on average 6 months less or longer than the Group's assumption there would be a circa £0.4m (2020: £0.4m) decrease in the level of provision required.

Cost capitalisation and setting useful economic lives of intangible fixed assets (judgement)

BFS apply the recognition criteria in paragraph 2.27 of FRS 102 in determining whether to recognise an intangible asset. Therefore, BFS recognise an intangible asset as an asset if:

(a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and

(b) the cost or value of the asset can be measured reliably.

BFS software and development costs reflect investment in technological systems and advancements, the economic benefits of which the Directors believe will be realised over their useful economic life. Amounts capitalised in internally generated intangible assets comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management, which includes costs of materials and services used or consumed in generating the intangible asset, and costs of employee benefits arising from the generation of the intangible asset. There is judgement in determining the type and amount of internal costs to capitalise. At the balance sheet date internal staff costs of circa £5.5m (2020: £5.5m) are capitalised within intangible assets. The Directors also consider that the amortisation policies for software and development costs will reflect the period of benefit from intended use after reflecting further possible technological advancement and market conditions. There is particular subjectivity in assessing the useful life of intangible assets given the Group's ongoing investment programme to respond to the evolving nature of the technology required to serve the business's future needs.

During 2020 BFS impaired its intangible assets by £20.3m following a review of its technology investment strategy, under which we would anticipate a significantly lower level of internal staff capitalisation going forward. In addition, BFS also impaired £1.0m in 2020 in relation to software assets following the wind down of Coverly Limited. The book value of intangibles at the end of 2021 was £4.3m (2020: £11.1m).

Transaction costs relating to lease assets (judgement)

The net investment in the BFS' finance leases includes initial direct costs which are incremental to the origination of the finance leases. These costs, which also include an element of internal staff costs, are amortised over the life of the finance lease receivable. There is particular complexity and judgement

4. Critical accounting judgements and estimation uncertainty (continued)

around determining which costs are directly attributable to the origination of a financial asset, in particular the amount of internal staff costs that are directly attributable to the origination of assets. BFS currently capitalises a significant element of staff costs within its leasing business as they believe these represent costs that are incremental and directly attributable to the negotiating and arranging of leases. At the balance sheet date, the other debtors balance includes internal costs of £2.7m (2020: £2.8m) which are deferred for amortisation over the term of the leases, which typically extend up to five years. During the year £1.2m (2020: £1.4m) of costs were capitalised.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Garic useful economic lives of tangible assets (judgement and estimate)

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

Changes in the useful economic life of assets are accounted for by amending the prospective useful economic life and the annual depreciation charge over the remaining useful life of the asset.

Marine Asset residual values (estimate)

The carrying value of the Group's vessels may not represent their fair market value at any point in time since the market prices of second-hand vessels tends to fluctuate with changes in market conditions which tend to be cyclical. The Group evaluates the carrying amounts and periods over which long-lived assets are depreciated to determine if events have occurred which would require modification to their carrying values or useful lives.

These assessments are made at an individual vessel level since separately identifiable cash flow information for each vessel is available. These assumptions are based on historical trends as well as future expectations. The key assumptions relate to future earnings and the discount rate applied to the future cash flows. Rates currently in effect for the duration of existing contracts are used. For future periods not covered by an existing contract management estimate charter rates using a number of indicators, including management's view of the cyclicality of shipping markets. The carrying value of the property, plant and equipment within the Marine business at 31 December 2021 is £65.4m (2020: £73.5m).

Pensions (estimate)

The financial statements include an estimate of the net liability in respect of the BLG Pension Scheme defined benefit obligation. This has been calculated in accordance with the requirements of FRS 102 by a qualified actuary using the projected unit method. The assumptions used in this calculation were selected by the directors based on actuarial advice as the current best estimate of the components of the calculation, however, the net liability recognised is sensitive to these assumptions and note 27 includes the impact of changes in these assumptions.

4. Critical accounting judgements and estimation uncertainty (continued)

Discontinued operations (judgement and estimate)

Under FRS 102 in order for a business to be disclosed as discontinued, the business must have been disposed of by the balance sheet date. Entities that have ceased to trade but have yet to be liquidated/wound up or are immaterial to the Group results are not included in discontinued operations. In these accounts the Costcutter business is included within discontinued operations. Discontinued operations are reflected within a separate column on the face of the Group Profit & Loss Account. The profit on disposal of discontinued operations is included within note 6.

5. Analysis by class of business and geographical market

		2021			2020	
	UK	Rest of world	Total	UK	Rest of world	Total
	£000	£000	£000	£000	£000	£000
Turnover						
Financial Services	88,610	43,825	132,435	92,187	43,342	135,529
Garic	37,284	-	37,284	34,639	-	34,639
Marine	7,957	17,923	25,880	-	23,967	23,967
Continuing operations	133,851	61,748	195,599	126,826	67,309	194,135
Discontinued operations						
Retail	64,015	10	64,025	482,729	91	482,820
Contract Distribution	-	-	-	145,764	5,161	150,925
Marine - Hydromap	-	-	-	1,624	-	1,624
Financial Services – North America	-	-	-	-	3,023	3,023
Total	197,866	61,758	259,624	756,944	75,583	832,527

6. Other operating income

	2021	2020
	£000	£000
Amounts received under the CJRS	71	3,070
Other	386	386
	457	3,456

7. Finance costs (net)

	2021 £000	2020 £000
Interest receivable and similar income		
Other interest receivable	13	339
	13	339
Interest payable and similar expenses		
On bank loans, overdrafts and other secured loans	(1,165)	(1,909)
HP and finance leases	(1,409)	(1,653)
On other debt financing	(59)	(477)
Exchange difference on foreign borrowings	-	-
Net interest cost on defined benefit pension liability	(21)	(51)
On £100 preference shares at 9.75% of nominal value	(15)	(15)
	(2,669)	(4,105)
Finance cost (net)	(2,656)	(3,766)

In addition, interest payable by the BFS business is included in the Group Profit and Loss Account within cost of sales. The amount charged in the year was:

	2021 £000	2020 £000
On bank loans and overdrafts	20,934	25,016

8. Profit on disposal

	2021 £000	2020 £000
Profit/(loss) on disposal of fixed assets		
Profit on disposal of tangible fixed assets	135	(157)
The net tax effect of the above transaction is a tax charge/(credit) of	26	(30)
Profit on disposal of subsidiaries	30,389	15,760
The net tax effect of the above transaction is a tax charge of	-	-

The profit on disposal of subsidiaries in the current year mainly relates to the disposal of Costcutter.

