

# **Bibby Line Group Limited**

**Registration number: 00034121**

# Bibby Line Group Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2023

## **Bibby Line Group Limited**

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# **Bibby Line Group Limited**

## **Company Information**

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

# **Bibby Line Group Limited**

## **Chairman's Statement**

### **Introduction**

The world is becoming increasingly unstable with conflict in Ukraine, Gaza and elsewhere in the world, accompanied by mass migration, slow global economic growth, inflation, environmental crises, and rapid technical change. This, combined with the development of uncontrolled social media, the rise of major global internet brands and cyber and other worldwide threats, has resulted in the reduction in influence of global institutions and significant changes in the political landscape. Increased isolationism is likely to be the result, which could be very damaging at a time many economies are already struggling with higher interest rates and increasing legislation.

There are always winners and losers when such significant change occurs, and Bibby Line Group is well positioned to meet changing customer needs as new markets and opportunities develop. The company has the advantage of owning a portfolio of businesses exposed to many different areas of the supply chain in many areas of the world. This is reflected in the 2023 results and the outlook for 2024 and beyond.

Of particular note is Bibby Financial Services' ability to finance small businesses as their need for cash increases and Marine's ability to provide suitable accommodation for those in need at short notice, anywhere where suitable berthing exists. The company is also seeing the benefits of its focus on providing world leading environmental solutions at competitive pricing in Garic and Marine as detailed later in the report.

### **Trading Performance**

The Bibby Financial Services ('BFS') business continued to deliver improved results as well as investing for growth with the acquisition of the Aldermore working capital finance division, a transaction that saw BFS become the largest independent construction sector financier in the UK. During the year BFS also focused on diversifying its revenue sources, accelerating growth in Asset Finance and FX as well as investing in the Marine Financing business. BFS also consolidated its operations in Poland, Czech Republic and Slovakia to better facilitate collaboration across the region and scale up growth.

The Marine business had a busy year with the signing of several long-term charters. However, delays to global infrastructure projects meant lower than expected utilisation of the barges for much of 2023, which negatively impacted expected results, although losses for the year still reduced vs prior year as utilisation was still higher than 2022. I am pleased to say that all vessels were on charter by the end of 2023 with the two largest barges secured until 2028, which significantly improves both profitability and cash flow for the Group in 2024 and beyond.

After a strong 2022, Garic reported another solid result for 2023, although profit before tax (PBT) was slightly lower than 2022 as significant resource was put into the business to develop its long-term value. Garic has strengthened its management team and invested during the year in building up a fleet of eco-efficient power generation assets, supporting Garic's transition to providing a sustainable site solution for its customers.

Results were delivered against a backdrop of challenging market conditions; Garic's customers work in the infrastructure sector which, along with many of BFS' clients, suffered as rising inflation and high interest costs slowed down activity levels in the UK and elsewhere. We are mindful that these challenges are likely to continue into 2024, and we remain focused on ensuring we have a lean and efficient operation so we can provide a high quality service at a competitive cost to all our customers.

# **Bibby Line Group Limited**

## **Chairman's Statement**

### **Family Business**

Family-owned businesses are rooted in a strong sense of heritage, values and shared traditions, providing a foundation for long-term success, a unique identity, and a sense of continuity across generations. BLG is no different, and for over 200 years, we have been a proud family business. In 2023 the business wanted to explore and understand what it truly felt like for colleagues and the family to be part of Bibby Line Group, seeking input from all colleagues and the Bibby family into what they felt makes Bibby special, which resulted in our 'Family Magic' colleague storytelling videos. I'm looking forward to the business exploring and building up on these connections in 2024.

I firmly believe in the power of family business for good, and we have structures in place to ensure that the family is connected to how we run the group, with the 6th Generation still actively involved in the business and the focus now shifting to how we involve and engage the next generation of the family as they transition into being custodians of the business.

To help ensure the effective running of the group, and the correct balance between family and non-family board members, the BLG Board was delighted to appoint Susan Searle as Non-Executive Director as part of the group's ongoing growth and investment strategy. I was also delighted that Howard Woodcock, a former long serving employee, has rejoined us as a Non-Executive Director on the Bibby Marine Board, providing his valuable experience and insight at an important time in the businesses' growth.

I also wanted to express our sincere thanks to another long serving employee, Jebb Kitchen, who recently retired after nearly 50 years of service, having started on board our vessels before working his way up to Managing Director of Bibby Line Limited. We wish Jebb all the very best for his retirement.

### **Impact on Society**

Through Project Compass we are committed to being a sustainable and resilient business, fostering the long-term sustainability of the Group through focus on Environment, Community, People and customer.

BFS is hugely important in providing support to SMEs across Europe and Asia and throughout 2023 has invested in a number of projects to improve processes for customers and reduce time-to-cash providing greater accessibility for customers, enabling them to access the information they need, when they need it, while staying true to our commitment to excellent service. BFS is also investigating how to better support under represented groups accessing finance.

Garic is focused on developing innovative, eco-focused products and services developed to tackle the challenge of climate change by supporting the decarbonisation in construction and infrastructure operations, with an ambition to become the partner of choice for specialist sustainable welfare and site setup.

Marine is supporting decarbonisation of the North Sea through its Walk-to-Work business and we were delighted to announce at the end of the year that we have been awarded a £19.2m grant to build a world-first electric-first windfarm support vessel ('ZEVI'), will allow the business to become an industry leader in decarbonising vessel operations which we aim to have on the water in 2026. Marine also provides safe and secure temporary accommodation solutions across a number of different markets and although there was a mixed reaction to the announcement that one of our vessels would provide accommodation services to the Government to house people seeking asylum in the UK we

# **Bibby Line Group Limited**

## **Chairman's Statement**

continue to stand firmly behind the quality of the solution we are providing - our vessel adhering to strict safety measures in line with industry regulations and Maritime Labour Convention standards, and a recent National Audit Office report confirming that our accommodation provides a more cost effective solution than using hotels.

I am also very proud of the work we undertake in our communities, having donated 615 colleague days to good causes, partnered with a number of local schools in disadvantaged areas to provide mentoring, work experience and interview skills and raised £142,000 for over 90 charities through a variety of colleague-led activities.

### **Outlook**

The world continues to be an uncertain and challenging environment to conduct business. The UK still faces short-term uncertainty as it continues to navigate Brexit, sustained high interest rates, cost of living challenges and an upcoming general election. In the face of these and the previously identified challenges, and very much driven by our colleagues' resilience, determination and commitment to deliver exceptional service for customers, the group is in a positive position as we enter 2024.

The Marine business signed the shipbuilding contract to build the ZEVI vessel with a Spanish shipyard and are in the final stages of agreeing financing for the vessel. We also signed an extension to the WaveMaster I contract with Total, which sees the vessel chartered for 6 months a year until 2027.

BFS has now completed its program of IT investment into platform upgrades across the business to improve how we service customers, and we expect this investment will support growth across the business, especially when coupled with the continued unwinding of Covid-19 fiscal measures. BFS signed facilities in Q1 2024 for its Marine Financing business which enabled the business to sign its first deal shortly afterwards with a strong pipeline for further opportunities. BFS also extended the Pan Eurasian facility for an additional two years to March 2027, supporting further opportunity for growth.

Garic continues to position itself as the preferred partner for sustainable welfare, energy, and environmental solutions, where there remains continued market demand. As well as expansion into the Power market, the company has also been strengthened by the development of the Garic brand, a commitment to customer-centric services, and an innovative product and service lineup designed to deliver sustainable solutions to customers.

The business is now in a stronger position to be able to navigate these uncertain times than it has been over the last few years and a stronger overall business will provide options for how we can invest, both in our existing businesses and other opportunities to evolve the portfolio.

Finally, I'd like to finish by expressing my gratitude to all our colleagues, customers, partners, shareholders and other stakeholders who have worked with us throughout 2023 and beyond as we face an uncertain world together, but one in which we have continued optimism and resilience to go from strength to strength.

Sir Michael Bibby Bt. DL  
Chairman

# Bibby Line Group Limited

## Strategic Report

The Directors present their strategic report for the year ended 31 December 2023.

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 2023 operated in multiple countries and employed c. 1,300 people in financial services, marine and infrastructure support.

Founded in Liverpool in 1807, we are one of the UK's oldest family-owned businesses, with over 215 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. Our group vision is to be "A family business, known for creating a better future together."

### 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 25-30.

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## Strategic Report

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 leading international provider of working capital, cashflow, asset based funding and foreign exchange solutions for small and medium sized enterprises (SMEs). The business supports over 8,000 customers around the world and employs around 1,000 colleagues in 27 countries across Europe and Singapore.

**Bibby Marine ('Marine')** owns and operates two classes of marine assets – two service operation vessels, servicing the renewables and oil & gas markets, predominantly in Europe, and five (2022: six) floating accommodation barges, which offer accommodation solutions for a variety of industries. Over 130 colleagues support a limited but diverse global customer base. During 2023, Marine applied for and was awarded a grant from the Department of Transport to support the development of a zero emission Commissioning Service Operation Vessel to add to the fleet ('ZEV1').

**Garic** provides a comprehensive range of specialist sustainable welfare and site setup solutions to a variety of customers across the UK, delivering exceptional service and innovative products for over 30 years, supported by over 270 colleagues.

### Operational Review:

#### Business highlights

2023 was another positive year for the group, building on the progress made in prior years across all of the businesses and consolidating our position as we prepare for continued growth and investment opportunities in 2024 and beyond.

Against an uncertain economic and geopolitical backdrop, Financial Services significantly strengthened its financial position with 19% growth in turnover to £178.8m driven by growth in debts factored of 6% and a 6% uplift in funds advanced to customers. This has led to improved profitability of £12.1m PBT (2022: £9.5m). The focus for Financial Services in 2023 was investing for growth, continuing to drive efficiency, and improving outcomes for customers. In June, Financial Services acquired Aldermore's working capital finance division, a transaction that saw Financial Services become the largest independent construction sector financier in the UK, as we welcomed new colleagues and more than 140 new customers. Financial Services has also delivered a series of substantial IT infrastructure projects during 2023, improving how the business serves customers and ensuring the systems are able to support future growth objectives.

Following a strong 2022, Garic reported another positive result in 2023 growing revenues by c. 9% which reflected revenue penetration with new customers despite overall market weakness, rising inflation and high interest costs impacting customers. Despite strong cost control to mitigate the inflationary impact being felt across the cost base, PBT declined slightly from £4.3m in 2022 to £4.2m in 2023. Garic continues to significantly invest in driving growth through new and innovative sustainable assets, including strong investment in new eco-efficient and power generation assets, supporting Garic's transition to providing sustainable site solutions for its customers whilst reducing embedded carbon.



# Bibby Line Group Limited

## Strategic Report

Marine finished 2023 with a very positive outlook, and although overall utilisation was lower than hoped for due to delays in charters starting, the business still grew its revenue by c. 24%. Loss before tax reduced from £6.2m in 2022 to £4.0m in 2023 even with a c. £2m swing in fx negatively impacting the results. All five accommodation barges are now contracted to deliver a busy schedule of work throughout 2024 with two of those charters being long term which will significantly improve performance and provide security over future revenue as we look to grow the business. The £19.2m grant awarded by the Department of Transport, to lead a consortium of partners to develop a world-first electric-first windfarm support vessel, will allow the business to become an industry leader in decarbonising vessel operations. In October 2023 the Pioneer vessel was sold, giving rise to a £2m profit on disposal and releasing cash to support future growth. The Bibby WaveMaster Horizon successfully completed its fourth year of service on its ten-year contract servicing windfarms in the North Sea whilst Bibby WaveMaster I completed its second year of a three-year charter with Total. This charter was extended in March 2024 until 2027, providing additional security to the business.

In line with our long-term strategic plan, our stronger and more agile portfolio of businesses continues to support our group's operating profit trajectory, resulting in an improved trading result and improved profitability, whilst still driving long-term value creation and resilience through Project Compass.

Despite the world continuing to be a challenging environment in which to operate, we are confident that our portfolio of businesses is well positioned for success in their markets, and there is a strong focus in 2024 on building on the success of 2023.

### Financial Performance

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Group consolidated:</b>		
Turnover	240,642	204,951
Operating profit	8,939	5,602
Profit before tax	7,849	3,779
	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Turnover</b>		
Bibby Financial Services	178,754	150,505
Bibby Marine Limited	21,062	17,000
Garic	40,826	37,446
	<hr/>	<hr/>
	240,642	204,951
	<hr/> <hr/>	<hr/> <hr/>
<b>Operating profit/(loss)</b>		
Bibby Financial Services	10,945	8,384
Bibby Marine Limited	(1,593)	(2,939)
Garic	5,425	5,042
Other <sup>1</sup>	(5,838)	(4,885)
	<hr/>	<hr/>
	8,939	5,602
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## Strategic Report

<b>Profit/ (Loss) before Tax</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Bibby Financial Services	12,107	9,468
Bibby Marine Limited	(4,020)	(6,211)
Garic	4,190	4,275
Other <sup>1</sup>	(4,428)	(3,753)
	<hr/>	<hr/>
	7,849	3,779
	<hr/>	<hr/>

<sup>1</sup> – Other includes Bibby Line Group Limited, Bibby Holdings Limited and Bibby Line Limited

### **Culture and People**

#### ***Becoming an increasingly sustainable business***

The foundation of our group strategy for sustainable development is Project Compass, our Bibby Line Group-wide commitment to be a sustainable and resilient business, driving us to continually improve delivery for all stakeholders by focusing efforts on four priority areas: Environment, Community, People and Customer.

