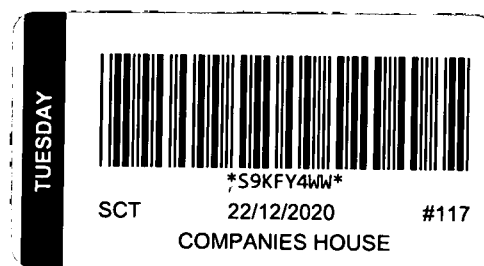




**TIDEWATER PERSONNEL UK LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**



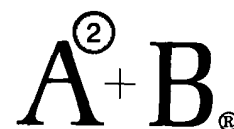
COMPANIES HOUSE

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EDINBURGH MAILBOX

**TIDEWATER PERSONNEL UK LTD**

**COMPANY INFORMATION**



**Directors**

E M Geddes  
Q V Kneen  
S R Wilson

**Company secretary**

E M Geddes  
Aldlex Limited

**Registered number**

03462306

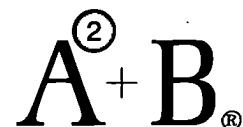
**Registered office**

95 Aldwych  
London  
WC2B 4JF

**Independent auditor**

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

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**



**Introduction**

The directors present their Strategic report for the year ended 31 December 2019

The principal activity of the company is the provision of personnel management services to the offshore marine industry.

These financial statements have been prepared on a going concern basis, which the directors believe to be appropriate based on the disclosures made in note 2.

**Business review**

Throughout 2019, several new UK North Sea fields came on stream, notably first production from the Culzean gas field and first oil from the Mariner field, emphasising the ongoing resilience of the market. Our traditional customer base also saw changes with longstanding operators such as Chevron, ConocoPhillips & Marathon Oil selling to new operators, in this case Ithaca, Chrysaor & Rock Rose respectively. There is increased focus on climate change and energy transition however there is strong belief that there will be an ongoing need for oil and gas alongside renewables.

The oilfield services market improved marginally through 2019 but did not recover at the speed which those involved had hoped for. There has been a marked recovery for both exploration and development drilling throughout with increased customer spending resulting in an improvement for the offshore vessel industry. The market still has some way to go to get back to pre-oil price crash levels but, during 2019 vessel utilisation increased and, subsequently, day rates began to climb with Charterers looking to fix vessels on term contracts rather than servicing their requirements from the spot market.

Throughout the year, we have continued with best efforts to reduce vessel operating costs where possible whilst still providing a high quality, safe service.

The profit for the year, after taxation amounted to £151,000 (2018 – loss £26,000). This was attributable to a reduction in Administrative Expenses and increased interest income from intercompany loans.

The offshore vessel industry continues to be challenging due to continued oversupply of vessels and sustained lower levels of crude oil pricing. This results in lower customer spending, particularly spending on capital projects.

The ongoing market situation has had a negative effect on seafarers in terms of reduced remuneration and uncertainty regarding future employment which has led to some leaving the industry. This fact has made the role of the Company more difficult in its attempts to effectively provide and manage the required numbers and specific ranks of suitably qualified offshore personnel.

### Future outlook

The directors intend to seek and obtain new contracts in the offshore sector and elsewhere within the marine industry whilst maintaining a high level of service provision to existing clients.

As mentioned above, we have seen a gradual improvement in the market throughout 2019. The activity that is forecast for 2020 should result in continued gradual improvement for the OSV market. Based on projected demand outlook we are forecasting an improvement to contracted day rates of 15-20% for charter free assets compared to 2019.

Based on a contract extension confirmed during Q4 2019, the feeling is that rates for large vessels similar to the majority of our fleet should be in the region of £9,000 to £11,000 per day.

There remains a lack of new build vessels either under construction or on the market and this situation is expected to continue over the next 25 years. This is expected to further stimulate the market as older tonnage becomes less attractive to potential charterers.

In summary, the board is of the opinion that the long term outlook for the company is positive.

For the fiscal year 2020, the Company will have access to funding, if required, from the ultimate parent, Tidewater Inc.

Due to this fact, the Directors are of the opinion that the going concern assessment of Tidewater Personnel UK Ltd and other UK entities is not in doubt.

### Principal risks and uncertainties

As a service providing company with income solely from a management fee, the only significant risk relates to the ongoing requirement for its services. This is dependent on the activity of other UK companies in the Tidewater group which is heavily dependent on the offshore oil and gas industry.


### Financial key performance indicators

Turnover: has decreased in the year by £28,000 from £511,000 to £483,000 which is attributable to an adjustment to the management fee structure to reflect number of staff and office space occupied.

Operating Profit/Loss: has increased in the year by £116,000 from a loss of £35,000 to a profit of £81,000 due to a combination of lower Administrative Expenses in the year due to decreased staff numbers and higher interest income on intercompany loan balances.

Operating Margin: this figure has increased from -6% to 31% due to the factors noted above.

This report was approved by the board and signed on its behalf.

  
.....  
**E M Geddes**  
Director

Date: 21/12/20

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**



The directors present their report and the financial statements for the year ended 31 December 2019.