On 11 February 2021, Bibby Line Group completed the sale of the subsidiary, realising a profit on disposal of £30.1m including transaction costs on a consolidated basis.

On 1 March 2021 Bibby Financial Services received deferred consideration of £0.3m relating to the previous disposal of its North American business.

8. Profit on disposal (continued)

In 2020 the gain on disposal comprised of:

a) **Disposal of Contract Distribution operations**
On 11 December 2020, Bibby Line Group completed the sale of the subsidiary group, realising a profit on disposal of £17.1m including transaction costs. Key management personnel within the Contract Distribution business received share based payments totalling £0.7m as part of completion of the transaction.

b) **Disposal of BFS North American operations**
On 29 February 2020, BFS completed the sale of its North America business, Bibby Financial Services (Holdings), Inc. BFS recorded a £1.7m loss on disposal including transaction costs.

c) **HydroMap Administration**
A consolidated gain of £0.1m relates to the Hydrographic survey division arising from the appointment of Administrators to Bibby Hydromap Limited on 3 April 2020. The gain reflects the write off of the remaining balance sheet items net of previous impairments at 31 December 2019 and recognition of anticipated distributions from the Administrator.

9. Exceptional items

	Continuing Operations	Discontinued Operations	Total 2021	Continuing Operations	Discontinued Operations	Total 2020
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Exceptional items	(3,005)	-	(3,005)	(31,998)	(61)	(32,059)

Exceptional items in both years largely relate to BFS £3.0m (2020: £31.4m), with the balance in prior year largely head office restructuring costs.

Notes to the Financial Statements
For the year ended 31 December 2021

10. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting) the following amount:

	2021 £000	2020 £000
Depreciation – owned tangible fixed assets (see note 16)	11,967	15,224
Depreciation – leased tangible fixed assets (see note 16)	1,986	3,201
Amortisation of intangible fixed assets (see note 15)	6,974	13,948
Foreign exchange losses	(1,471)	(331)
(Profit) / loss on disposal of fixed assets	(135)	157
Charitable donations	45	84
Operating lease costs:		
Plant and machinery	4,700	9,766
Other	1,950	8,987
Fees payable to the group's auditors for:		
- the audit of the company's current year accounts	150	130
- the audit of the company's subsidiaries current year accounts	774	893
Total audit fees	924	1,023
Auditor's remuneration for non-audit services:		
Tax compliance services	3	-
Other assurance services	7	-
Total non-audit fees	10	-

11. Staff numbers and costs

The average monthly number of employees (including executive directors) employed by the group throughout the period was:

	2021 Number	2020 Number
Marine	49	84
Contract distribution	-	1,424
Financial Services	920	1,119
Retail*	-	579
Garic	271	269
Head Office	23	31
	1,263	3,506

Their aggregate remuneration comprised:

	Group		Company	
	2021 £000	2020 £000	2021 £000	2020 £000
Wages and salaries	68,290	132,435	2,251	3,258
Social security costs	8,320	15,652	322	439
Pension costs	2,517	4,684	117	365
	79,127	152,771	2,690	4,062

Pension costs includes defined benefit scheme costs and define contribution scheme charges included within ‘administration expenses’ in Profit and Loss.

* Retail included the Costcutter Supermarkets Group which was disposed of during the year and has been excluded from staff numbers.

Notes to the Financial Statements
For the year ended 31 December 2021

12. Directors' remuneration

	2021	2020
	£000	£000
Paul Drechsler	-	68
David Anderson	55	52
Geoffrey Bibby	56	46
Sir Michael Bibby Bt.DL	125	85
Caroline Hoare	-	43
John Cresswell	-	1,248
Jonathan Lewis	748	626
	984	2,168

2021 amounts include Salary/Fees, benefits in kind, pension and bonus.

The amounts detailed above include bonus payments to Jonathan Lewis relating to 2021 that were approved by the Remuneration Committee but have not yet been paid.

Included within the above comparative figures is any compensation for loss of office of the directors.

13. Tax on profit/(loss) on ordinary activities

	2021 £000	2020 £000
Tax on profit/(loss) on ordinary activities		
Current year UK corporation tax charge/(credit)	1	(27)
Prior year UK corporation tax charge/(credit)	111	(20)
Current year foreign tax charge	2,153	1,913
Prior year charge for foreign tax	295	-
Current tax charge for the year	2,561	1,866
Deferred tax charge on pension scheme costs	237	834
Adjustments in respect of prior years	(2,740)	2,882
Effect of change in tax rate on opening asset	(6,114)	(1,704)
Origination and reversal of timing differences	1,443	(4,537)
Deferred tax credit for the year (see note 18)	(7,174)	(2,525)
Total tax (credit)/charge for the year	(4,613)	(659)

Factors affecting the tax (credit)/charge for the year:

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss)/profit before tax are as follows:

Tax reconciliation		
Profit / (Loss) on ordinary activities before taxation	30,922	(26,592)
Profit / (Loss) on ordinary activities multiplied by the weighted average rate of UK corporation tax of 19.00% (2020: 19.00%)	5,875	(5,052)
Effect of:		
Non-taxable income	(5,900)	(5,833)
Expenses not deductible for tax purposes including amortisation of goodwill	577	524
Other timing differences	3,864	8,392
Adjustment in respect of prior year	(2,444)	2,862
Difference in tonnage tax rate to weighted average tax rate	1	2
Different rate of overseas tax	306	271
Change in deferred tax rate	(6,891)	(1,825)
Total tax (credit) for the year	(4,613)	(659)

14. Investments

Group

	2021 £000
At 1 January 2021	149
Disposal in relation to discontinued operation	(149)
At 31 December 2021	-

Company

	Total £000
At 1 January 2021 and 31 December 2021	67,600

See note 34 for details of subsidiary undertakings. The disposal relates the sale of the Costcutter business on 11 February 2021, various warranties were capped during the sale at £300,000, the directors do not expect any claim to be made under the warranties given.

Bibby Line Limited (registered number 06458336) has taken advantage of an exemption from audit under section 479A of the Companies Act 2006.

As the ultimate parent, Bibby Line Group Limited, has provided a statutory guarantee for any outstanding liabilities of Bibby Line Limited.