Each priority area, or Compass ‘Point’ has a bold vision, ambitious sustainability goal, and a set of focus projects to guide activity to help us meet our group vision of being “A family business known for creating a better future together”.

#### ***People***

We are fully committed to creating an inclusive, nurturing and collaborative culture where all of our people can achieve their full potential. And we intend to achieve this through our three key focus areas of Learning & Development, Active Inclusion and Health & Wellbeing:

#### **Learning and Development**

Our aim is to create an environment where people feel empowered to grow and develop throughout their career and are supported in their learning by leaders and colleagues. Throughout the year, our cross-group learning forum collaborated to share access to self-guided learning platforms, which are available to every colleague in the group.

In February, we celebrated National Apprenticeship Week with apprentices and cadets from across the group sharing their stories to explain how they have benefited and acknowledge their endeavours, and in May the group ran its first ever Learning at Work Week. A series of online development webinars were held throughout the week, including a CEO Q&A, accessed by over 400 colleagues.

#### **Active Inclusion**

A workplace with active inclusion at its heart, delivers a culture that removes barriers and empowers all of its people to achieve their highest potential. Our aim is to develop a group-wide approach to active inclusion that will create a safe and open workplace culture, remove barriers to opportunity, ensure fair and inclusive recruitment and promotion and value difference in our workplace.

# **Bibby Line Group Limited**

## **Strategic Report**

Activity to support Active Inclusion in 2023 included International Women's Day ('IWD'), Pride, Black History Month and International Day of Disability. During IWD in March 2023 we also launched EnCompass – Bibby Line Group's Women's Network in 2023.

Garic and Bibby Line Group Ltd have now also achieved Disability Confident Committed status, following BFS achieving Level 2 Disability Confident Employer status in 2021. Marine will also seek to achieve accreditation in 2024. Disability Confident encourages employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people.

### Health and Wellbeing

Our aim is to create a workplace where people feel they have a healthy working environment. One which supports physical, mental and financial health, provides a sense of purpose and social wellbeing, and encourages a healthy work life balance.

Activity to promote physical wellbeing in 2023 included a month-long Virtual Trek in February, including the introduction of a health app subscription to encourage and support colleagues with their physical fitness.

To celebrate World Health Day in April, a series of Health and Wellbeing sessions were delivered to promote learning, and the group also delivered health campaigns for Pink October and November.

The group celebrated Mental Health Awareness Week in October, with a programme of awareness and engagement activity. Mental Health First Aiders are increasing within each business and further awareness training was again rolled out across the group.

Financial wellbeing seminars, a monthly Health and Wellbeing Bulletin and a new Health & Wellbeing Hub have also been launched in the year providing further support to colleagues.

### Key personnel changes

During the year, the Group also continued to consolidate its senior leadership teams, building on the appointments made in 2022. Notable 2023 appointments include Paul Ratcliffe joining Financial Services in May as Managing Director for its new Marine Finance business and in November Nick Gilman was appointed Bibby Marine CFO. In March the Marine Board appointed Howard Woodcock as a non-Executive Director and in July the BLG Board appointed Susan Searle as Non-Executive Director as part of the group's ongoing growth and investment strategy.

### **Customer**

Creating strong, long-lasting partnerships with our customers is vital to our success. To develop ever more meaningful partnership relationships with our customers it is vital that we understand how we are doing and how we can improve.

NPS scoring across the group is well embedded and provides valuable insights as to how we can improve in the future, our target being to achieve a customer satisfaction score of >60 by 2024. In 2023, Bibby Financial Services achieved +40 (2022: +36), Garic achieved +54 (2022: +72) while Marine achieved +46 (2022: +57) for its WaveMaster vessels and +82 (2022: +67) for the Barges, with a combined NPS of +63, well above industry average of +41. Additional key metric tracking includes channel performance, complaints, retention rates and Trust Pilot scores.

The group launched its first ever Customer Month in September which focused on how the group can become customer centric business. As a precursor to this BFS launched its Customer First Week in June, a

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## Strategic Report

week-long global celebration of how the company supports clients and grows the company through attracting new business.

Each company hosts ongoing customer councils that seek input from customers on the challenges that face them, how they work with each company and test potential solutions so we can better respond to customers changing needs and be their partner of choice. Garic's programme focuses on sustainability, energy transition and innovation gained in the infrastructure and construction industry. Marine's theme is centred around energy transition in the marine industry and BFS focuses on understanding customers' changing needs, and how service and product innovation would add value.

The group also sets itself high expectations and standards with our customers, colleagues and other stakeholders, by publishing customer charters. Key common elements have been agreed between our businesses, based on our Bibby Values along with common approaches to customer service. BFS launched their Service Promise in the UK and have initially launched customer charters within four other countries. Garic launched their Customer Charter in March 2023, following input and feedback from customers and includes an external 'Partner of Choice' version as well as an internal 'Customer First' version. Bibby Marine have also developed their charter due to launch in 2024.

### ***Environment***

We are becoming an increasingly sustainable business, minimising our environmental impact on the world around us and influencing positive change, working towards the Group-wide goal of Net Zero carbon emissions by 2040 by focusing on three key pillars:

#### *Decarbonising our Assets*

In September 2023, Marine were delighted to win the ZEV (Zero Emissions and Vessel Infrastructure) competition and be awarded a £19.2m grant from the Department of Transport. This grant award will contribute to the costs of the future build of our proposed ground-breaking zero-emission vessel.

Garic continues its carbon reduction measures, including replacing older vehicles for new, more fuel-efficient models, optimisation of transport planning to reduce non-productive miles travelled and a programme of work to map the company's scope 1, 2 and 3 carbon emissions. It is also supporting customers by delivering sustainable solutions with the development of Microgrid, our renewable energy system, significantly reducing diesel usage and emissions as well as delivering cost savings our customers.

#### *100% Renewable Energy Use*

Walker House, the Group head office, all of Garic's sites and 16 of our 25 BFS Offices now use 100% renewable electricity. We will transition the remaining offices to renewable electricity as soon as we are able to.

#### *Single Use Plastic (SUP) Reduction*

We are reducing the amount of SUPs we use in our workplaces. Between 2020 and the end of 2023, Bibby Marine reported a 83% reduction in SUP figures aboard its Bibby WaveMaster Horizon, and 88% reduction aboard its Bibby WaveMaster 1. The Group does not currently control services to the accommodation barges on charter and therefore the measure has not been recorded for this part of the business.

# **Bibby Line Group Limited**

## **Strategic Report**

In early 2023, Bibby Financial Services launched its 'Plastic Free in '23' campaign. 16 of its directly controlled office locations, including four of its countries, are now 100% SUP free with other locations making good progress.

In March 2023, all businesses joined together to deliver our third mass volunteering event in partnership with Big Blue Ocean Cleanup which included over 50 colleagues helping to clean up 500kg of plastic and litter from Crosby Beach in Merseyside.

### ***Community***

#### **Supporting Our Communities**

We play an active role in supporting the communities in which we live and work through supporting colleague fundraising, our donate a day volunteering programme and schools' outreach.

During 2023, colleagues across the group donated over £142,000 to around 90 charities, through more than 80 separate colleague-led activities.

In total, as part of the Donate A Day programme, colleagues also donated 615 days to good causes in 2023 – a significant increase from 372 in 2022.

We additionally are supporting students to develop skills and aspirations to progress in their education and careers by working closely with a number of local schools and colleges in disadvantaged areas and have delivered in 2023:

- Long-term mentoring;
- Work experience placements;
- Mock interviews;
- Career insights; and
- Sports events including donating sports equipment

#### **2024 Outlook**

Global economies are facing a number of challenges, including geopolitical tension and conflict, a wave of government elections, high interest rates and inflation (albeit both appear to be reducing), the aftermath of Covid and, in the UK, Brexit-related trading challenges. However, in the face of these challenges, and very much driven by our colleagues' resilience, determination and commitment to deliver exceptional service for customers, the group is in a positive position as we enter 2024.

Financial Services is in a strong position, having completed substantial IT infrastructure upgrades and continuing to put people and technology at the heart of its strategic evolution. The business also maintains strong relationships with its funders, securing a new Marine Finance facility in early 2024 which enabled the business to write its first deals, and extending the Pan-Eurasian facility for a further two years until March 2027.

Garic continues to build upon its reputation as a market leader in the sustainable construction sector as customers look to decarbonise their operations to support their emission reduction plans. The company has significantly invested in new eco-friendly assets – including their innovative solar energy stores – and despite a challenging market, has grown strongly off the back of getting ever closer to its customers. Garic also

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## Strategic Report

increased and extended its banking facilities in February 2024 which will support growth in strategic product lines, network development and inorganic growth opportunities.

The Marine business outlook is also extremely positive. Bibby Marine has been able to secure a number of long-term contracts for 2024 which provide significant revenue over the next few years. These charters will be vitally important to providing the capital required to grow the business, including growing the fleet of walk to work vessels, the first of which will be the zero-carbon ZEV vessel for which a shipbuilding contract with Gondan shipyard, Spain, was signed in May 2024.

Our significantly improved performance in 2023 and commitment to our strategic priorities provides us with a strong, stable and resilient business to continue to grow, and to provide significant benefit to all stakeholders in 2024 and beyond.

### 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 risk, rather than looking to eliminate it completely. An enterprise risk management framework is in place and adopted by our businesses. This includes risk registers and an annual control self-assessment process, with output reported to subsidiary boards and summarised to the BLG Group Audit and Risk Committee.

The group operates a three lines of defence model, based on industry standards, to effectively manage the risks that it faces. Accountabilities between lines are split as follows:

- The **first line of defence** is formed by employees and management (within each business) who are responsible for the identification, assessment, management and reporting of risks.
- The **second line of defence** is formed by functions that oversee or specialise in compliance or the management of risk including the Risk and Finance Functions. Central Management and Boards also support the second line of defence. They do not own the risks but instead independently oversee, support, advise and challenge first line activity.
- The **third line of defence** is formed by Internal and External Audit who provide independent review of processes, risks and controls for added assurance.

This framework allows us to review and escalate key risks facing the group in a timely manner, 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. While this list does not represent all the risks that the group faces, it primarily focuses on those currently deemed to be the most pertinent:

Risk	Description	Risk Commentary and Mitigating Activity
Group Composition	An imbalance in the portfolio may leave the Group with too much risk, or create over-dependence on one sector/ country	The BLG board, as part of their annual review of operating plans, mitigates concentration risk by continually considering the desired shape of the portfolio regarding 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.

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## Strategic Report

<p>Group Liquidity</p>	<p>Subsidiaries financially underperform resulting in the Group not generating sufficient cash to cover liabilities as they fall due</p>	<p>Any financial underperformance of our subsidiaries may result in impacts to our shareholders in the form of a reduced dividend, in lack of investment in our subsidiary businesses, or in our inability to meet our liabilities. The group has a robust monthly cash flow forecasting process in place within each subsidiary; as well as multistage reviews performed annually on liquidity and available facilities.</p> <p>Garic’s facility was extended in February 2024 and the BFS Pan-Eurasian facility was also extended in April 2024. The charters secured by Marine have ensured financial security for the business and provided additional funds to invest in the ZEVI vessel, which will also be supported by a Department of Transport grant and bank financing.</p>
<p>Macro-economic risk in portfolio</p>	<p>Businesses are exposed to macroeconomic issues which could lead to profitability or liquidity issues across the Group.</p>	<p>The world today is particularly volatile and is marked by a range of global challenges which have far-reaching implications for businesses worldwide, and Bibby Line Group is no exception. During 2023, there were several challenges including the cost-of-living crisis, economic uncertainty across the Globe and war.</p> <p>The Group maintains a portfolio of businesses and monitors global issues through horizon scanning, rigorous budgeting and forecasting and ongoing review of liquidity levels, all of which are discussed at subsidiary and BLG Boards with appropriate action taken when required.</p>
<p>New Technologies</p>	<p>Failure to understand and react to the impact of new technology on our business could result in lost sales, being left behind by competitors etc resulting in lost revenues</p>	<p>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 continually reviewing new technologies, systems, and processes to help us succeed, 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.</p> <p>BFS have re-platformed in key territories to further enhance their customer offering; Marine are embarking on a project to deliver a zero-carbon vessel, and Garic is innovating new eco-friendly solutions to support its clients to decarbonise their operations.</p> <p>Items such as digital currencies, Artificial Intelligence, cyber security, and other advances are continually assessed to understand the developing threats and opportunities.</p>
<p>Business Performance</p>	<p>The risk that BLG and its subsidiaries perform below expectations caused by internal and external factors, resulting in reduced profitability,</p>	<p>The performance of each business is paramount to the success of the group and there are robust controls in place to monitor and mitigate this risk. There is an annual review and approval process for business operating plans which includes working capital management and liquidity plans.</p>