**Results and dividends**

The profit for the year, after taxation, amounted to £151,000 (2018 - loss £26,000).

The directors do not propose the payment of a dividend for the current financial year (2018 - £NIL).

**Directors**

The directors who served during the year were:

E M Geddes  
Q V Kneen  
S R Wilson

**Engagement with employees**

It is company policy that management should consult regularly with employees on matter which affect their employment and that their views should be taken into consideration when decisions are made which will affect their interests. It is policy to keep employees informed of developments and performance across the Tidewater group.

**Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.


**Post balance sheet events**

There have been no significant events affecting the company since the year end. The directors do not believe that the worldwide Covid-19 pandemic impacts the Balance sheet presented in these financial statements.

**Auditor**

The auditor, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

  
.....  
**E M Geddes**  
Director

Date: 21/12/20

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
TIDEWATER PERSONNEL UK LTD**



**Opinion**

We have audited the financial statements of Tidewater Personnel UK Ltd (the 'company') for the year ended 31 December 2019, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

**Other information**

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
TIDEWATER PERSONNEL UK LTD (CONTINUED)**



We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
TIDEWATER PERSONNEL UK LTD (CONTINUED)



**Use of our report**

This report is made solely to the company's members 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 for our audit work, for this report, or for the opinions we have formed.

*Anderson & Brown Audit LLP*

Derek Mair (Senior statutory auditor)

for and on behalf of

**Anderson Anderson & Brown Audit LLP**

Statutory Auditor

Kingshill View  
Prime Four Business Park  
Kingswells  
Aberdeen  
AB15 8PU

Date:

*22 Dec 2020*

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**



	Note	2019 £000	2018 £000
Turnover	4	483	511
<b>Gross profit</b>		<u>483</u>	<u>511</u>
Administrative expenses		(402)	(546)
<b>Operating profit/(loss)</b>	5	<u>81</u>	<u>(35)</u>
Interest receivable and similar income	8	<u>70</u>	<u>9</u>
<b>Profit/(loss) before tax</b>		<u>151</u>	<u>(26)</u>
Tax on profit/(loss)	9	-	-
<b>Profit for the financial year and total comprehensive income</b>		<u><u>151</u></u>	<u><u>(26)</u></u>

There was no other comprehensive income for 2019 (2018 - £NIL).

The accompanying notes form an integral part of the financial statements.

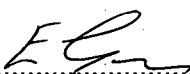
All figures above related to continuing activities.

BALANCE SHEET  
AS AT 31 DECEMBER 2019



	Note	2019 £000	2018 £000
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	1,034	933
Cash at bank and in hand	11	251	34
		<u>1,285</u>	<u>967</u>
Creditors: amounts falling due within one year	12	(387)	(203)
<b>Net current assets</b>		<u>898</u>	<u>764</u>
<b>Total assets less current liabilities</b>		<u>898</u>	<u>764</u>
Creditors: amounts falling due after more than one year	13	(226)	(243)
<b>Net assets</b>		<u><u>672</u></u>	<u><u>521</u></u>
<b>Capital and reserves</b>			
Called up share capital	14	-	-
Other reserves		27	27
Profit and loss account		645	494
		<u><u>672</u></u>	<u><u>521</u></u>

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

  
.....  
**E M Geddes**  
Director

Date: 21/12/20

The notes on pages 11 to 19 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Other reserves £000	Profit and loss account £000	Total equity £000
<b>At 1 January 2018</b>	27	520	547
Loss for the year	-	(26)	(26)
<b>At 1 January 2019</b>	27	494	521
Profit for the year	-	151	151
<b>At 31 December 2019</b>	27	645	672

The notes on pages 11 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**



**1. General information**

Tidewater Personnel UK Ltd ('the company') provides personnel management services to the offshore marine industry.

The company is a private company limited by shares and incorporated, domiciled and registered in England. The address of its registered office is 95 Aldwych, London, WC2B 4JF.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

All amounts in the financial statements have been rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Tidewater Inc. as at 31 December 2019 and these financial statements may be obtained from the internet at [www.tdw.com](http://www.tdw.com) or by writing to Tidewater Inc., 6002 Rogerdale Road, Suite 600, Houston, TX 77072.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**



**2. Accounting policies (continued)**

**2.3 Going concern**

The company reported a profit after tax of £151,000 for the year ended 31 December 2019 as compared to a loss of £26,000 for the year ended 31 December 2018. The company also had, as of that date, net assets of £671,000 (2018 - £521,000).

These financial statements have been prepared on a going concern basis, which the directors believe to be appropriate for the following reasons:

The company completes a profit and loss forecast for twelve months in advance of the previous financial year. According to these forecasts, the business will make a profit in the year and the directors do not believe the company will require access to additional funding from other Tidewater group companies.

In arriving at this conclusion, the directors have given due consideration to the impact of the worldwide Covid-19 pandemic on future operations and the ability of the company to continue to as a going concern. The directors recognise that the situation remains highly fluid and as a result making accurate forecasts on the likely implications is difficult but the directors do recognise that trading over the coming months is likely to be adversely affected.