15. Intangible fixed assets

Group

	Goodwill £000	Intangible assets £000	Total £000
Cost			
At 1 January 2021	110,490	37,626	148,116
Additions	-	444	444
Disposals	(95,889)	(334)	(96,223)
Reallocation		156	156
Exchange differences	-	(62)	(62)
At 31 December 2021	**14,601**	**37,830**	**52,431**
Amortisation			
At 1 January 2021	110,490	26,364	136,854
Charge for the year	-	6,974	6,974
Amortisation eliminated on disposals	(95,889)	(200)	(96,089)
Reallocation		156	156
Exchange differences	-	(55)	(55)
At 31 December 2021	**14,601**	**33,239**	**47,840**
Net book value			
At 31 December 2021	-	4,591	4,591
At 31 December 2020	-	11,262	11,262

The intangible total includes £4.4m (2020: £7.4m) of leased assets (software) with secured funding within the Financial Services division.

16. Tangible fixed assets

	Vehicles and equipment		Land and buildings			
Group	**Fleet £000**	**Other £000**	**Freehold £000**	**Short Leasehold £000**	**Long Leasehold £000**	**Total £000**
Cost or valuation						
At 1 January 2021	137,355	90,005	1,765	9,397	742	239,264
Additions	1,758	6,375	-	11	-	8,144
Disposals	-	(4,617)	-	(1,915)	-	(6,532)
Disposals in relation to discontinued operations	-	(27,179)	(1,765)	-	(742)	(29,686)
Exchange differences	(5,289)	(60)		(50)		(5,399)
At 31 December 2021	**133,823**	**64,524**	-	**7,443**	**-**	**205,790**
Depreciation						
At 1 January 2021	63,871	49,686	745	3,878	473	118,653
Charge for the year	5,258	7,846	5	839	5	13,953
Eliminated on disposal	-	(3,586)	-	(1,542)	-	(5,128)
Eliminated on disposal in relation to discontinued operations	-	(19,220)	(750)	-	(478)	(20,448)
Exchange differences	(660)	(65)	-	(7)	-	(732)
At 31 December 2021	**68,469**	**34,661**	**-**	**3,168**	**-**	**106,298**
Net book value						
At 31 December 2021	65,354	29,863	-	4,275	-	99,492
At 31 December 2020	73,484	40,319	1,020	5,519	269	120,611

The net carrying amount of assets held under finance leases included in vehicles and equipment - fleet is £32,302,000 (2020: £36,755,000) and included in vehicles and equipment – other is £477,000 (2020: £2,629,000).

16. Tangible fixed assets (continued)

Company	Vehicles and equipment £000	Total £000
Cost or valuation		
At 1 January 2021	261	261
Disposals	(3)	(3)
At 31 December 2021	258	258
Depreciation		
At 1 January 2021	46	46
Charge for the year	41	41
Disposals	(3)	(3)
At 31 December 2021	84	84
Net book value		
At 31 December 2021	174	174
At 31 December 2020	215	215

17. Stocks

	2021 £000	2020 £000
Raw materials	811	1,077
Work in progress	64	123
Finished goods	650	-
Retails goods	-	1,572
Consumables	185	199
	1,710	2,971

There is no material difference between the balance sheet value of stock and its replacement value.

18. Debtors

Group

	2021 £000	2020 £000
Trade debtors – financial services	828,722	745,883
Net investment in finance leases	40,126	50,533
Trade debtors – other businesses	9,021	40,281
Basic debt instruments (note 23)	877,869	836,697
Derivative financial instruments held at fair value (note 23)	659	1,230
Other financial assets (note 23)		
Taxation and social security	322	117
Deferred taxation asset – other timing differences (see note 22)	25,049	20,071
Other debtors	23,946	23,763
Corporation tax	2	3
Prepayments and accrued income	11,103	16,120
	938,950	898,001

Included within net investment in finance leases is £14,021,000 (2020: £16,821,000) which falls due after more than one year.

Company

	2021 £000	2020 £000
Amounts owed by subsidiary undertakings	27,970	47,416
Deferred taxation asset (see note 22)	185	1,284
Corporation tax	2	3
Taxation and social security	180	-
Other debtors	1,126	1,446
Prepayments and accrued income	67	70
	29,530	50,219

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

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19. Creditors – amounts falling due within one year

Group

	2021 £000	2020 £000
Bank loans (see note 21)	31,356	204,416
Bank overdrafts	10,271	11,987
Basic financial instruments (note 23)	41,627	216,403
Hire purchase and finance leases (note 21 & 23)	3,454	7,099
Derivative financial instruments (note 23)	252	942
Other financial liabilities (note 23)		
Trade creditors – financial services	169,536	210,566
Trade creditors – other	2,961	42,572
Taxation and social security	6,423	13,229
Other creditors	365	2,099
Corporation tax creditor	1,542	870
Accruals and deferred income	24,408	32,395
	250,568	526,175

Company

	2021 £000	2020 £000
Amounts owed to subsidiary undertakings	42,587	42,527
Taxation and social security	74	3,489
Accruals and deferred income	2,125	4,201
Trade and other creditors	118	1,062
	44,904	51,279

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

20. Creditors – amounts falling due after more than one year

Group

	2021 £000	2020 £000
Bank loans (see note 21)	663,596	417,115
9.75% Preference shares of £100 each (see note 24)	154	154
Basic financial instruments (note 23)	663,750	417,269
Hire purchase and finance leases (note 21 & 23)	29,828	46,586
Other creditors (note 23)	11	-
	693,589	463,855

Company

	2021 £000	2020 £000
9.75% Preference shares of £100 each	154	154
	154	154

21. Debt instruments

	2021 £000	2020 £000
Bank loans are repayable:		
Within one year	31,356	204,416
Between one and two years	638,898	14,879
Between two and five years	6,664	393,078
After five years	18,034	9,158
	694,952	621,531
Hire purchase and finance leases are repayable:		
Within one year	3,454	7,099
Between one and two years	3,106	8,741
Between two and five years	17,922	28,427
After five years	8,800	9,418
	33,282	53,685

The rates of interest payable on bank loans, vary with either US, Euro or UK short term EURIBOR or IBOR or UK base rates, plus a margin which varies between 0.9% and 3.15%. Bank loans are secured by way of fixed and floating charges over the assets of the relevant entities. Obligations under hire purchase and finance leases are secured on the assets they finance.