# Bibby Line Group Limited

## Strategic Report

	declining market share and potential business failure.	There are monthly and quarterly performance reviews in place to monitor performance.
Data security and data privacy	A security breach leading to loss of customer, colleague or Group confidential data results in reputational damage, fines, or other adverse consequences, including criminal penalties and consequential litigation.	<p>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 acts of cybercrime increasing in both volume and sophistication, heightening the risk exposure to broader business disruption as well as to data breaches.</p> <p>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 and our information security processes is a key focus for internal audit.</p>
Environment and Climate Change	There is an increased level of interest in sustainable solutions which if not addressed could result in the failure to attract and retain existing business and failure to report in line with regulations could expose BLG to penalties and reputational damage.	<p>How we act as a responsible business (regarding the impact our operations, products and services have on the environment) is fundamental to the future success of our group and to meet our target of net zero total carbon emissions by 2040. Environment is one of our key focus points within Project Compass.</p> <p>As a group, the businesses have taken actions to identify growth areas where we can produce market leading new products and services and also reduce their carbon footprint, including switching company cars to electric and hybrid cars and by moving utility supplies to renewable energy where possible.</p> <p>In 2023, we have engaged with external experts to support the identification of further improvement areas to help us reach our 2040 target.</p>
Reputation	An event occurs which adversely affects the Bibby Line Group brand and affects subsidiary operations.	<p>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 even though the businesses are substantially autonomous, we expect all our colleagues to live the values and support the sustainability principles set out in Project Compass.</p> <p>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</p>



# Bibby Line Group Limited

## Strategic Report

		<p>procedure to the BLG board. All new business opportunities, including major contracts, are also risk assessed to include the potential impact on the reputation of the existing group. Adherence to our values mitigates the risk of reputation damage.</p> <p>Processes are in place to manage any brand reputation incidents from sold businesses bearing the name of the company.</p> <p>In 2023, this risk was central to the decision on chartering the Stockholm, Progress and Renaissance vessels to support asylum seekers in both the UK and The Netherlands. There has been significant UK media coverage on the use of the Bibby Stockholm and this was escalated in line with procedure to the BLG board.</p>
People	<p>BLG and its subsidiaries fail to attract, develop, and retain talent due to lack of HR process and oversight, to the extent that it materially impacts business performance.</p>	<p>Our success depends on our people, and the failure to recruit and retain talent could have an impact on business disruption through not having strong individuals in critical roles within the group. Engaged colleagues are vital if we are to maintain high levels of customer service and develop new products and services.</p> <p>The Peakon engagement tool is in place across the group to ensure colleague engagement and feedback is captured and acted upon.</p> <p>Core people metrics are monitored across the group. These metrics include Learning &amp; Development, Active Inclusion, Health &amp; Wellbeing and Colleague Attrition, all benchmarked externally to provide further insight into performance.</p>
Health and Safety	<p>Some of our people work in potentially hazardous situations, where failure to protect our staff, customers and the public could injure those involved, breach our own objectives, laws and regulations, and result in financial penalties, and possible imprisonment whilst there is an increased risk of wellbeing and mental health issues.</p>	<p>The health and safety of our colleagues and customers is one of the group’s top priorities. A number of our businesses (particularly in the Marine environment) operate in difficult and dangerous conditions so there are robust health and safety protocols and systems in place to ensure compliance with HSE and other legislation.</p> <p>Management considers a safe environment vital for success. We ensure that incident reporting, including “lessons learnt” exercises take place to prevent recurring incidents. The group continues to actively manage Health and Safety Risk through the established Safety, Health, Environment &amp; Quality (‘SHEQ’) Forum.</p>

# Bibby Line Group Limited

## 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 2023 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, the foundation for which is Project Compass, our group strategy for sustainable development focusing across the priority areas of Environment, Communities, People and Customer. More detail on Compass can be found in the Operational Review on page 9.

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

The strong governance structure in place within the Company, as highlighted in the Statement of Corporate Governance arrangements, ensures clarity on decisions requiring subsidiary and holding company board approval.

#### **(b) The interests of the company's employees**

Our colleagues are vital to the success of our business and 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 systems in place to ensure performance is maintained whilst monitoring health and wellbeing, especially given the majority of our colleagues continue to enjoy the flexibility of hybrid working.

Each company uses technological advancements and the potential of data to understand and improve our colleague experience. Our colleague feedback tool, Peakon, is now established across the group and is improving how we listen and understand colleague opinions and behaviours regarding company culture, providing a benchmark and consistent measurement approach across the group, and externally. The results of Peakon are used to measure our success across a number of KPIs including engagement, inclusion and diversity and health and wellbeing. Colleague engagement at the end of Q1 2024 was 8.3 for BLG (Q1 2023: 7.8), 8.0 for BFS (Q1 2023: 8.1), 8.7 for BML (Q1 2023: 7.1) and 8.1 for Garic (Q1 2023: 8.0). The businesses engage with colleagues across the group through a variety of channels including: subsidiary electronic and printed newsletters; Group CEO 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), as well as other local digital or physical channels.

# Bibby Line Group Limited

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Our Compass People vision is “We keep our colleagues safe at work and celebrate, respect and value them for who they are and what they do”.

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

The group communicates openly with the BLG Pension Trustee Board, providing trading updates monthly at the joint working group. The group 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. We aim to work in partnership with our suppliers to develop best in class solutions for our customers.

Creating strong, long-lasting partnerships with our customers is vital to our success. Our Compass Customer vision is “We continually work to be our customers’ partner of choice and support them to thrive”.

### **(d) The impact of the company’s operations on the community and the environment**

Safety, Health, Environment and Quality (SHEQ) is 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.

#### Minimising Environmental Impact

Each subsidiary presents an environmental report to their board on an annual basis and our Streamlined Energy Carbon Reporting (SECR) in the Directors Report.

Our Compass Environment vision is “We are committed to being an increasingly sustainable business, minimising our environmental impact and influencing positive change”. Together we’ve set ourselves the ambitious goal of “Net zero total carbon emissions by 2040”. We aim to achieve this through decarbonising our assets, 100% renewable energy use and single use plastic reduction.

#### Creating Safe Places

Garic received a Gold RoSPA award for the fifth year running in recognition of its outstanding health and safety achievements in addition to holding Fleet Operator Recognition Scheme (FORS) Gold accreditation (for the last six years) for following best practice and meeting the highest standards of safety.

Marine’s safety record is excellent and has improved over 2023. The International Marine Contractors Association (IMCA) safety statistics show an LTI (lost time injuries per million hours worked) frequency of 0.00 (2022: 0.90) and TRC (total recordable cases per million hours worked) frequency of 0.84 (2022: 1.80)

#### Supporting our Communities

Our Compass Community vision is “We strive to improve the quality of life for all in the communities in which we work and live”. Together we’ve set ourselves the ambitious goal of “1,000 colleague days given to the community every year by 2024”; 615 days were achieved in 2023, a significant increase from 372 in 2022.

### **(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 Bibby Line Group Limited board of directors ensures that appropriate processes are in place to recruit and employ

# Bibby Line Group Limited

## Strategic Report

suitably qualified and trained employees within each business as well as taking key decisions regarding investment for the future.

If issues are detected, the BLG 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, supported by the internal audit function. This includes overseeing the relationship with the group's external auditor.

Despite the group's size meaning it does not have to report on Corporate Governance, we remain committed to good corporate governance and choose to be guided by the Wates Corporate Governance Principles for large private companies, as stated in our corporate governance report.

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

The BLG board of directors understands the need to act fairly between members of the company and there are two independent, non-family non-executive directors on the Board to help protect minority shareholders' interests. We engage with our shareholders through a number of channels including the annual report, annual review, AGM and trading updates, and are responsive to any questions raised. In 2023, the Chairman also reported quarterly to the Trustees of the Bibby family trusts (which control approximately 75% of the shares), on the performance of the company.

### 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
- 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 3 July 2024 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 2023.

### **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 CEO

David Anderson

Geoffrey Bibby

Susan Searle (appointed 7 July 2023)

### **Directors' liabilities:**

The company has made qualifying third-party indemnity provisions for the benefit of its directors which were in place during the year and remain in force at the date of this report. 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 £3.40m (2022: £9.15m), despite PBT increasing from £3.78m to £7.85m, mainly due to decisions taken in respect of the recognition of deferred tax assets relating to historic losses (see notes 12 and 21).

After taking account of movements through the statement of changes in equity, total shareholders' funds have increased from £180.66m to £180.72m. A review of the group's pre-tax results is shown on pages 8-9.

### **Dividends:**

An FY23 interim dividend of £27.71 per ordinary share and £92.55 per A ordinary share was paid in January 2023.

A further FY23 interim dividend of £58.20 per ordinary share and £194.36 per A ordinary share was paid in July 2023.

No final dividend has been announced or will be paid in respect of FY23.

### **Going concern statement:**

The Company is financed by dividends from the trading subsidiaries, principally Bibby Financial Services and Garic. Each subsidiary business has external financing and there are no banking guarantees currently in place between the subsidiary businesses and the Company in respect of external financing, although a parent company guarantee may be required for the ZEVI funding.

The Company had provided support, via Bibby Holdings, in 2023 to the Marine business for capital expenditure and working capital. It has also provided support for the financing of the WaveMaster vessels. Formal loan agreements are in place in respect of these loans. No funding is currently expected in relation to the next 12 months and 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

# **Bibby Line Group Limited**

## **Directors Report**

are considered on a case-by-case basis, subject to strict business case criteria and as a minimum requiring the approval of the Group CEO.

During the year the Company settled its repayable on demand liability of £24.1m to Bibby Holdings Limited via a debt swap arrangement.

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 and updated cash flow forecasts for a period of more than 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 dividend of £5m received from BFS in February 2024 improved BLG's immediate liquidity position and reduced risk to BLG's cashflows. Marine's accommodation barges having commenced long term charters have also reduced any further risk to BLG's cashflows.

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.

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 s.414C (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 FY23 business review and corporate responsibility are also included within the Strategic Report.

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.

# Bibby Line Group Limited

## Directors Report

### Non-adjusting events after the financial period:

#### Dividends:

An FY24 interim dividend of £29.10 per ordinary share and £97.18 per A ordinary share was paid in January 2024.

A further FY24 interim dividend of £61.11 per ordinary share and £204.08 per A ordinary share has been announced and is due to be paid in July 2024.

#### Facility Renewals:

On 23 February 2024, Garic's ABL facility was renewed through to 28 February 2027 with total facility size increasing to £45m

On 25 April 2024 BFS agreed an extension to its Pan EurAsian facility through to 31 March 2027 with an increase in facility size to €210m and with an Accordion built in to allow an increase up to €250m to facilitate future growth.

#### Marine:

After the end of the reporting period the Group signed a three-year extension on a charter for the Bibby WaveMaster I vessel with Total, and the Group secured an in-principle finance offer and signed a ship build contract to construct the world's first zero emission CSOV (ZEVI).

### 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. Bibby Line Group Limited achieved Disability Confident Committed accreditation in 2023.

### Research and development:

As highlighted in our SECR disclosures globally maritime transport accounts for 3.5% to 4.0% of all climate change emissions; mostly carbon dioxide. As mentioned above, the Marine business have signed a shipbuilding contract to construct the world's first Zero Emission CSOV (ZEVI) to join the Bibby WaveMaster fleet in 2026 which would contribute to significantly reduced emissions for our fleet of vessels.

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 prototype products in-house. Garic's ambition is to become the partner of choice for specialist sustainable welfare and site setup; the products and services developed aim to directly tackle the challenge of climate change by reducing the use of fossil fuels in construction and infrastructure operations.

# Bibby Line Group Limited

## Directors Report

### 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, Garlic eco ranges and WaveMaster ZEVI.

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 is committed to reaching net zero emissions by 2040.

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:

- We successfully bid for funding from the Department of Transport to build ZEVI. This will help the Marine business grow in the most environmentally friendly way possible, by decarbonising our fleet with greener alternatives and leading the way for future vessels.
- Garlic continued carbon reduction measures during 2023 and included the continued replacement of older vehicles for new, more fuel-efficient models, optimisation of transport planning to reduce non-productive miles travelled, a switch to hybrid and electric company cars for business users, fully renewable electricity across all depots and offices and a program of work to map the company's scope 1,2 and 3 carbon emissions. There has been continued investment in the solar battery-storage assets as part of the continued switch to greener products.
- BFS has made 16 of its 25 offices SUP free and work continues on the remainder as local practicalities allow.