Despite this, the directors remain confident that the company can continue to operate as a going concern. This assessment is based on the understanding that the company and the wider group will continue to trade over the coming months, albeit it at a potentially reduced level than was initially anticipated. This, along with making use of government measures to support businesses and retained reserves will allow the company to continue to meet it's obligations as they fall due and operate as a going concern.

As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

**2.4 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**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 Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'administrative expenses'.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**



**2. Accounting policies (continued)**

**2.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Turnover is derived from management fee income which is an internal, annual charge to other Tidewater group companies.

**2.6 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

**2.7 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.9 Pensions**

**Defined contribution pension plan**

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

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

**2.10 Debtors**

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

**2.11 Cash and cash equivalents**

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



**2. Accounting policies (continued)****2.12 Creditors**

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

**2.13 Financial instruments**

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

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

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**



**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Balance sheet date and the amounts reported during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. 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. The following judgements and estimates have had the most significant impact on amounts recognised in the financial statements.

**Intercompany balances**

The company holds intercompany debtors from other companies within the Tidewater group. At each reporting date, the directors assess the recoverability of intercompany debtor balances by reference to the debtors latest financial information. Judgements are applied as to whether a provision is required against the balance.

**4. Analysis of turnover**

An analysis of turnover by class of business is as follows:

	2019 £000	2018 £000
Management fee income	483	511

All turnover arose within the United Kingdom.

**5. Operating profit/(loss)**

The operating profit is stated after charging/(crediting):

	2019 £000	2018 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	4	4
Exchange differences	-	(9)
Other operating lease rentals	37	47
Defined contribution pension cost	13	23

The directors of this company were paid by other group companies during the year. The directors do not believe it is practical to apportion these amounts between their services as directors of this company and their services as directors of other group companies. The directors' remuneration and amounts receivable under long term incentive schemes paid by other group companies to the directors of this company totals £233,000 (2018 - £348,000). The value of the group's contributions paid to defined contribution pension schemes in respect of these directors amounted to £21,000 (2018 - £21,000).

**6. Auditor's remuneration**

	2019 £000	2018 £000
Audit of these financial statements	4	4

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**



**7. Employees**

Staff costs were as follows:

	2019 £000	2018 £000
Wages and salaries	205	336
Social security costs	19	32
Cost of defined contribution scheme	13	23
	<u>237</u>	<u>391</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019 No.	2018 No.
Directors	3	3
Administration	4	7
	<u>7</u>	<u>10</u>

**8. Interest receivable**

	2019 £000	2018 £000
Interest receivable from group companies	<u>70</u>	<u>9</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

## 9. Taxation

	2019 £000	2018 £000
Current tax on profits for the year	-	-
<b>Total current tax</b>	-	-

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £000	2018 £000
Profit on ordinary activities before tax	152	(26)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	29	(5)
<b>Effects of:</b>		
Group relief	(29)	5
<b>Total tax charge for the year</b>	-	-

**Factors that may affect future tax charges**

Following the end of the accounting period, on 17 March 2020, the Finance Bill 2020 was substantively enacted, retaining the rate of corporation tax that will apply for the financial year 2020 at 19%.

## 10. Debtors

	2019 £000	2018 £000
Amounts owed by group undertakings	1,025	921
Other debtors	7	7
Prepayments and accrued income	2	5
	1,034	933

## 11. Cash and cash equivalents

	2019 £000	2018 £000
Cash at bank and in hand	251	34

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**12. Creditors: Amounts falling due within one year**

	2019 £000	2018 £000
Trade creditors	3	-
Amounts owed to group undertakings	304	60
Other taxation and social security	1	14
Accruals and deferred income	79	129
	<u>387</u>	<u>203</u>

**13. Creditors: Amounts falling due after more than one year**

	2019 £000	2018 £000
Amounts owed to group undertakings	<u>226</u>	<u>243</u>

**14. Share capital**

	2019 £000	2018 £000
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
2 ordinary shares of £2 each	<u>-</u>	<u>-</u>

**15. Pension commitments**

The company contributes towards stakeholder individual pension arrangements. The pension charge for this year represents contribution payable by the company to the scheme and amounted to £13,000 (2018 - £23,000). There is no outstanding or prepaid contributions at either the beginning or end of the financial year (2018 - £NIL).

**16. Related party transactions**

The company has taken advantage of paragraph 33.1a of FRS 102 (Related party disclosures) which allows exemption from disclosure of related party transactions with other wholly owned group companies.

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**17. Commitments under operating leases**

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £000	2018 £000
Not later than 1 year	41	41
Later than 1 year and not later than 5 years	164	164
Later than 5 years	130	171
	<u>335</u>	<u>376</u>

**18. Controlling party and related undertakings**

The company is a subsidiary undertaking of GulfMark North Sea Limited. The ultimate controlling party is the shareholders of Tidewater Inc.

The largest and smallest group, in which the results of the company are consolidated is that headed by the Tidewater Inc, incorporated in Delaware, USA. No other financial statements include the results of the company.

There are no other related undertakings to be disclosed other than the immediate and ultimate parent companies.