22. Provisions for liabilities

Group

	Other £000	Deferred Taxation £000	Total £000
At 1 January 2021	2,202	-	2,202
Profit and loss account	811	(7,175)	(6,364)
Utilised	(606)	-	(606)
Reclassification to debtors	-	4,977	4,977
Disposal of subsidiary	(690)	1,566	876
Statement of comprehensive income		632	632
At 31 December 2021	1,717	-	1,717

£1.7m (2020: £1.0m) of total 'other' provision held at Group relates to property related provisions, notably properties that were vacated and are surplus to the Group's requirements.

£0.4m (2020: £0.7m) relates to three items in BLG Company only disclosed below.

Company

	Other £000	Deferred Taxation £000	Total £000
At 1 January 2020	701	(1,284)	(583)
Profit and loss account	14	467	481
Utilised	(292)	-	(292)
Reclassification to debtors		185	185
Statement of comprehensive income	-	632	632
At 31 December 2020	423	-	423

£0.3m (2020: £0.4m) of the total 'other' relates to a warranty claim that is expected to be settled in 2023. The balance of £0.1m (2020: £0.1m) relates to the Merchant Navy Ratings Pension Fund (as described in note 27), which is expected to reverse fully by the end of 2023.

22. Provisions for liabilities (continued)

Deferred taxation:

The provision for deferred tax consists of the following deferred tax liabilities/(assets):

	Group		Company	
	2021 **£000**	**2020** **£000**	**2021** **£000**	**2020** **£000**
Fixed asset timing differences	(17,695)	(12,281)	(45)	(43)
Pensions	378	(490)	378	(490)
Other timing differences	(2,848)	(2,479)	(518)	(751)
Trading Losses	(4,884)	(4,822)	-	-
Total	(25,049)	(20,071)	(185)	(1,284)

Unrecognised deferred tax asset:

	Group		Company	
	2021 **£000**	**2020** **£000**	**2021** **£000**	**2020** **£000**
Fixed asset timing differences	(580)	(902)	-	-
Trading Losses	(9,489)	(7,220)	(234)	(178)
Capital losses	(2,210)	(1,703)	(74)	(56)
Total	(12,279)	(9,825)	(308)	(234)

Factors that may affect future tax charges:

The current mainstream rate of corporation tax is 19%. It was announced in the March 2021 Budget that the main corporation tax rate will increase to 25% from 1 April 2023. At the balance sheet date this rate change has been enacted and therefore deferred tax has been recognised at the rates that are expected to apply to the reversal of the timing differences.

23. Financial instruments and risk management

The following disclosures relate solely to Bibby Financial Services Limited and its direct subsidiaries.

Credit risk

The objective of credit risk management is to enable Bibby Financial Services to achieve appropriate risk versus reward performance whilst maintaining credit risk exposure in line with approved appetite for the risk that customers will be unable to meet their obligations to Bibby Financial Services. The key principles of Bibby Financial Services' Credit Risk Management Framework are set out below:

- Approval of all credit exposure is granted prior to any advance or extension of credit.
- An appropriate credit risk assessment of the customer and credit facilities is undertaken prior to approval of credit exposure. This includes a review of, amongst other things, the purpose of credit and sources of repayment, valuation of assets purchased, compliance with affordability tests, repayment history, capacity to repay, sensitivity to economic and market developments and risk-adjusted return.
- Credit risk authority is delegated by the board of Bibby Financial Services and specifically granted in writing to all businesses and roles involved in the granting of credit approval. In exercising credit authority, the individuals act independently of any related business revenue origination.
- All credit exposures, once approved, are effectively monitored and managed and reviewed periodically against approved limits. Lower quality exposures are subject to a greater frequency of analysis and assessment.

The following table provides an analysis of the credit quality of third party financial assets and commitments based on the performing/ impaired status of the asset, and an analysis of the movements in the financial asset impairment provision:

Trade and other receivables

	2021 £000	2020 £000
Performing	863,365	767,036
Impaired	30,442	56,942
Impairment provision	(24,959)	(27,562)
	868,848	796,416

The following table shows the movement in the provision for impairment of trade and other receivables.

23. Financial instruments and risk management (continued)

	2021 £000	2020 £000
At 1 January	27,562	26,597
Charged to the Profit and Loss Account	5,334	10,654
Amounts written off	(6,873)	(8,947)
Recoveries	(660)	(833)
Exchange differences	(404)	91
At 31 December	24,959	27,562

For invoice financing Bibby Financial Services lends to clients against approved invoices that are legally assigned to Bibby Financial Services and therefore act as security for lending. For leasing, Bibby Financial Services holds security over the assets financed by the lease.

Currency risk

Bibby Financial Services undertakes certain transactions denominated in foreign currencies; hence exchange rate fluctuations arise. Bibby Financial Services' policy is normally to match foreign currency receivables with borrowings in the same currency. Where necessary exchange rate transaction risk is addressed by taking out forward cover in the form of a currency derivative contract.

Liquidity risk

The risk is that Bibby Financial Services is unable to meet its obligations as they fall due.

The table below analyses financial instrument liabilities of Bibby Financial Services, into relevant maturity groupings based on the remaining period at the balance sheet date.

	Up to 12 months £000	1-5 years £000	Total £000
Financial liabilities			
Bank overdrafts	10,271	-	10,271
Senior and junior funding notes	-	432,875	432,875
Bank loans	27,307	203,948	231,255
Finance leases	943	990	1,933
Derivative financial instruments	252	-	252
Trading and other payables	192,223	-	192,223
	230,996	637,813	868,809

Exchange rate risk

With global operations the group is exposed to translation risk on its overseas subsidiaries. No specific financial instruments are used to protect against the risk. At 31 December, if Sterling weakened 10% against the world's major currencies, shareholder's funds would be £5,000,000 (2020: £4,600,000) higher. Conversely, if Sterling strengthened 10% against the world's major currencies, shareholder's funds would be £4,200,000 (2020: £3,800,000) lower.