# Bibby Line Group Limited

## Directors Report

### GHG Emissions and Usage

Emissions - continuing operations (CO <sub>2</sub> e tonnes)		2023	2022
Gas*	UK	170	126
	Non-UK	17	29
Electricity	UK	465	383
	Non-UK	96	99
Transport (owned)	UK	5,205	4,837
	Non-UK	13,251	13,756
Transport (business travel)	UK	1,101	1,893
	Non-UK	21	457
Total		<u>20,326</u>	<u>21,580</u>
<b>Intensity ratio</b>		<b>2023</b>	<b>2022</b>
Turnover (£'m)		240.1	205.1
CO <sub>2</sub> e/£1m turnover		84.7	105.2
<b>Energy consumption used to calculate the above emissions (kWh)</b>		<b>2023</b>	<b>2022</b>
	UK	22,638,671	30,986,071
	Non-UK	49,660,748	48,683,195
	Total	<u>72,299,419</u>	<u>79,669,266</u>

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

Overall Emissions made by the Group have decreased as the result of a number of initiatives across the Group. Emissions from the vessels owned by the Marine business account for 74.8% of the Group's total carbon emissions, up slightly from 74.7% in 2022, but down as a total of all owned transport emissions (82.0% in 2013 vs 86.7% in 2022). The Directors recognise that this is an area which needs focus and decarbonisation of our vessels is a key driver for the ZEVl Project.

Overall, there has been a 5.8% reduction in total CO<sub>2</sub>e emissions compared to 2022 (2022: 2.4% increase). We have been working hard to reduce the overall emissions from the Group. As noted above the largest emissions we have are from the Marine vessels however, despite ZEVl, the overall carbon footprint of the group will not reduce until some of the older assets in the Group are either retired or converted to green energy. During the year we have ensured that the barges entering long term contracts have the ability to connect to shore side electricity which could be from a renewable source. Ultimately the choice and ability to use Green energy relies on individual choices that are outside of our control.

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Emissions from the vehicles operated by Garic account for a further 13.4% (2022: 12.1%) of the Group's total carbon emissions and 14.8% of owned transport emissions. 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. Emissions from the vehicles in Garic have reduced 4.8% year on year.

### *Methodology*

The methodology used to calculate the SECR greenhouse gas emissions is the UK Government GHG conversion factors for Company Reporting 2023. In addition, electricity emissions use metered kWh consumption taken from supplier invoices or from energy brokers data. Transport emissions have been calculated from, usage on vessels, Fuel Card data and expense claims.

## STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS

Although we do not have to apply the Wates Principles due to our size, 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 2023 and we continue to be guided by 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 215 years' experience of providing personal, responsive and flexible customer solutions.

As set out in the Strategic Report, 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. Fundamental to our purpose to grow the long-term value of the group is Project Compass (as discussed in our s. 172 statement). Investing in our colleagues, understanding our customers' needs, caring for the environment and giving back to our communities ensures we are cultivating a long-term sustainable business. In order to achieve the purpose, the BLG board formally discuss and review the strategic priorities of the group annually with more regular engagement between the board and colleagues, customers, shareholders and wider stakeholders.

Our values are core to the way in which we do business and the behaviours expected of the directors, management and employees are demonstrated in everyday decisions and actions. The Board acknowledges its role in embedding the desired culture throughout the business through consistent integration of the "Bibby" values into the different functions and operations of the business.

### **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.*

# Bibby Line Group Limited

## Directors Report

The composition of the Board is considered appropriate for the current size and complexity of the group, whilst maintaining a balance of skills and experience. The BLG board recognises the importance of diversity in terms of skills, background and knowledge in promoting effective, robust and innovative decision-making. The Group have worked with diversity-focussed HR and recruitment partners. We were delighted to welcome Susan Searle to the Board as a non-executive director in July 2023. Susan is an accomplished business leader with strong executive and non-executive experience gained across a diverse range of sectors.

The Board is also committed to promoting specific independent industry experience and governance expertise in its subsidiary boards and announced the appointment of Howard Woodcock as an independent non-executive director to the Marine Board in March 2023. The BFS Board has two non-executive directors who sit on the BFS board to provide relevant experience and challenge, one of whom is also the chair of the BFS Audit Committee.

The Board is also supported by the Nomination Committee, which is responsible for reviewing board composition, proposing new board appointments and monitoring the board's talent and succession needs. The Nomination Committee ensures that the composition and structure of the board remains effective, balanced and optimally suited to the Company's strategic priorities, in practice this involves evaluation and orderly succession of directors.

The Nomination Committee met twice during 2023 at which there was full attendance.

The Committee comprises the non-executive directors of the company. The Group CEO and Group HR Director were in attendance at each nomination committee meeting.

**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 Chief Executive Officer (CEO), to ensure that the balance of responsibilities, accountabilities and decision making across the group are effectively maintained.

The BLG Board held six full board meetings during 2023 and one additional short-Board meeting to approve the accounts, which were supplemented by additional written approvals and regular executive team meetings, communications via email, and conversations between the executive and non-executive directors. During 2023 there was full attendance at all board meetings.

During 2023, the Garic and BFS boards were chaired by the Group CEO, as a non-executive director, and the Group Chairman chaired the Marine Board, with the Group CEO also attending as a non-executive director.

### **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.*

# Bibby Line Group Limited

## Directors Report

The executive team is responsible for day-to-day management, with certain restrictions on their powers set out in the company's governance and delegated authorities' processes. The Group CEO, Jonathan Lewis, is the only Executive member of the BLG Board.

The BLG and subsidiary Boards adhere to a comprehensive and tailored "Schedule of Matters Reserved for the Board" which has been reviewed regularly in 2023 to accommodate the implementation of subsidiary Remuneration Committees and to ensure it remains fit for purpose. The schedule of matters reserved for the board includes the appointment of group directors and divisional chief executives, significant acquisitions, significant capital expenditure or leases, financial guarantees and bank facilities, and changes to Group accounting policies.

The governance framework facilitates responsive and effective decision making, ensuring that the board and its committees, the Executive, and senior management are able to collaborate proactively, consider issues and respond.

With the appointment of Susan Searle, there are now two non-family non-executive directors on the Board. David Anderson 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. This is augmented by a documented Board "Terms of Reference" which is reviewed annually in line with governance best practice. 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.

On appointment, new group and subsidiary board directors are provided with a tailored induction programme to fit with their individual experiences and needs. Board members are committed to continually improving their skills and knowledge and the Group is committed to ensuring Board members have sufficient training and development. The Group has established an ongoing training programme for the members of the Audit and Risk Committee and is also reviewing any training requirements for its Remuneration Committee members.

Of the six board meetings held in 2023, one board meeting was designated as a Strategy Day to focus on both the group and divisional strategies, and one was predominantly focused on the review of the group and divisional operating plans.

The Board is supported by its sub committees in discharging its duties. The Committee meetings are aligned to the cadence of the board calendar with each committee providing the board with their latest updates and recommendations for approval. The purpose of each sub-committee 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 BLG board on such

# Bibby Line Group Limited

## Directors Report

matters. The Audit and Risk Committee also oversees the group's relationship with the professional services firms who perform external and internal auditor roles.

The Audit and Risk Committee members are David Anderson, who also Chairs the Committee, and Geoffrey Bibby. During 2023, the other Board members, Group Finance Director and both the internal and external auditors were invited to attend the Committee with the Group Financial Controller and Group Risk and Assurance Manager also invited to attend meetings as required.

During 2023 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, performed by PwC, and met with the external auditors to review the completion of the 2022 statutory audit, confirm independence of the auditors and plan for the 2023 statutory audit. The committee also used one of the meetings to undertake a more focused review of risk.

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.

Following the internal review of the effectiveness of the Audit and Risk Committee which took place in 2022, improvements in relation to training, succession planning and forward-looking risk management were all addressed in 2023.

### **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 BLG board every year and covers a three-year horizon. The Strategy Day and Operating Plan board meetings are structured so that the Board acts an investment committee to ensure that the businesses' portfolio is performing in line with our purpose to grow the long-term value of the Group. The Board uses an established set of tests to assess the existing subsidiaries individually and the portfolio, which in some cases, can lead to changes in portfolio shape over time. Furthermore, as part of regular board meetings, opportunities to grow the long-term value of the Group are reviewed against the capital available and an agreed set of tests are applied to each to determine where capital should be allocated.

Short-term opportunities to improve performance, resilience and liquidity are captured through monthly and quarterly performance review meetings with each business, which in 2023 were attended by the Group Exec (which comprised of the Group CEO, Group Strategy Director, Group HR Director and Group Finance Director).

Our Principal Risks and Uncertainties are detailed in the Strategic Report. These are monitored and managed through the quarterly performance review meetings with each business and are reported to the BLG Audit & Risk Committee. Our risk management and internal control processes are supported by PwC,

# Bibby Line Group Limited

## Directors Report

who provide internal audit services to the group and subsidiary businesses. The Group also has a Risk and Assurance Manager to strengthen coverage across all risk areas.

### **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 executive remuneration 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 parent company executive directors, any subsidiary business Chief Executive Officer, and other senior positions with salary over a certain level. The members of the Remuneration Committee are the non-executive directors of the company, except the Chairman.

During 2023 the Group CEO and the Group HR Director were in attendance at each Remuneration Committee meeting and the Group Chairman was also invited to attend.

The Group Remuneration Committee met four times during 2023. There was full attendance by committee members at all meetings.

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 competitive markets in which the group operates.

During 2023, Remuneration Committees were established across all subsidiary businesses, each with their own specific Terms of Reference.

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 11 to the financial statements. The group operates a long-term incentive plan for the executive directors of the BLG board, senior employees in the parent company 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.

As also described in the s.172 Statement, 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 regularly at quarterly performance reviews.

# Bibby Line Group Limited

## Directors Report

The Group CEO attends employee communication events both with Bibby Line Group Limited and subsidiary colleagues. The Board also visited all main subsidiary sites in 2023 with Board meetings hosted at different locations and time allocated to ensure the Board spent time meeting with and listening to colleagues.

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

David Anderson, in his role as senior independent NED holds annual meetings with the Trustees of the Bibby Family Trusts, which make up the majority shareholder of the Bibby Line Group. This took place on 28 May 2023. The group also communicates openly with the BLG Pension Trustee Board, providing trading updates at monthly joint working group meetings.

### 2024 Changes to Governance Arrangements

The BLG Board will be undertaking a comprehensive review of its effectiveness and performance during the first half of 2024. The purpose of the review will be for the Group to assess the quality of its Board and identify opportunities to improve its performance and strengthen its governance and board level decision making. The scope of the review will be underpinned by the framework set out in the Wates Principles for Large Private Companies and a particular focus of review will be to make recommendations on its composition and processes to future-proof the business and achieve long-term sustainable success.

### Statement of disclosure to the auditors:

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

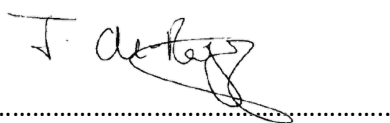
- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's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

Forvis Mazars LLP have expressed their willingness to continue in office as auditors and the directors resolve that their re-appointment as auditors be made in accordance with the deemed re-appointment provisions of s.487 of the Companies Act 2006.

Approved by the Board on 3 July 2024 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**

## **Directors' Responsibilities Statement**

For the year ended 31 December 2023

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.



# **Bibby Line Group Limited**

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

### **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 2023 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 consolidated 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 2023 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 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 directors' 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 consolidated 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 directors are responsible for the 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. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## **Bibby Line Group Limited**

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

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

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports 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.

#### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 31, the members are responsible for the preparation of the consolidated 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 consolidated 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 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 to cease operations, or have no realistic alternative but to do so.

# **Bibby Line Group Limited**

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

### **Auditor's responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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 its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, pension legislation, and UK tax legislation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

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

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.

In addition, we evaluated the directors' incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks are related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and revenue recognition fraud risk.

# **Bibby Line Group Limited**

## **Independent Auditor’s Report to the members of Bibby Line Group Limited**

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;
- Addressing the risks of fraud through management override of controls by performing journal entry testing; and
- Agreeing revenue transactions to relevant support to address revenue recognition fraud risk.