23. Financial instruments and risk management (continued)

Categorisation of financial instruments (this disclosure relates to the whole Group)

	2021 **£ 000**	**2020** **£ 000**
Financial assets that are basic debt instruments, including trade debtors and finance lease receivables that are measured at amortised cost or net investment, less any impairment provision (note 18)	877,869	836,697
Other financial assets including other debtors and cash and cash equivalents, that are measured at amortised cost *	134,274	163,678
Financial assets that are derivative instruments used within foreign exchange trading businesses and not for direct Group hedging purposes, measured at fair value through turnover of that business (note 18)	659	1,230
	1,012,802	1,001,605

***-** This amount in includes cash from the Balance Sheet and other financial assets as noted in note 18.

Financial liabilities that are basic financial instruments and external financial debt liabilities including overdrafts, funding notes and loans and borrowings, measured on an amortised cost basis	705,377	633,672
Financial liabilities that are external finance lease and hire purchase agreements, secured on underlying plant, equipment and intangible assets recorded in fixed assets	33,282	53,685
Other financial liabilities, including trade and other payables that are measured on an amortised cost basis	205,246	302,091
Financial liabilities that are derivative instruments used within foreign exchange trading businesses and not for direct Group hedging purposes measured at fair value through turnover of that business (note 19)	252	942
	944,157	990,390

24. Called-up share capital

	2021 £000	2020 £000
Allotted and full paid:		
1,536 (2020: 1,536) 9.75% Preference Shares of £100 each	154	154
100 Ordinary A Shares of £1 each	-	-
17,708 (2020: 18,005) Ordinary Shares of £1,000 each (equity share capital)	17,708	18,005

The rights attaching to the Ordinary A Shares are as follows:

a) The right to dividend as outlined in the company's Articles of Association.

b) The right to participate in a distribution arising from a winding-up of the company subject to the detailed rules outlined in the company's Articles of Association.

The rights attaching to the Preference Shares are as follows:

a) The right to a fixed cumulative preferential dividend at the rate of 9.75% net per annum on the capital for the time being paid up thereon payable half-yearly on 30 June and 31 December in each year.

b) On a return of capital on liquidation or otherwise the right to have payment of capital and arrears and accruals of dividend whether earned or declared or not to be calculated down to the date of return of capital in priority to the Ordinary Shares but shall not confer any further right to participate in profits or assets.

c) The right to receive notice of but not to attend and vote at any General Meeting by virtue of their holding unless the fixed cumulative preferential dividend on the Preference Shares is thirty days or more in arrears or if the business of the meeting includes the consideration of a resolution for altering the objects of the company or for reducing the capital of the company or for winding-up the company or any resolution varying or abrogating any of the rights or privileges attached to the Preference Shares.

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25. Dividends paid

	2021 £000	2020 £000
Equity dividends paid per Ordinary Share:		
Interim £91.26 (2020: £nil)	1,643	-
Final £nil (2020: £nil)	-	-
	1,643	-
Equity dividends paid per Ordinary A share:		
Interim £309.87 (2020: £nil)	31	-
Final £nil (2020: £nil)	-	-
	31	-
Total dividends paid	1,674	-

26. Reconciliation of operating profit/(loss) to net cash flow from operating activities

	2021 £000	2020 £000
Group operating profit/(loss)	3,057	(38,429)
Less operating loss/(profit) of the financial services business	519	40,685
Operating loss of the non-financial services businesses	3,576	2,256
Depreciation	10,880	15,691
Amortisation of intangible assets	5	655
UK taxation paid	-	7
Overseas tax paid	(11)	(40)
Profit on disposal of investments	(1,216)	(345)
Impairment reversal	-	(2,106)
Share based payments	(985)	-
Exchange differences	1,471	(1,395)
Operating cash flow before movement in working capital	13,720	14,723
Movement in provisions	499	(890)
Movement in stock	(332)	130
Movement in debtors	5,656	(2,802)
Movement in creditors	(9,440)	16,349
Excess of pension scheme contributions paid over service cost	(1,605)	(2,524)
Cash (outflow)/inflow from non-financial services operating activities	8,498	24,987
Operating profit/(loss) of the financial services business	(519)	(40,685)
Depreciation	3,073	2,735
Amortisation of intangible assets	6,969	13,293
Overseas taxation paid	(1,885)	(2,210)
Loss on disposal/write down of fixed assets	292	20,537
Operating cash flow before movement in working capital	7,930	(6,330)
Movement in debtors	(82,954)	177,957
Movement in creditors	(43,713)	66,607
Cash inflow/(outflow) from financial services operating activities	(118,737)	238,234
Net cash inflow/(outflow) from operating activities	(110,239)	263,221

Given the Group contains a significant financial services business, the presentation in the note above is split between financial services activities and non-financial services activities. As a result readers may also wish to consider the financial statements of Bibby Financial Services Limited alongside the Consolidated Group accounts to fully understand the cashflow movements. These are available from Companies House or their registered office of 3rd Floor Walker House, Exchange Flags, Liverpool, L3 3YL.

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27. Reconciliation of net debt

	2021 £000	2020 £000
Movement in cash and cash equivalents in the year	(14,007)	20,156
Movement in loans and lease finance in the year	(90,469)	274,410
Change in net debt from cash flows	(104,475)	294,566
Exchange movements	13,771	(9,332)
Other non-cash movements	(512)	(324)
Finance lease non-cash additions/non-cash early redemption	-	(1,724)
Net debt transferred	10,161	48,713
Movement in net debt in the year	(81,055)	331,899
Net debt at 1 January	(583,599)	(915,498)
Net debt at 31 December	(664,653)	(583,599)

28. Analysis of net debt

	1 January 2021 £000	Cash flow £000	Non-cash movement £000	Exchange movements £000	31 December 2021 £000
Cash at bank and in hand	103,604	(15,605)	(10,230)	(3,917)	73,852
Bank overdrafts	(11,987)	1,598	-	118	(10,271)
	91,617	(14,007)	(10,230)	(3,799)	63,581
Debt due after 1 year	(463,701)	(240,334)	3,536	7,075	(693,424)
Debt due within 1 year	(211,515)	149,865	16,340	10,500	(34,810)
	(675,216)	(90,469)	19,876	17,575	(728,234)
	(583,599)	(104,476)	9,646	13,776	(664,653)

29. Pension costs

Pension Liability

	2021 £000	2020 £000
Bibby Line Group Pension Scheme – asset/(liability)	2,624	(2,242)
Merchant Navy Officers' Pension Fund – (liability)	(226)	(339)
	2,398	(2,581)

The group administered several defined contribution pension schemes during the financial year. The assets of the schemes are held separately from those of the group in funds under the control of independent insurance companies. The contributions made by the group to these schemes over the financial year amounted to £1,700,000 (2020: £4,453,000). There were no outstanding contributions at the balance sheet date to any pension arrangement.

The group also 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. This provision will unwind as contributions are paid and will increase if a revised, increased, schedule of contributions is agreed with the MNOPF. The latest actuarial valuation of the scheme, at March 2021, identified a scheme surplus of £73,000,000. The group agreed to make annual contributions based on the scheme's deficit of £601,000 per annum from 2018 to 2020 and £113,000 per annum from 2021 to 2023 (2020: same). The contributions made by the group to the MNOPF scheme over the financial year amounted to £113,000 (2020 – £749,000). In 2020, amounts previously deferred from FY19 were paid. This scheme is now fully funded, and the trustee is targeting buy out or self-sufficiency in 2024/25. No further contributions are therefore expected to the scheme beyond 2023.

The group has previously participated in the Merchant Navy Ratings Pension Fund (MNRPF) and exited the scheme in 2004, paying the agreed section 75 charge at the time. Following a High Court decision that the MNRPF could set aside previous agreements such as this with former employers and implement its proposed revised funding arrangements, the MNRPF requested further contributions from the group, of which a further £63,000 has been paid in the year. The balance of £126,000 (2020: £189,000) is provided for in note 22 and no further contributions are expected to the scheme beyond 2023. A Settlement Agreement was recently signed by the Trustees of the MNRPF scheme in respect of an Ill Health and Early Retirement claim and the Agreement has been approved by the High Court. The Agreement resulted in no additional deficit reduction payments for sponsoring employers of the scheme. The Trustee has also recently instigated a review of the Scheme to ensure it was free of issues before considering buy out. A number of potential issues have been identified, however at this stage a high degree of uncertainty remains around assessing the total additional scheme liability from these issues and also individual employer shares of this liability. No additional liability has therefore been provided for at this time.

The company sponsors the Bibby Line Group Pension Scheme ('the Scheme'), which is a defined benefit arrangement. The most recent comprehensive triennial valuation of the Scheme was carried out at 5 April 2020 and the results of this valuation were used to support the FY21 results. The company has employed an independent actuary to update this valuation allowing for differences between the actuarial assumptions used by the Scheme for funding purposes and those adopted by the company to measure the Scheme's liabilities in the financial statements and adjusting for benefits paid by the Scheme.

The Scheme has been closed to new entrants since April 2000. New employees are offered membership of a defined contribution arrangement known as the Bibby Line Group Personal Pension Plan. The Scheme closed to future accrual for existing members on 30 September 2011, these employees were offered membership of the Bibby Line Group Personal Pension Plan.

29. Pension costs (continued)

The contributions made by the employer over the financial year to the Bibby Line Group Pension Scheme have been £1,810,000 (2020: £4,819,000). Employer contributions were higher in prior year due to a one-off contribution of £3,000,000 in 2020 following the sale of Bibby Distribution Limited. Payments of £1,810,000 are in accordance with the schedule of contributions adopted by the Scheme trustees to fund the deficit.

Assumptions:

The assets of the Bibby Line Group Pension Scheme have been taken at market value and the liabilities have been calculated using the following principal actuarial assumptions:

	2021	**2020**
Annual inflation (RPI)	3.40%	3.00%
Annual salary increases	n/a	n/a
Annual rate of discount	1.80%	1.35%
Pension in payment increases	As guaranteed	As guaranteed
Annual revaluation rate for deferred members	2.25%	2.10%
Allowance for commutation of pension for cash at retirement	Yes	Yes

The mortality assumptions adopted at 31 December imply the following life expectations:

	2021	**2020**
Male retiring at age 65 at the year end	20.5	20.6
Male retiring at age 65 in twenty years' time	21.8	21.9
Female retiring at age 65 at the year end	23.0	22.9
Female retiring at age 65 in twenty years' time	24.4	24.4

Funded status:

The funded status at the end of the year, and the related amounts recognised in the balance sheet, were as follows:

	2021 £000	**2020 £000**
Total market value of assets	97,249	99,381
Present value of Scheme liabilities	(94,625)	(101,623)
Net pension asset/(liability)	2,624	(2,242)
Restriction on asset not recognised	(918)	-
Asset/ (liability) recognised	1,706	-

The FRS102 deficit has decreased from £2.3m at FY20 to a surplus of £2.6m at FY21. The improvement of £4.9m over the year has largely been caused by the following items:

- Employer contributions of around £1.8m;
- An actuarial gain due to changes in financial assumptions of around £4.0m;
- An actuarial gain due to changes in demographic assumptions of around £0.2m; and

29. Pension costs (continued)

- An experience gain as a result of allowing for inflationary experience since 5 April 2020 funding valuation of £0.7m.

Partially offset by:

- Lower than expected asset returns of around £1.4m;

The restriction of the asset recognised relates to the 35% withholding tax that would apply on any return of funds to the employer upon windup of the scheme.

Fair value of assets comprises:

	2021 £000	2020 £000
Bonds	50,613	69,990
Property	1,213	542
Cash	174	4,020
Other	45,249	24,829
Total	97,249	99,381

Reconciliation of opening and closing balances of the present value of the Scheme liabilities:

	2021 £000	2020 £000
Scheme liabilities at 1 January	101,623	91,614
Past service cost	-	230
Interest cost	1,348	1,804
Actuarial (gains)/losses	(4,139)	11,117
Experience gains on liabilities	(697)	(210)
Benefits paid and expenses	(3,510)	(2,932)
Scheme liabilities at 31 December	94,625	101,623

29. Pension costs (continued)

Reconciliation of opening and closing balances of the fair value of the Scheme assets:

	2021 £000	2020 £000
Fair value of the Scheme assets at 1 January	99,381	86,847
Interest income	1,327	1,753
Actuarial (losses)/gains	(1,389)	9,215
Contributions by employer	1,810	4,819
Administration expenses	(370)	(321)
Benefits paid and expenses	(3,510)	(2,932)
Fair value of the Scheme assets at 31 December	97,249	99,381

Analysis of the amount charged to the profit and loss account over the year:

	2021 £000	2020 £000
Net interest cost on defined benefit liability	21	51
Past service cost	-	230
Administration expenses	370	321
Total charge to the profit and loss account	391	602

Analysis of the amount charged/(credited) to the statement of comprehensive income:

	2021 £000	2020 £000
Actuarial gains/(losses) arising from changes in demographic and financial assumptions	4,139	(11,117)
(Loss)/return on assets excluding interest income	(1,389)	9,215
Experience gains	697	210
Restriction on asset recognised	(918)	-
Actuarial gains/(losses) recognised in the statement of comprehensive income	2,529	(1,692)

The estimated charge for FY22 is £310,000, comprising a net interest credit of £60,000 and administration costs of £370,000 (assuming administration costs to the profit and loss account are in line with FY21).