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](http://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 (Jul 4, 2024 15:15 GMT+1)

.....  
Tim Hudson (Senior Statutory Auditor) for and on behalf of Forvis Mazars LLP  
Chartered Accountants and Statutory Auditor  
One St Peter’s Square  
Manchester, UK  
3 July 2024

# Bibby Line Group Limited

## Consolidated Profit and Loss Account

For the year ended 31 December 2023

		2023	2022
	Note	£000	£000
<b>Turnover</b>	5	240,642	204,951
Cost of Sales		(210,245)	(178,028)
<b>Gross profit</b>		<u>30,397</u>	<u>26,923</u>
Administrative expenses		(22,127)	(21,321)
Other operating income	6	669	-
<b>Operating profit</b>		<u>8,939</u>	<u>5,602</u>
Profit on disposal of fixed assets	8	2,042	81
Profit on disposal of subsidiaries	8	-	297
<b>Profit on ordinary activities before interest</b>		<u>10,981</u>	<u>5,980</u>
Finance cost (net)	7	(3,132)	(2,201)
<b>Profit on ordinary activities before taxation</b>		<u>7,849</u>	<u>3,779</u>
Taxation on ordinary activities	12	(4,446)	5,371
<b>Profit for the financial year</b>		<u><u>3,403</u></u>	<u><u>9,150</u></u>

## Bibby Line Group Limited

### Consolidated Statement of Comprehensive Income For the year ended 31 December 2023

	Note	2023 £000	2022 £000
<b>Profit for the financial year</b>		<b>3,403</b>	<b>9,150</b>
Remeasurement of net defined benefit on pension liabilities	28	(1,899)	(2,086)
Currency translation difference on foreign currency net investments		(276)	119
Tax impact on remeasurement of the defined benefit pension scheme		377	780
<b>Total comprehensive income for the year</b>		<b>1,605</b>	<b>7,963</b>
Total comprehensive income for the year attributable to: Equity shareholders of the Company		<b>1,605</b>	<b>7,963</b>

# Bibby Line Group Limited

## Consolidated Balance Sheet

As at 31 December 2023

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Intangible assets	14	3,322	2,347
Tangible assets	15	104,937	100,590
		<u>108,259</u>	<u>102,937</u>
<b>Current assets</b>			
Stock	16	1,058	1,438
Debtors	17	1,056,282	966,366
Cash and cash equivalents		54,930	64,486
		<u>1,112,270</u>	<u>1,032,290</u>
<b>Creditors: Amounts falling due within one year</b>	18	<u>(288,061)</u>	<u>(237,603)</u>
<b>Net current assets</b>		<u>824,209</u>	<u>794,687</u>
<b>Total assets less current liabilities</b>		<u>932,468</u>	<u>897,624</u>
<b>Creditors: Amounts falling due after more than one year</b>	19	<u>(750,873)</u>	<u>(716,142)</u>
Provisions for liabilities and charges	21	(1,517)	(1,739)
<b>Net Assets excluding pension</b>		<u>180,078</u>	<u>179,743</u>
Pension asset	28	641	1,034
Pension liability	28	-	(113)
<b>Net assets</b>		<u><u>180,719</u></u>	<u><u>180,664</u></u>
<b>Capital and reserves:</b>			
Called-up share capital	23	17,708	17,708
Other reserves		572	572
Profit and loss account		162,439	162,384
<b>Total shareholders' funds</b>		<u><u>180,719</u></u>	<u><u>180,664</u></u>

The financial statements of Bibby Line Group Limited (registered number: 00034121) were approved by the board of directors and authorised for issue on 3 July 2024. They were signed on its behalf by:



Jonathan Lewis

Director

# Bibby Line Group Limited

## Company Balance Sheet

As at 31 December 2023

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	15	114	138
Investments	13	67,600	67,600
		<u>67,714</u>	<u>67,738</u>
<b>Current assets</b>			
Debtors	17	15,025	30,664
Cash at bank and in hand		6,540	10,918
		<u>21,565</u>	<u>41,582</u>
<b>Creditors: amounts falling due within one year</b>	18	<u>(22,412)</u>	<u>(44,551)</u>
<b>Net current liabilities</b>		<u>(847)</u>	<u>(2,969)</u>
<b>Total assets less current liabilities</b>		66,867	64,769
<b>Creditors: amounts falling due after more than one year</b>			
Provisions for liabilities and charges	21	(154)	(154)
	21	(220)	(172)
		<u>66,493</u>	<u>64,443</u>
<b>Net Assets excluding pension</b>			
Pension asset	28	641	1,034
Pension liability	28	-	(113)
		<u>67,134</u>	<u>65,364</u>
<b>Net assets</b>			
<b>Capital and reserves:</b>			
Called-up share capital	23	17,708	17,708
Capital redemption reserve		572	572
Profit and loss account		48,854	47,084
		<u>67,134</u>	<u>65,364</u>
<b>Total shareholders' funds</b>			

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 profit for the financial year of £4,842,000 (2022: £4,204,000 loss).

The financial statements of Bibby Line Group Limited (registered number 00034121) were approved by the board of directors and authorised for issue on 3 July 2024. 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
<b>At 1 January 2023</b>	17,708	572	162,384	180,664
<b>Profit for the financial year</b>	-	-	3,403	3,403
Currency translation differences	-	-	(276)	(276)
Remeasurement of net defined benefit pension liabilities (note 28)	-	-	(1,899)	(1,899)
Tax relating to items in other comprehensive income	-	-	377	377
<b>Total comprehensive income for the year</b>	17,708	572	163,989	182,269
Dividends paid on equity shares (note 24)	-	-	(1,550)	(1,550)
<b>At 31 December 2023</b>	17,708	572	162,439	180,719

	Called-up share capital £000	Capital redemption £000	Profit and loss account £000	Total £000
<b>At 1 January 2022</b>	17,708	572	155,921	174,201
<b>Profit for the financial year</b>	-	-	9,150	9,150
Currency translation differences	-	-	119	119
Share buy back	-	-	-	-
Remeasurement of net defined benefit pension liabilities (note 28)	-	-	(2,086)	(2,086)
Tax relating to items of other comprehensive income	-	-	780	780
<b>Total comprehensive income for the year</b>	17,708	572	163,884	182,164
Dividends paid on equity shares (note 24)	-	-	(1,500)	(1,500)
<b>At 31 December 2022</b>	17,708	572	162,384	180,664

# Bibby Line Group Limited

## Company Statement of Changes in Equity

	Called-up share capital	Capital redemption	Profit and loss account	Total
	£000	£000	£000	£000
<b>At 1 January 2023</b>	17,708	572	47,084	65,364
<b>Profit for the financial year</b>	-	-	4,842	4,842
Remeasurement of net defined benefit pension liabilities (note 28)	-	-	(1,899)	(1,899)
Tax relating to items in other comprehensive income	-	-	377	377
<b>Total Comprehensive Income for the year</b>	17,708	572	50,404	68,684
Dividends paid on equity shares (note 24)	-	-	(1,550)	(1,550)
<b>At 31 December 2023</b>	17,708	572	48,854	67,134

	Called-up share capital	Capital redemption	Profit and loss account	Total
	£000	£000	£000	£000
<b>At 1 January 2022</b>	17,708	572	54,094	72,374
<b>Loss for the financial year</b>	-	-	(4,204)	(4,204)
Remeasurement of net defined benefit pension liabilities (note 28)	-	-	(2,086)	(2,086)
Tax relating to items of other comprehensive income	-	-	780	780
<b>Total Comprehensive Income for the year</b>	17,708	572	48,584	66,864
Dividends paid on equity shares (note 24)	-	-	(1,500)	(1,500)
<b>At 31 December 2022</b>	17,708	572	47,084	65,364

# Bibby Line Group Limited

## Consolidated Cash Flow Statement

For the year ended 31 December 2023

	Note	£000	2023 £000	£000	2022 £000
Net cash inflow from non-financial services operating activities	25		12,402		4,868
Net cash (outflow) from financial services operating activities	25		(30,430)		(4,860)
<b>Net cash flows from operating activities</b>			(18,028)		8
<b>Cash flows from investing activities</b>					
Purchase of tangible and intangible fixed assets		(23,910)		(10,161)	
Proceeds on sale of tangible fixed assets		4,678		674	
Interest received		1,477		1,185	
<b>Net cash flows from investing activities</b>			(17,755)		(8,302)
<b>Cash flows from financing activities</b>					
Equity dividends		(1,543)		(1,497)	
Dividends paid on preference shares		(15)		(15)	
Interest paid		(3,651)		(1,117)	
Proceeds from draw down of existing borrowing facilities (Repayment of amounts borrowed)		32,384		(6,188)	
Capital element of hire purchase and finance lease payments		(2,673)		(2,556)	
New loans		6,000		2,104	
New/(Repayment) of hire purchase and finance lease agreements		(516)		(837)	
<b>Net cash flows from financing activities</b>			29,986		(10,106)
<b>Net decrease in cash and cash equivalents</b>			(5,797)		(18,400)
<b>Cash and cash equivalents at beginning of year</b>			47,131		63,581
Effect of foreign exchange rate changes			(557)		1,950
<b>Cash and cash equivalents at end of year</b>	27		40,777		47,131

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 3<sup>rd</sup> Floor Walker House, Exchange Flags, Liverpool, L3 3YL.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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.

At 31 December 2023 the Company owed £15.5m (2022: £15.5m) to Bibby Financial Services Limited which is repayable on demand. Bibby Financial Services Limited has confirmed there is no expectation that the loan will be called within the next 12 months. The loan with Bibby Holdings Limited was settled via a debt swap arrangement in 2023.

The Group and Company 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.

# **Bibby Line Group Limited**

## **Notes to the Financial Statements**

For the year ended 31 December 2023

### **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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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 pass 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

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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 manages 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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 3. Summary of significant accounting policies (continued)

#### *h. Employee benefits (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 (MNOFF) which is a multi-employer defined benefit scheme. The group is unable to identify its share of the underlying assets and liabilities of the MNOFF 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 MNOFF.

#### 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.



# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 3. Summary of significant accounting policies (continued)

#### *i. Government grants*

The group accounts for government grants 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.

#### *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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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 - 3-10 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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 3. Summary of significant accounting policies (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 20 years
- Vehicles and equipment – Varying rates between 3 and 15 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.

##### vi. Assets in the course of construction

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 3. Summary of significant accounting policies (continued)

#### *m. Tangible assets (continued)*

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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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.

# **Bibby Line Group Limited**

## **Notes to the Financial Statements**

For the year ended 31 December 2023

### **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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 3. Summary of significant accounting policies (continued)

#### *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.

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

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 3. Summary of significant accounting policies (continued)

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.

#### *u. Financial instruments*

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 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.



# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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 costs (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 22 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

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 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 £25.4m (2022: £29.9m), against which impairment provisions totalled £16.8m (2022: £20.7m). See Note 22 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 £1.6m (2022: £2.0m) in the level of required provision.

#### ***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 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 £2.1m (2022: £2.4m) which are deferred for amortisation over the term of the leases, which typically extend up to five years. During the year £1.2m (2022: £1.3m) 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

# **Bibby Line Group Limited**

## **Notes to the Financial Statements**

For the year ended 31 December 2023

### **4. Critical accounting judgements and estimation uncertainty (continued)**

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 cyclical nature of shipping markets. The carrying value of the property, plant and equipment within the Marine business at 31 December 2023 is £66.7m (2022: £66.0m).

#### ***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 28 includes the impact of changes in these assumptions.

#### ***Deferred tax (estimate and judgement)***

Recognition of deferred tax requires judgements about the availability of sufficient future taxable profit to support the utilisation of those deferred tax assets. Further details can be found in notes 12 and 21.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 5. Analysis by class of business and geographical market

	UK	2023 Rest of world	Total	UK	2022 Rest of world	Total
	£000	£000	£000	£000	£000	£000
<b>Turnover</b>						
Financial Services	122,785	55,969	178,754	102,068	48,437	150,505
Garic	40,826	-	40,826	37,446	-	37,446
Marine	2,522	18,540	21,062	6,663	10,337	17,000
<b>TOTAL</b>	<b>166,133</b>	<b>74,509</b>	<b>240,642</b>	<b>146,177</b>	<b>58,774</b>	<b>204,951</b>

### 6. Other operating income

	2023 £000	2022 £000
Other operating income	669	-

Other operating income relates to client recharges of vessel upgrade costs in Marine.

### 7. Finance costs (net)

	2023 £000	2022 £000
<b>Interest receivable and similar income</b>		
Other interest receivable	397	165
Interest on pension scheme assets	110	59
	<u>507</u>	<u>224</u>
<b>Interest payable and similar expenses</b>		
On bank loans, overdrafts and other secured loans	(1,597)	(1,048)
HP and finance leases	(1,664)	(1,094)
On other debt financing	(192)	(95)
Amortisation of debt issuance costs	(171)	(173)
On £100 preference shares at 9.75% of nominal value	(15)	(15)
	<u>(3,639)</u>	<u>(2,425)</u>
<b>Finance cost (net)</b>	<u>(3,132)</u>	<u>(2,201)</u>

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 7. Finance costs (net)

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:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
On bank loans and overdrafts	52,132	32,848

### 8. Profit on disposal

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Profit on disposal of fixed assets</b>		
Profit on disposal of tangible fixed assets	2,042	81
The net tax effect of the above transaction is a tax charge of	480	15
<b>Profit on disposal of subsidiaries</b>	-	297
The net tax effect on the above transactions is a tax charge of	-	-

During 2022 Bibby Financial Services received deferred consideration of £0.3m relating to the previous disposal of its North American business, nothing was received during 2023.