29. Pension costs (continued)

Risks

The main risks the group is exposed to by the Scheme are:

- Mortality risk – the assumptions adopted by the group make allowance for future improvements in life expectancy. However, if life expectancies improve at a faster rate than assumed, this would result in greater payments from the Scheme and consequently increases in the Scheme's liabilities. The group and the Scheme's trustees review the mortality assumption on a regular basis to minimise the risk of using inappropriate assumptions.
- Investment risk – the Scheme invests its assets in a portfolio of asset classes. There is residual risk that as the selected portfolio matures, there is the possibility of not being able to reinvest the assets at the assumed rates. The Scheme's trustees review the structure of the portfolio on a regular basis to minimise these risks.
- Inflation risk – increases to benefits in the Scheme are linked to inflation. If inflation is greater than expected, the liabilities will increase.

Sensitivity Analysis

Sensitivity analysis figures provided by the actuary are based on various assumptions and current market conditions and as such are likely to change over time.

Sensitivity	Effect on Liabilities
Discount rate +/- 0.5%	-7.6%/+8.5%
Inflation assumptions +/- 0.5%	+4.0%/-3.7%
Life expectancy +/- 1 year	+4.7%/-4.7%

30. Operating lease commitments

The group has the following total minimum lease payments under non-cancellable operating leases:

	2021		2020	
	Property £000	Other £000	Property £000	Other £000
Within one year	3,625	2,655	6,076	2,790
Between two and five years	8,798	3,968	18,185	4,519
After five years	2,106	-	14,266	-

The majority of other leases relate to vehicles and equipment.

31. Related party transactions

Under section 33 of FRS 102, the group is exempt from disclosing intra-group related party transactions, as 100% of the voting rights are controlled by the group.

The group considers the directors to be key management personnel and their remuneration is disclosed in note 12.

Substantial Shareholdings

The Bibby family trustees own 73.9% of the £1,000 ordinary shares of the company through a number of trusts set up to provide for current and future members of the Bibby family. Two of the directors who served during the year and to the date of this report, M.J. Bibby and G.F.H. Bibby, are among the beneficiaries of these trusts. Bibby family members, either directly or through trusts, have a beneficial interest in 91.8% of the £1,000 ordinary shares.

Share buy back

In October 2021, 297 ordinary shares were bought back by the company from minority shareholders for £3,300 each at a total cost of £985,000 including stamp duty.

32. Capital commitments

	2021 £000	2020 £000
Property, plant and equipment expenditure for which contracts have been placed but which are not otherwise provided for in these financial statements	3,975	3,497

33. Post balance sheet events

Non-adjusting events after the financial period

Dividends

An FY22 interim dividend of £27.71 per ordinary share and £92.55 per A ordinary share was paid in January 2022 and a further FY22 interim dividend of £55.43 per Ordinary share and £185.10 per A Ordinary share was paid in July 2022.

34. Subsidiary undertakings

Bibby Line Group Limited is the ultimate parent company. 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 Line Group Limited

	Company Name	Country of Incorporation	Registered office	% Equity Share Capital Held	Type of Business
1.	Bibby Line Group Pension Trustee Limited	England & Wales	α	100%	Pension Trustee
2.	Bibby Financial Services Limited	England & Wales	α	100%	Holding and management services company
3.	Bibby Debt Finance Limited	England & Wales	α	100%*	Non -trading
4.	Bibby Finance 1 Limited	England & Wales	α	100%*	Dormant
5.	Bibby Finance 2 Limited	England & Wales	α	100%*	Non-trading
6.	Coverly Limited	England & Wales	α	100%	Insurance agents and brokers
7.	Bibby FS (Holdings) Limited	England & Wales	α	100%*	Holding and management services company
8.	Bibby Financial Services (UK) Limited	England & Wales	α	100%*	Holding and management services company
9.	Bibby Asset Finance Limited	England & Wales	α	100%*	Holding and management services company
10.	Bibby Leasing Limited	England & Wales	α	100%*	Asset financing
11.	Bibby Management Services Limited	England & Wales	α	100%*	Management services
12.	Bibby Trade Services Limited	England & Wales	α	100%*	Trade financing
13.	Factoring UK Group Limited	England & Wales	α	100%*	Holding and management services company
14.	Cashflow UK Limited	England & Wales	α	100%*	Brokerage
15.	Bibby Corporate Financial Solutions Limited	England & Wales	α	100%*	Inventory financing
16.	BFS Corporate Financial Solutions Limited	England & Wales	α	100%	Dormant
17.	Bibby Invoice Finance UK Limited	England & Wales	α	100%*	Controlling company for the factoring and invoice discounting activities of BFS
18.	Bibby ACF Limited	England & Wales	α	100%*	Debt factoring
19.	Bibby Factors Bedford Limited	England & Wales	α	100%*	Debt factoring
20.	Bibby Factors Borehamwood Limited	England & Wales	α	100%*	Debt factoring
21.	Bibby Factors Bristol Limited	England & Wales	α	100%*	Debt factoring
22.	Bibby Factors Leicester Limited	England & Wales	α	100%*	Debt factoring
23.	Bibby Factors Limited	England & Wales	α	100%*	Debt factoring

34. Subsidiary undertakings (continued)

	Company Name	Country of Incorporation	Registered office	% Equity Share Capital Held	Type of Business
24.	Bibby Commercial Finance Limited	England & Wales	α	100%*	Debt factoring
25.	Bibby Factors Northeast Limited	England & Wales	α	100%*	Debt factoring
26.	Bibby Factors Northwest Limited	England & Wales	α	100%*	Debt factoring
27.	Bibby Factors Scotland Limited	Scotland	µ	100%*	Debt factoring
28.	Bibby Factors Slough Limited	England & Wales	α	100%*	Debt factoring
29.	Bibby Factors Sussex Limited	England & Wales	α	100%*	Debt factoring
30.	Bibby Factors Wessex Limited	England & Wales	α	100%*	Debt factoring
31.	Bibby Factors Yorkshire Limited	England & Wales	α	100%*	Debt factoring
32.	Bibby Factors International Limited	England & Wales	α	100%*	Debt factoring
33.	Bibby Invoice Discounting Limited	England & Wales	α	100%*	Invoice discounting
34.	Bibby Revolving Finance Limited	England & Wales	α	100%*	Trade financing
35.	Bibby Trade Factors Limited	England & Wales	α	100%*	Trade financing
36.	Bibby Transactional Finance Limited	England & Wales	α	100%*	Transactional financing
37.	Global Management Services Limited	England & Wales	α	100%*	Non-trading
38.	Bibby Financial Services (FX) Limited	England & Wales	α	100%*	Holding and management services company
39.	Bibby Foreign Exchange Limited	England & Wales	α	100%*	Foreign exchange services
40.	Bibby Foreign Exchange (Europe) Limited	Ireland	≤	100%*	Foreign exchange services
41.	Bibby Foreign Exchange (Solutions) Limited	England & Wales	α	100%*	Dormant
42.	Bibby Financial Services (Asia) Limited	Hong Kong	≠	100%*	Debt factoring
43.	Bibby Financial Services (India) Pvt Limited	India	¥	99.99%*	Debt factoring
44.	Bibby Financial Services (Singapore) Pte. Ltd.	Singapore	β	100%*	Debt factoring
45.	Bibby Factoring Services (Malaysia) Sdn Bhd	Malaysia	®	100%*	Debt factoring
46.	Bibby Financial Services (Europe) Limited	England & Wales	α	100%*	Holding and management services company
47.	Bibby Factor France S. A.	France	±	99.99%*	Debt factoring
48.	Bibby Factoring Slovakia a.s.	Slovak Republic	Ø	100%*	Debt factoring
49.	Bibby Financial Services a.s.	Czech Republic	Ħ	100%*	Debt factoring
50.	Bibby Financial Services B.V.	Netherlands	€	100%*	Debt factoring
51.	Bibby Financial Services GmbH	Germany	∑	100%*	Debt factoring
52.	Bibby Financial Services (Ireland) Limited	Ireland	≤	100%*	Debt factoring

Bibby Line Group Limited

Notes to the Financial Statements
For the year ended 31 December 2021

34. Subsidiary undertakings (continued)

	Company Name	Country of Incorporation	Registered office	% Equity Share Capital Held	Type of Business
53.	Bibby Financial Services Sp. z o. o.	Poland	▲	99.99%*	Debt factoring
54.	Bibby Holdings Limited	England & Wales	α	100%	Holding company
55.	Bibby Ship Management (Eastern Europe)	Russian Federation	♟	85.71%*	Non-trading note
56.	Bibby Taurus Limited	England & Wales	α	100%*	Holding company
57.	Garic Limited	England & Wales	α	100%*	Design, fabrication and purchase of plant and machinery for sale and hire
58.	Bibby Marine Limited	England & Wales	α	100%*	Holding company for BLG marine niche assets and services division
59.	Bibby Marine Management Limited	England & Wales	α	100%*	Service activities incidental to water transportation
60.	Bibby Marine Services Limited	England & Wales	α	100%*	Holding company
61.	Bibby WaveMaster I Limited	England & Wales	α	100%*	Ownership and operation of a service operation vessel
62.	Bibby WaveMaster 2 Limited	England & Wales	α	100%*	Ownership and operation of a service operation vessel
63.	Bibby Marine Survey Services Limited	England & Wales	α	100%*	Dormant
64.	Bibby Maritime Limited	England & Wales	α	100%*	Ownership and operation of floating accommodation vessels
65.	Bibby Bergen Limited	England & Wales	α	100%*	Ownership and operation of a floating accommodation vessel
66.	Bibby Challenge Limited	England & Wales	α	100%*	Ownership and operation of a floating accommodation vessel
67.	Bibby Maritime Crewing Services Limited	England & Wales	α	100%*	Provision of crew services
68.	Bibby Maritime Nigeria Limited	Nigeria	♎	100%*	In liquidation
69.	Bibby Progress Limited	England & Wales	α	100%*	Ownership and operation of a floating accommodation vessel
70.	Bibby Pioneer Limited (previously Bibby Renaissance Limited)	England & Wales	α	100%	Ownership and operation of a floating accommodation vessel

34. Subsidiary undertakings (continued)

	Company Name	Country of Incorporation	Registered office	% Equity Share Capital Held	Type of Business
71.	Bibby Stockholm Limited	England & Wales	α	100%*	Ownership and operation of a floating accommodation vessel
72.	Bibby Line Limited	England & Wales	α	100%	Holding company
73.	Bibby Bulk Carriers Limited	England & Wales	α	100%*	Non-trading
74.	Bibby Gas Carrier Limited	England & Wales	α	100%*	Dormant
75.	Bibby Navigation Limited	England & Wales	α	100%*	Non-trading
76.	Bibby Pool Partner Limited	England & Wales	α	100%*	Non-trading
77.	Bibby Trader Limited	England & Wales	α	100%	Dormant
78.	Bibby Transport Limited	England & Wales	α	100%*	Non-trading
79.	Mumbai Singapore Pte. Ltd.	Singapore	✔	100%*	Non-trading

Registered offices:

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β 6, Shenton Way, #18-08A Oue Downtown 068809, Singapore

µ 1/1, The Exchange Building, 142 St. Vincent Street, Glasgow, G2 5LA, United Kingdom

≤ 4th Floor Heather House, Heather Road, Sandyford, Dublin 18, Ireland

≠ Unit 2302, 23/F Jubilee Centre, 18 Fenwick Street, Wanchai, Hong Kong

¥ Unit 508, Fifth Floor, Metropolis Mall, MG Road, Gurugram, Haryana, 122002 India

® Suite 7E, Level 7, Menara Ansar, 65 Jalan Trus, 80000 Johor Bahru, Johor, Malaysia

± 160 Avenue Jean Jaures, CS 90404, 69364 Lyon Cedex, France

Ø Prievozská 4D, Block E, 13th Floor, Bratislava 821 09, Slovak Republic

Ħ Hlinky 118, Brno, 603 00, Czech Republic

€ Laan Van Diepenvoorde 5, 5582 LA, Waalre, Netherlands

∑ Hansaallee 249, 40549 Düsseldorf, Germany

▲ Poland Eurocentrum, Al. Jerozolimskie 134, 02-305 Warsaw, Poland

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✚ 1 St Peter’s Square, Manchester, M2 3AE, United Kingdom

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

✔ 10 Anson Road, #09-17 International Plaza, 079903 Singapore

Note This company is dormant and we have no intention for this entity to recommence trading. The balance of equity is owned by the General Manager, as required by local laws. The Board are considering the most efficient method to divest of this entity.