There have been no disposals of subsidiaries during the current year.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 9. Profit on ordinary activities before taxation

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Depreciation – owned tangible fixed assets (see note 15)	11,016	10,170
Depreciation – leased tangible fixed assets (see note 15)	2,049	2,216
Amortisation of intangible fixed assets (see note 14)	1,802	2,834
Foreign exchange (gain)/loss	835	(1,405)
(Profit) on disposal of fixed assets	(2,042)	(81)
Charitable donations	24	33
Operating lease costs:		
Plant and machinery	4,881	4,669
Other	2,035	1,685
	<hr/> <hr/>	<hr/> <hr/>
Fees payable to the group’s auditors for:		
- the audit of the company’s current year accounts	110	110
- the audit of the company’s subsidiaries current year accounts	658	638
	<hr/>	<hr/>
<b>Total audit fees</b>	<b>768</b>	<b>748</b>
	<hr/> <hr/>	<hr/> <hr/>
Auditor’s remuneration for non-audit services:		
Other assurance services	15	12
	<hr/>	<hr/>
<b>Total non-audit fees</b>	<b>15</b>	<b>12</b>
	<hr/> <hr/>	<hr/> <hr/>

### 10. Staff numbers and costs

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

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Marine	47	49
Financial Services	983	936
Garic	274	266
Other <sup>N</sup>	26	22
	<hr/>	<hr/>
	<b>1,330</b>	<b>1,273</b>
	<hr/> <hr/>	<hr/> <hr/>

NOTE: ‘Other’ includes Bibby Line Group Limited and Bibby Line Limited

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 10. Staff numbers and costs (cont.)

Their aggregate remuneration comprised:

	Group		Company	
	2023	2022	2023	2022
	£000	£000	£000	£000
Wages and salaries	73,906	65,219	3,165	2,380
Social security costs	10,078	9,489	412	329
Pension costs	3,096	2,621	123	114
	<u>87,080</u>	<u>77,329</u>	<u>3,700</u>	<u>2,823</u>

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

### 11. Directors' remuneration

	2023	2022
	£000	£000
David Anderson	58	55
Geoffrey Bibby	58	56
Sir Michael Bibby Bt.DL	125	125
Jonathan Lewis	631	666
Susan Searle	24	-
	<u>896</u>	<u>902</u>

Directors' remuneration include Salary/Fees, benefits in kind, pension and bonus paid in the year.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 12. Tax on profit/(loss) on ordinary activities

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Tax on profit/(loss) on ordinary activities</b>		
Current year UK corporation tax charge/(credit)	2	2
Prior year UK corporation tax (credit)	(61)	(17)
Current year foreign tax charge	1,618	2,080
Prior year charge for foreign tax	(205)	(375)
	<hr/>	<hr/>
Current tax charge for the year	1,354	1,690
	<hr/>	<hr/>
Deferred tax charge on pension scheme costs	380	290
Adjustments in respect of prior years	1,645	1,301
Effect of change in tax rate on opening asset	79	(669)
Origination and reversal of timing differences	988	(7,983)
	<hr/>	<hr/>
Deferred tax charge/(credit) for the year	3,092	(7,061)
	<hr/>	<hr/>
Total tax charge / (credit) for the year	<u>4,446</u>	<u>(5,371)</u>

In FY22, the UK future profit forecasts supported a higher level of UK losses being recognised on the consolidated balance sheet, increasing the deferred tax credit in the year by c.£4m. In FY23, whilst overall profitability is still forecast to improve over the next few years, the board considers it appropriate to take a more conservative view of the UK profit forecasts. This has resulted in a reduction in the UK losses recognised on the consolidated balance sheet, increasing the deferred tax charge in the year by £3.7m. Tax losses do not time expire and therefore, although more of the losses are currently unrecognised, they are still available to us to use against future UK profits.



# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 12. Tax on profit/(loss) on ordinary activities (cont.)

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	7,849	3,779
Profit / (Loss) on ordinary activities multiplied by the weighted average rate of UK corporation tax of 23.5% (2022: 19.0%)	1,845	718
Effect of:		
Expenses not deductible for tax purposes including amortisation of goodwill	1,756	995
Other timing differences	(656)	(7,280)
Adjustment in respect of prior year	1,379	910
Difference in tonnage tax rate to weighted average tax rate	2	2
Different rate of overseas tax	41	134
Change in deferred tax rate	79	(850)
Total tax charge / (credit) for the year	4,446	(5,371)

### 13. Investments

#### Company

	<b>Total</b>
	<b>£000</b>
<b>At 1 January 2023 and 31 December 2023</b>	<b>67,600</b>

See note 33 for details of subsidiary undertakings. Direct investments primarily relate to Bibby Financial Serviced Ltd and Bibby Holdings Ltd.

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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 14. Intangible fixed assets

#### Group

	<b>Goodwill</b>	<b>Intangible</b>	<b>Total</b>
	<b>£000</b>	<b>assets</b>	<b>£000</b>
		<b>£000</b>	
<b>Cost</b>			
At 1 January 2023	14,601	38,446	53,047
Additions	802	1,963	2,765
Disposals	-	(236)	(236)
Exchange differences	-	(8)	(8)
	<u>15,403</u>	<u>40,165</u>	<u>55,568</u>
At 31 December 2023			
<b>Amortisation</b>			
At 1 January 2023	14,601	36,099	50,700
Charge for the year	80	1,722	1,802
Amortisation eliminated on disposals	-	(236)	(236)
Exchange differences	-	(20)	(20)
	<u>14,681</u>	<u>37,565</u>	<u>52,246</u>
At 31 December 2023			
<b>Net book value</b>			
At 31 December 2023	<u>722</u>	<u>2,600</u>	<u>3,322</u>
At 31 December 2022	<u>-</u>	<u>2,347</u>	<u>2,347</u>

The intangible total includes £0.4m (2022: £1.7m) of leased assets (software) with secured funding within the Financial Services division.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 15. Tangible fixed assets

Group	Vehicles and equipment		Short Leasehold £000	Assets Under Construction £000	Total £000
	Fleet £000	Other £000			
<b>Cost</b>					
At 1 January 2023	140,785	69,988	7,536	-	218,309
Additions	7,785	12,627	-	733	21,145
Disposals	(8,030)	(3,067)	(478)	-	(11,575)
Transfers	-	-	-	-	-
Exchange differences	(1,616)	(163)	98	-	(1,681)
At 31 December 2023	<b>138,924</b>	<b>79,385</b>	<b>7,156</b>	<b>733</b>	<b>226,198</b>
<b>Depreciation</b>					
At 1 January 2023	74,341	39,323	4,055	-	117,719
Charge for the year	4,990	7,127	948	-	13,065
Eliminated on disposal	(6,323)	(2,518)	(283)	-	(9,124)
Exchange differences	(356)	(103)	60	-	(399)
At 31 December 2023	<b>72,652</b>	<b>43,829</b>	<b>4,780</b>	<b>-</b>	<b>121,261</b>
<b>Net book value</b>					
At 31 December 2023	<b>66,272</b>	<b>35,556</b>	<b>2,376</b>	<b>733</b>	<b>104,937</b>
At 31 December 2022	66,444	30,665	3,481	-	100,590

The net carrying amount of assets held under finance leases included in vehicles and equipment - fleet is £29,930,000 (2022: £32,209,000) and included in vehicles and equipment – other is £75,000 (2022: £210,000).

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 15. Tangible fixed assets (continued)

Company	Vehicles and equipment £000	Total £000
<b>Cost or valuation</b>		
At 1 January 2023	242	242
Additions	17	17
Disposals	(17)	(17)
	<hr/>	<hr/>
At 31 December 2023	242	242
	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>		
At 1 January 2023	104	104
Charge for the year	33	33
Disposals	(9)	(9)
	<hr/>	<hr/>
At 31 December 2023	128	128
	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>		
At 31 December 2023	114	114
	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2022	138	138
	<hr/> <hr/>	<hr/> <hr/>

### 16. Stock

	2023 £000	2022 £000
Raw materials	887	590
Work in progress	40	20
Finished goods	131	379
Consumables	-	449
	<hr/>	<hr/>
	1,058	1,438
	<hr/> <hr/>	<hr/> <hr/>

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

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 17. Debtors

<b>Group</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Trade debtors – financial services	910,662	836,849
Net investment in finance leases	67,158	51,329
Trade debtors – other businesses	13,418	8,359
	<hr/>	<hr/>
Basic debt instruments (note 22)	991,238	896,537
Derivative financial instruments held at fair value (note 22)	806	2,089
Taxation and social security	11	205
Deferred taxation asset – other timing differences (see note 21)	30,181	32,892
Other debtors	21,568	23,503
Corporation tax	55	59
Prepayments and accrued income	12,423	11,081
	<hr/>	<hr/>
	1,056,282	966,366
	<hr/> <hr/>	<hr/> <hr/>

Included within net investment in finance leases is £29,930,000 (2022: £32,723,000) which falls due after more than one year.

### Company

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by subsidiary undertakings	14,009	29,598
Deferred taxation asset (see note 21)	415	464
Corporation tax	55	59
Taxation and social security	10	101
Other debtors	252	264
Prepayments and accrued income	284	178
	<hr/>	<hr/>
	15,025	30,664
	<hr/> <hr/>	<hr/> <hr/>

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%.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 18. Creditors – amounts falling due within one year

<b>Group</b>	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Bank loans (see note 20)	23,347	15,995
Bank overdrafts	14,153	17,355
	<hr/>	<hr/>
Basic financial liabilities (note 22)	37,500	33,350
Hire purchase and finance leases (note 20 & 22)	3,209	3,242
Derivative financial instruments (note 22)	701	1,964
Trade creditors – financial services (see note 22)	203,680	165,050
Trade creditors – other (see note 22)	11,462	2,869
Taxation and social security (see note 22)	5,758	5,896
Other creditors	349	731
Corporation tax creditor	499	914
Accruals and deferred income	24,903	23,587
	<hr/>	<hr/>
	<b>288,061</b>	<b>237,603</b>
	<hr/> <hr/>	<hr/> <hr/>
 <b>Company</b>		
	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Amounts owed to subsidiary undertakings	19,392	42,253
Taxation and social security	-	84
Accruals and deferred income	2,676	1,711
Trade and other creditors	344	503
	<hr/>	<hr/>
	<b>22,412</b>	<b>44,551</b>
	<hr/> <hr/>	<hr/> <hr/>

Amounts owed to subsidiary undertakings relate to working capital funding provided by subsidiary undertakings together with consideration for tax losses. The loans mainly bear interest at a rate of Bank of England base rate +3%.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 19. Creditors – amounts falling due after more than one year

Group	2023 £000	2022 £000
Bank loans (see note 20)	719,240	687,092
9.75% Preference shares of £100 each (see note 23)	154	154
	<hr/>	<hr/>
Basic financial instruments (note 22)	719,394	687,246
Hire purchase and finance leases (note 20 & 22)	31,479	28,896
	<hr/>	<hr/>
	<b>750,873</b>	<b>716,142</b>
	<hr/> <hr/>	<hr/> <hr/>
Company	2023 £000	2022 £000
9.75% Preference shares of £100 each	154	154
	<hr/>	<hr/>
	<b>154</b>	<b>154</b>
	<hr/> <hr/>	<hr/> <hr/>

### 20. Debt instruments

	2023 £000	2022 £000
<b>Bank loans are repayable:</b>		
Within one year	23,347	15,995
Between one and two years	59,749	14,552
Between two and five years	644,825	655,829
After five years	14,666	16,711
	<hr/>	<hr/>
	<b>742,587</b>	<b>703,087</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Hire purchase and finance leases are repayable:</b>		
Within one year	3,209	3,242
Between one and two years	2,905	3,380
Between two and five years	24,881	19,237
After five years	3,693	6,279
	<hr/>	<hr/>
	<b>34,688</b>	<b>32,138</b>
	<hr/> <hr/>	<hr/> <hr/>

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. Loans within the Financial Services business are secured against a variety of assets on a case by case basis.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 21. Provisions for liabilities

#### Group

	Other £000	Deferred Taxation £000	Total £000
At 1 January 2023	1,739	-	1,739
Profit and loss account	422	(2,634)	(2,212)
Pensions	-	(380)	(380)
Utilised	(644)	-	(644)
Reclassification to debtors	-	2,712	2,712
Change in tax rate	-	(79)	(79)
Statement of comprehensive income	-	381	381
	<u>1,517</u>	<u>-</u>	<u>1,517</u>
At 31 December 2023	<u>1,517</u>	<u>-</u>	<u>1,517</u>

£1.3m (2022: £1.5m) of total 'other' provision held at a consolidated level relates to property related provisions.

£0.2m (2022: £0.2m) relates to three items in BLG Company only disclosed below.

#### Company

	Other £000	Deferred Taxation £000	Total £000
At 1 January 2023	172	-	172
Profit and loss account	48	(34)	14
Pensions	-	(380)	(380)
Change in tax rates	-	(11)	(11)
Statement of comprehensive income	-	377	377
Reclassification from debtors	-	48	48
	<u>220</u>	<u>-</u>	<u>220</u>
At 31 December 2023	<u>220</u>	<u>-</u>	<u>220</u>

£0.1m (2022: £0.1m) of the total 'other' relates to a warranty claim that is expected to be settled in 2024. The balance of £0.1m relates to a new liability in respect of the Merchant Navy Ratings Pension Fund (as described in note 28), which is expected to reverse over the next 4-6 years.



# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 21. Provisions for liabilities (continued)

#### Deferred taxation:

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

	Group		Company	
	2023 £000	2022 £000	2023 £000	2022 £000
Fixed asset timing differences	(20,800)	(20,012)	(72)	(78)
Pensions	-	(27)	-	(27)
Other timing differences	(3,611)	(2,883)	(343)	(359)
Trading Losses	(5,770)	(9,970)	-	-
<b>Total</b>	<b>(30,181)</b>	<b>(32,892)</b>	<b>(415)</b>	<b>(464)</b>

#### Unrecognised deferred tax asset:

	Group		Company	
	2023 £000	2022 £000	2023 £000	2022 £000
Trading Losses	(4,431)	(2,835)	(234)	(234)
Capital losses	(2,210)	(2,210)	(74)	(74)
<b>Total</b>	<b>(6,641)</b>	<b>(5,045)</b>	<b>(308)</b>	<b>(308)</b>

#### Factors that may affect future tax charges:

The current mainstream rate of corporation tax is 23.5% (2022: 19%). The main corporation tax rate increased to 25% from 1 April 2023. Deferred tax had been previously provided at the rates they had been expected to reverse at.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 22. 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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Performing	969,161	879,040
Non-performing	25,431	29,869
Impairment provision	(16,772)	(20,730)
	<hr/>	<hr/>
	<b>977,820</b>	<b>888,179</b>
	<hr/> <hr/>	<hr/> <hr/>

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

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 22. Financial instruments and risk management (cont.)

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
At 1 January	20,730	24,959
Charged to the Profit and Loss Account	4,002	5,562
Amounts written off	(6,426)	(9,359)
Recoveries	(1,470)	(940)
Exchange differences	(64)	508
	<hr/>	<hr/>
At 31 December	<u>16,772</u>	<u>20,730</u>

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.

	<b>Up to 12 months</b>	<b>1-5 years</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Financial liabilities</b>			
Bank overdrafts	14,153	-	14,153
Senior and junior funding notes	-	460,782	460,782
Bank loans	19,194	234,739	253,933
Finance leases	416	165	581
Derivative financial instruments	701	-	701
Trading and other payables	229,281	-	229,281
	<hr/>	<hr/>	<hr/>
	<u>263,745</u>	<u>695,686</u>	<u>959,431</u>

#### 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 £5,005,000 (2022: £5,600,000) higher. Conversely, if Sterling strengthened 10% against the world's major currencies, shareholder's funds would be £5,005,000 (2022: £4,500,000) lower.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 22. Financial instruments and risk management (cont.)

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

	<b>2023</b>	<b>2022</b>
	<b>£ 000</b>	<b>£ 000</b>
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 17)	991,238	896,537
Other financial assets including other debtors and cash and cash equivalents, that are measured at amortised cost *	58,357	75,567
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 17)	806	2,089
	<u>1,050,401</u>	<u>974,193</u>

\*- This amount includes cash from the Balance Sheet and other financial assets as noted in note 17.

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	781,796	720,596
Financial liabilities that are external finance lease and hire purchase agreements, secured on underlying plant, equipment and intangible assets recorded in fixed assets	34,688	32,138
Other financial liabilities, including trade and other payables that are measured on an amortised cost basis	209,243	199,047
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 18)	701	1,964
	<u>1,026,428</u>	<u>953,745</u>

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 23. Called-up share capital

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Allotted and full paid:</b>		
1,536 (2022: 1,536) 9.75% Preference Shares of £100 each	154	154
100 Ordinary A Shares of £1 each	-	-
17,708 (2022: 17,708) Ordinary Shares of £1,000 each (equity share capital)	17,708	17,708

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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 24. Dividends paid

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Equity dividends paid per Ordinary Share:		
Interim £85.91 (2022: £83.14)	1,521	1,472
	<hr/>	<hr/>
	1,521	1,472
	<hr/>	<hr/>
Equity dividends paid per Ordinary A share:		
Interim £286.91 (2022: £277.65)	29	28
	<hr/>	<hr/>
	29	28
	<hr/>	<hr/>
Total dividends paid	<u>1,550</u>	<u>1,500</u>

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Group operating profit	8,939	5,602
Less operating profit of the financial services business	(10,945)	(8,384)
	<hr/>	<hr/>
<b>Operating loss of the non-financial services businesses</b>	<b>(2,006)</b>	<b>(2,782)</b>
Depreciation	11,132	10,393
Amortisation of intangible assets	-	-
UK taxation paid	(3)	(2)
Overseas tax paid	-	(24)
Profit on disposal of fixed assets	(535)	(348)
Share based payments	-	-
Exchange differences	481	(1,364)
	<hr/>	<hr/>
<b>Operating cash flow before movement in working capital</b>	<b>9,069</b>	<b>5,873</b>
Movement in provisions	204	208
Movement in stock	380	273
Movement in debtors	(851)	3,018
Movement in creditors	4,996	(2,694)
Excess of pension scheme contributions paid over service cost	(1,396)	(1,810)
	<hr/>	<hr/>
<b>Cash (outflow)/inflow from non-financial services operating activities</b>	<b>12,402</b>	<b>4,868</b>
	<hr/>	<hr/>
Operating profit of the financial services business	10,945	8,384
Depreciation	1,932	1,993
Amortisation of intangible assets	1,802	2,844
Overseas taxation paid	(1,831)	(2,283)
Loss on disposal/write down of fixed assets	-	107
Profit on disposal of investments	-	297
	<hr/>	<hr/>
<b>Operating cash flow before movement in working capital</b>	<b>12,848</b>	<b>11,342</b>
Movement in debtors	(87,478)	(10,026)
Movement in creditors	44,200	(6,176)
	<hr/>	<hr/>
<b>Cash inflow/(outflow) from financial services operating activities</b>	<b>(30,430)</b>	<b>(4,860)</b>
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(18,028)</b>	<b>8</b>
	<hr/> <hr/>	<hr/> <hr/>

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.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 26. Reconciliation of net debt

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Movement in cash and cash equivalents in the year	(5,797)	(18,400)
Movement in loans and lease finance in the year	(40,332)	6,226
Change in net debt from cash flows	(46,129)	(12,174)
Exchange movements	1,089	(12,517)
Other non-cash movements	(3,363)	1,250
Finance lease non-cash additions/non-cash early redemption	-	-
Net debt transferred	-	-
Movement in net debt in the year	(48,403)	(23,441)
Net debt at 1 January	(688,094)	(664,653)
Net debt at 31 December	(736,497)	(688,094)

### 27. Analysis of net debt

	<b>1 January</b> <b>2023</b> <b>£000</b>	<b>Cash flow</b> <b>£000</b>	<b>Non-cash</b> <b>movement</b> <b>£000</b>	<b>Exchange</b> <b>movements</b> <b>£000</b>	<b>31 December</b> <b>2023</b> <b>£000</b>
Cash at bank and in hand	64,486	(8,791)	-	(765)	54,930
Bank overdrafts	(17,355)	2,994	-	208	(14,153)
	47,131	(5,797)	-	(557)	40,777
Debt due after 1 year	(715,988)	(33,014)	(3,363)	1,646	(750,719)
Debt due within 1 year	(19,237)	(7,318)	-	-	(26,555)
	(735,225)	(40,332)	(3,363)	1,646	(777,274)
	(688,094)	(46,129)	(3,363)	1,089	(736,497)



# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 28. Pension costs

#### Pension Liability

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Bibby Line Group Pension Scheme – asset/(liability)	854	1,590
Merchant Navy Officers’ Pension Fund – (liability)	-	(113)
	<u>854</u>	<u>1,477</u>

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 £2,666,000 (2022: £4,668,000). 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 (MNOF) which is a multi-employer defined benefit scheme. The group is unable to identify its share of the underlying assets and liabilities of the MNOF 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 MNOF. 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 (2022: same). The contributions made by the group to the MNOF scheme over the financial year amounted to £113,000 (2022 – £113,000). The last actuarial valuation of the scheme, as at 31 March 2021, identified a scheme surplus of £61,000,000. The Annual Funding Update as at March 2023 indicated a net deficit of £10,000,000 as the value of the assets had reduced by more than the liabilities due to the fall in gilt yields however by 30 June 2023 the actuary estimated that the net deficit had largely been removed by improved asset returns. No further contributions are currently expected to the scheme beyond 2023 however, the next valuation is due to be carried out as at 31 March 2024.

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 and the balance in respect of these contributions is now £nil (2022: £63,000). The latest triennial valuation is still ongoing and a further deficit on the scheme has been identified. An estimate of the company’s share of the deficit reduction payments has been communicated and we have therefore provided for the proposed additional liability of £116,000 which is reflected in note 21. This is the current best estimate of the additional liability as the triennial valuation has not yet been concluded.

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 as at 5 April 2023 and the results of this valuation were used to support the FY23 results. The Scheme’s funding level at the valuation date as 96% (previous valuation: 80%) which is equivalent to a deficit of £2.5m (previous valuation £22m). The main reasons for the improvement are the changes made to the valuation basis and the deficit recovery contributions that have been paid over the last 3 years, partially offset by investment returns being lower than anticipated. The annual actuarial report as at 5 April 2024 reflected a funding level of 98% and deficit of £1.1m mainly due to an increase in long term interest rates.

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

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 28. Pension costs (cont.)

for existing members on 30 September 2011, these employees were offered membership of the Bibby Line Group Personal Pension Plan.

The contributions made by the employer over the financial year to the Bibby Line Group Pension Scheme have been £1,810,000 (2022: £1,810,000). Payments of £1,810,000 are in accordance with the schedule of contributions adopted by the Scheme trustees to fund the deficit and contribute towards scheme expenses. Given the reduction in deficit at the latest valuation date, total contributions have been reduced to £0.7m in 2024 and £1.1m in 2025 and 2026.

#### 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:

	2023	2022
Annual inflation (RPI)	3.15%	3.25%
Annual salary increases	n/a	n/a
Annual rate of discount	4.45%	4.80%
Pension in payment increases	As guaranteed	As guaranteed
Annual revaluation rate for deferred members	2.15%	2.20%
Allowance for commutation of pension for cash at retirement	Yes	Yes

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

	2023	2022
Male retiring at age 65 at the year end	19.9	20.2
Male retiring at age 65 in twenty years' time	22.7	21.5
Female retiring at age 65 at the year end	21.1	22.8
Female retiring at age 65 in twenty years' time	24.1	24.2

#### Funded status:

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

	2023 £000	2022 £000
Total market value of assets	63,477	62,075
Present value of Scheme liabilities	(62,623)	(60,485)
Net pension surplus	854	1,590
Restriction on asset not recognised	(213)	(556)
Asset recognised	641	1,034

The FRS102 surplus has decreased from £1.0m at 31 December 2022 to a surplus of £0.6m at 31 December 2023. The deterioration of £0.4m over the year has been caused by the following items:

- Liability due to changes in financial assumptions £2.3m;
- Liability experience loss £0.3m

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 28. Pension costs (cont.)

Partially offset by:

- Employer contributions of around £1.8m;
- An actuarial gain due to changes in demographical assumptions £0.4m
- Reduction in WHT rate on surplus from 35% to 25% £0.1m

The restriction of the asset recognised relates to the 25% (2022: 35%) withholding tax that would apply on any return of funds to the employer upon windup of the scheme. No deferred tax liability is being recognised in respect of the surplus as any return of funds, after deduction of withholding tax, would not be liable to any further tax.

Fair value of assets comprises:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Bonds	31,836	30,399
Property	400	1,179
Cash	283	210
Other	30,958	30,287
	<hr/>	<hr/>
Total	63,477	62,075
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Scheme liabilities as at 1 January	60,485	94,625
Interest cost	2,834	1,651
Actuarial Losses/(gains)	1,935	(32,967)
Experience gains on liabilities	275	2,952
Benefits paid and expenses	(2,906)	(5,776)
	<hr/>	<hr/>
Scheme liabilities as at 31 December	62,623	60,485
	<hr/> <hr/>	<hr/> <hr/>

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 28. Pension costs (cont.)

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Fair value of the Scheme assets as at 1 January	62,075	97,249
Interest income	2,944	1,710
Actuarial (losses)	(32)	(32,463)
Contributions by employer	1,810	1,810
Administration expenses	(414)	(455)
Benefits paid	(2,906)	(5,776)
	<hr/>	<hr/>
Fair value of the Scheme assets as at 31 December	<u>63,477</u>	<u>62,075</u>

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Net interest cost on defined benefit liability	(110)	(59)
Administration expenses	414	455
	<hr/>	<hr/>
Total charge to the profit and loss account	<u>304</u>	<u>396</u>

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Actuarial gains/(losses) arising from changes in demographic and financial assumptions	(1,935)	32,967
(Loss)/return on assets excluding interest income	(32)	(32,463)
Experience gains / (losses)	(275)	(2,952)
	<hr/>	<hr/>
Actuarial gain / (loss) before tax	(2,242)	(2,448)
Restriction on asset recognised	343	362
	<hr/>	<hr/>
Actuarial gain/(loss) recognised in the statement of comprehensive income	<u>(1,899)</u>	<u>(2,086)</u>

The estimated charge for FY24 is £345,000, comprising a net interest credit of £69,000 and administration costs of £414,000 (assuming administration costs to the profit and loss account are in line with FY23).

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 28. Pension costs (cont.)

#### Risks

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

- Mortality risk – The majority of the Scheme’s obligations are to provide a pension for the life of the member, and any surviving spouse or dependants, and so increases in life expectancy may result in an increase in the Scheme liabilities. The assumptions adopted by the group do make allowance for some future improvements in life expectancy. The group and the Scheme’s trustees review the mortality assumptions on a regular basis to minimise the risk of using inappropriate assumptions in calculating the future liabilities.
- Investment risk – The funding liabilities are calculated using a discount rate set with reference to government bond yields, with allowance for additional return to be generated from the investment portfolio. Falling bond yields increase the funding and accounting liabilities. The Scheme invests its assets in a portfolio of asset classes, which do not necessarily move in line with corresponding movements to bond yields. However, the investment in liability driven investments offers a degree of matching, i.e. the movement in assets arising from changes in bond yields partially matches the movement in the funding or accounting liabilities. In this way, the Scheme’s exposure to movements in bond yields is reduced.
- Inflation risk – A large proportion of the Scheme’s benefit obligations are linked to inflation. If inflation is greater than expected, the liabilities will increase. There are however caps on the level of inflationary increases in place on the majority of the Scheme’s benefits, which protects the Scheme against high inflation. In addition, a proportion of the Scheme’s assets are inflation-linked, which further limits the exposure to high inflation.

#### 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.

<b>Sensitivity</b>	<b>Effect on Liabilities</b>
Discount rate +/- 0.5%	-5.9%/+6.5%
Inflation assumptions +/- 0.5%	+3.3%/-2.8%
Life expectancy +/- 1 year	+4.2%/-4.2%

### 29. Operating lease commitments

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

	<b>2023</b>		<b>2022</b>	
	<b>Property £000</b>	<b>Other £000</b>	<b>Property £000</b>	<b>Other £000</b>
Within one year	3,655	2,163	3,191	2,520
Between two and five years	9,934	2,968	9,880	3,968
After five years	3,893	-	2,260	-

The majority of other leases relate to vehicles and equipment.

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 30. 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 11.

#### 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 2022, 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.

### 31. Capital commitments

	2023	2022
	£000	£000
Property, plant and equipment expenditure for which contracts have been placed but which are not otherwise provided for in these financial statements	2,454	6,511
	=====	=====

### 32. Post balance sheet events

#### Non-adjusting events after the financial period

##### Dividends:

An FY24 interim dividend of £29.10 per ordinary share and £97.18 per A ordinary share was paid in January 2024.

A further FY24 interim dividend of £61.11 per ordinary share and £204.08 per A ordinary share has been announced and is due to be paid in July 2024.

##### Facility Renewals:

On 23 February 2024, Garic's ABL facility was renewed through to 28 February 2027.

On 25 April 2024 BFS agreed an extension to its Pan EurAsian facility through to 31 March 2027.

##### Marine:

After the end of the reporting period the Group signed a three-year extension on a charter for the Bibby WaveMaster I vessel with Total, and the Group secured an in-principle finance offer and signed a ship build contract to construct the world's first zero emission vessel (ZEV).

# Bibby Line Group Limited

## Notes to the Financial Statements

For the year ended 31 December 2023

### 33. 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	% Equity Share Capital Held	Type of Business
1.	Bibby Line Group Pension Trustee Limited	England & Wales <sup>1</sup>	100%	Pension Trustee
2.	Bibby Financial Services Limited	England & Wales <sup>1</sup>	100%	Holding and management services company
3.	BFS Marine Finance (Holdings) Limited	England & Wales <sup>1</sup>	100%*	Holding and management services company
4.	BFS Marine Finance (UK) Limited	England & Wales <sup>1</sup>	100%*	Financial Intermediation
5.	Coverly Limited	England & Wales <sup>1</sup>	100%	Insurance agents and brokers
6.	Bibby FS (Holdings) Limited	England & Wales <sup>1</sup>	100%*	Holding and management services company
7.	Bibby Financial Services (UK) Limited	England & Wales <sup>1</sup>	100%*	Holding and management services company
8.	Bibby Asset Finance Limited	England & Wales <sup>1</sup>	100%*	Holding and management services company
9.	Bibby Leasing Limited	England & Wales <sup>1</sup>	100%*	Asset financing
10.	Bibby Management Services Limited	England & Wales <sup>1</sup>	100%*	Management services
11.	Bibby Trade Services Limited	England & Wales <sup>1</sup>	100%*	Trade financing
12.	Factoring UK Group Limited	England & Wales <sup>1</sup>	100%*	Holding and management services company
13.	Cashflow UK Limited	England & Wales <sup>1</sup>	100%*	Brokerage
14.	Bibby Corporate Financial Solutions Limited	England & Wales <sup>1</sup>	100%*	Inventory financing
15.	Bibby Invoice Finance UK Limited	England & Wales <sup>1</sup>	100%*	Controlling company for the factoring and invoice discounting activities of BFS
16.	Bibby Factors Bristol Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
17.	Bibby Factors Leicester Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
18.	Bibby Factors Limited	England & Wales <sup>1</sup>	100%*	Debt factoring

## Bibby Line Group Limited

### Notes to the Financial Statements

For the year ended 31 December 2023

#### 33. Subsidiary undertakings (cont.)

	Company Name	Country of Incorporation	% Equity Share Capital Held	Type of Business
19.	Bibby Commercial Finance Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
20.	Bibby Factors Northeast Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
21.	Bibby Factors Northwest Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
22.	Bibby Factors Scotland Limited	Scotland <sup>3</sup>	100%*	Debt factoring
23.	Bibby Factors Slough Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
24.	Bibby Factors Sussex Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
25.	Bibby Factors Wessex Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
26.	Bibby Factors Yorkshire Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
27.	Bibby Factors International Limited	England & Wales <sup>1</sup>	100%*	Debt factoring
28.	Bibby Invoice Discounting Limited	England & Wales <sup>1</sup>	100%*	Invoice discounting
29.	Bibby Revolving Finance Limited	England & Wales <sup>1</sup>	100%*	Trade financing
30.	Bibby Trade Factors Limited	England & Wales <sup>1</sup>	100%*	Trade financing
31.	Global Management Services Limited	England & Wales <sup>1</sup>	100%*	Non-trading
32.	Bibby Financial Services (FX) Limited	England & Wales <sup>1</sup>	100%*	Holding and management services company
33.	Bibby Foreign Exchange Limited	England & Wales <sup>1</sup>	100%*	Foreign exchange services
34.	Bibby Foreign Exchange (Europe) Limited	Ireland <sup>4</sup>	100%*	Foreign exchange services
35.	Bibby Foreign Exchange (Solutions) Limited	England & Wales <sup>1</sup>	100%*	Dormant
36.	Bibby Financial Services (Asia) Limited	Hong Kong <sup>5</sup>	100%*	Debt factoring
37.	Bibby Financial Services (India) Pvt Limited	India <sup>6</sup>	99.99%*	Debt factoring
38.	Bibby Financial Services (Singapore) Pte. Ltd.	Singapore <sup>2</sup>	100%*	Debt factoring
39.	Bibby Financial Services (Europe) Limited	England & Wales <sup>1</sup>	100%*	Holding and management services company
40.	Bibby Factor France S. A.	France <sup>8</sup>	99.99%*	Debt factoring
41.	Bibby Factoring Slovakia a.s.	Slovak Republic <sup>9</sup>	100%*	Debt factoring
42.	Bibby Financial Services a.s.	Czech Republic <sup>10</sup>	100%*	Debt factoring
43.	Bibby Financial Services B.V.	Netherlands <sup>11</sup>	100%*	Debt factoring
44.	Bibby Financial Services GmbH	Germany <sup>12</sup>	100%*	Debt factoring
45.	Bibby Financial Services (Ireland) Limited	Ireland <sup>4</sup>	100%*	Debt factoring



## Bibby Line Group Limited

### Notes to the Financial Statements

For the year ended 31 December 2023

#### 33. Subsidiary undertakings (cont.)

	Company Name	Country of Incorporation	% Equity Share Capital Held	Type of Business
46.	Bibby Financial Services Sp. z o. o.	Poland <sup>13</sup>	99.99%*	Debt factoring
47.	Bibby Holdings Limited	England & Wales <sup>1</sup>	100%	Holding company
48.	Bibby Ship Management (Eastern Europe) Limited	Russian Federation <sup>14</sup>	85.71%*	Non-trading (N1)
49.	Bibby Taurus Limited	England & Wales <sup>1</sup>	100%*	Holding company
50.	Garic Limited	England & Wales <sup>1</sup>	100%*	Design, fabrication and purchase of plant and machinery for sale and hire
51.	Bibby Marine Limited	England & Wales <sup>1</sup>	100%*	Holding company for BLG marine niche assets and services division
52.	Bibby Marine Management Limited	England & Wales <sup>1</sup>	100%*	Service activities incidental to water transportation
53.	Bibby Marine Services Limited	England & Wales <sup>1</sup>	100%*	Holding company
54.	Bibby WaveMaster 1 Limited	England & Wales <sup>1</sup>	100%*	Ownership and operation of a service operation vessel
55.	Bibby WaveMaster 2 Limited	England & Wales <sup>1</sup>	100%*	Ownership and operation of a service operation vessel
56.	Bibby Marine Survey Services Limited	England & Wales <sup>1</sup>	100%*	Dormant
57.	Bibby Maritime Limited	England & Wales <sup>1</sup>	100%*	Ownership and operation of floating accommodation vessels
58.	Bibby Bergen Limited	England & Wales <sup>1</sup>	100%*	Ownership and operation of a floating accommodation vessel
59.	Bibby Challenge Limited	England & Wales <sup>1</sup>	100%*	Ownership and operation of a floating accommodation vessel
60.	Bibby Maritime Crewing Services Limited	England & Wales <sup>1</sup>	100%*	Provision of crew services
61.	Bibby Maritime Nigeria Limited	Nigeria <sup>15</sup>	100%*	In liquidation
62.	Bibby Progress Limited	England & Wales <sup>1</sup>	100%*	Ownership and operation of a floating accommodation vessel
63.	Bibby Pioneer Limited	England & Wales <sup>1</sup>	100%	Ownership and operation of a floating accommodation vessel

## Bibby Line Group Limited

### Notes to the Financial Statements

For the year ended 31 December 2023

#### 33. Subsidiary undertakings (cont.)

	Company Name	Country of Incorporation	% Equity Share Capital Held	Type of Business
64.	Bibby Stockholm Limited	England & Wales <sup>1</sup>	100%*	Ownership and operation of a floating accommodation vessel
65.	Bibby Line Limited	England & Wales <sup>1</sup>	100%	Holding company
66.	Bibby Bulk Carriers Limited	England & Wales <sup>1</sup>	100%*	Non-trading
67.	Bibby Gas Carrier Limited	England & Wales <sup>1</sup>	100%*	Dormant
68.	Bibby Navigation Limited	England & Wales <sup>1</sup>	100%*	Non-trading
69.	Bibby Pool Partner Limited	England & Wales <sup>1</sup>	100%*	Non-trading
70.	Bibby Trader Limited	England & Wales <sup>1</sup>	100%	Dormant
71.	Bibby Transport Limited	England & Wales <sup>1</sup>	100%*	Non-trading
72.	Mumbai Singapore Pte. Ltd.	Singapore <sup>16</sup>	100%*	Non-trading

Registered offices:

- <sup>1</sup> 3<sup>rd</sup> Floor Walker House, Exchange Flags, Liverpool, L2 3YL, United Kingdom
- <sup>2</sup> 6, Shenton Way, #18-08A Oue Downtown 068809, Singapore
- <sup>3</sup> 1/1, The Exchange Building, 142 St. Vincent Street, Glasgow, G2 5LA, United Kingdom
- <sup>4</sup> 4th Floor Heather House, Heather Road, Sandyford, Dublin 18, Ireland
- <sup>5</sup> Unit 2302, 23/F Jubilee Centre, 18 Fenwick Street, Wanchai, Hong Kong
- <sup>6</sup> B-583, Sushant Lok Phase 1, Near Park Plaza, Gurugram, Gurgaon, Haryana 122009 India
- <sup>8</sup> 160 Avenue Jean Jaures, CS 90404, 69364 Lyon Cedex, France
- <sup>9</sup> Prievozská 4D, Block E, 13th Floor, Bratislava 821 09, Slovak Republic
- <sup>10</sup> Hlinky 118, Brno, 603 00, Czech Republic
- <sup>11</sup> Laan Van Diepenvoorde 5, 5582 LA, Waalre, Netherlands
- <sup>12</sup> Hansaallee 249, 40549 Düsseldorf, Germany
- <sup>13</sup> Poland Eurocentrum, Al. Jerozolimskie 134, 02-305 Warsaw, Poland
- <sup>14</sup> 1/2 Atarbekova str, 350062, Krasnodar, Krasnodar\*
- <sup>15</sup> 25 Adeyemo Alakija Street, Victoria Island, Lagos, Nigeria
- <sup>16</sup> 71 Bukit Batok Crescent, #06-10 Prestige Centre 658071, Singapore

N1 - The 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 but currently cannot take any action due to international sanctions.