
FAIRLINE YACHTS DESIGN STUDIO LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

FAIRLINE YACHTS DESIGN STUDIO LTD

COMPANY INFORMATION

Directors	P J Grys (appointed 31 December 2021) P M Pankhania (appointed 12 June 2021)
Registered number	11425221
Registered office	Nene Valley Business Park Oundle Peterborough Cambridgeshire PE8 4HN
Independent auditor	CLA Evelyn Partners Limited Chartered Accountants & Statutory Auditor 45 Gresham Street London EC2V 7BG

FAIRLINE YACHTS DESIGN STUDIO LTD

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FAIRLINE YACHTS DESIGN STUDIO LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Results and dividends

The loss for the year, after taxation, amounted to £1,247,740 (2019 - loss of £2,381,920).

No dividends were paid or declared during the year (2019 - £Nil).

In July 2020, RiverRock became the sole shareholder of the company. This change of ownership resulted in a reduction of shareholder debt by £2,845,893 having a positive effect on the Company's reserves.

Directors

The directors who served during the year were:

D A McHugh (appointed 1 July 2020, resigned 12 June 2021)
M M R G Peretie (appointed 31 March 2021, resigned 12 June 2021)
L Bondareva (resigned 1 July 2020)
J E Carley (appointed 1 July 2020, resigned 31 March 2021)
I Glyanenko (resigned 1 July 2020)
P J McNulty (appointed 1 July 2020, resigned 31 December 2021)
D R Tydeman (resigned 21 January 2020)
A Volov (resigned 1 July 2020)

Going concern

The Company provides product design studio services and relating tooling to Fairline Yachts Limited, a company under common control. The directors of Fairline Yachts Design Studio Ltd are also the directors of Fairline Yachts Limited.

In 2022, as part of a wider corporate structure review, the directors of Fairline Yachts Design Studio Limited decided that the activities would in future be undertaken by Fairline Yachts Limited. The directors therefore decided that the Company would, later in 2022, cease to trade and all trade, assets and liabilities will be transferred to Fairline Yachts Limited.

After consideration of the matters above, the directors are of the opinion that it is not appropriate to prepare the financial statements on a going concern basis. These financial statements have therefore been prepared on a basis other than going concern basis with assets and liabilities being carried at realisable value. The directors consider that no adjustments were necessary in these financial statements to reduce assets to their realisable values, or to provide for liabilities arising from the decision to wind down operations.

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.

FAIRLINE YACHTS DESIGN STUDIO LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Post balance sheet events

On 12 June 2021, Fairline Yachts Holding Limited (formally Hanover Bidco 3 Limited) became the sole shareholder of Fairline Yachts Design Studio Limited. Further details are given with note 14 and 15.

In March 2022, the directors decided that the Company would, later in 2022, cease trading and transfer its trade, assets and liabilities to Fairline Yachts Limited.

Auditor

The auditor, CLA Evelyn Partners Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

P M Pankhania
Director

Date: 27 September 2022

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors are responsible for preparing 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 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 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 FAIRLINE YACHTS DESIGN STUDIO LTD

Opinion

We have audited the financial statements of Fairline Yachts Design Studio Ltd (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Emphasis of matter – financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw your attention to note 2.2 to the financial statements, which explains that the financial statements have not been prepared on a going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRLINE YACHTS DESIGN STUDIO LTD (CONTINUED)

Other information

The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRLINE YACHTS DESIGN STUDIO LTD (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained a general understanding of the Company's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the policies and procedures in relation to compliance with relevant laws and regulations.

We understand that the Company complies with the framework through:

- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change;
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly; and
- The engagement of external experts to ensure ongoing compliance.

In the context of the audit, we have considered those laws and regulations which determine the form and content of the financial statements and which are central to the Company's ability to conduct business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the Company:

The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.

We performed the following procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Enquired of management and those charged with governance as to the risks of non-compliance and any instances thereof; and
- Obtained written management representations regarding disclosure of any non-compliance with laws and regulations.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were with regard to the manipulation of the financial statements through manual journals and incorrect recognition of revenue. These areas were communicated to other members of the engagement team not present at the discussion.

The procedures carried out to gain evidence in the above areas included:

- Evaluation of the design effectiveness of management's controls designed to prevent and detect irregularities;
- Testing of a sample of manual journal entries, selected through applying specific risk assessments applied based on the entity's processes and controls surrounding manual journal entries;
- Reviewing and challenging estimates made by management; and
- Substantive testing of revenue transactions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRLINE YACHTS DESIGN STUDIO LTD (CONTINUED)

The senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities.

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

Use of our report

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

Stephen Drew (Senior Statutory Auditor)

for and on behalf of
CLA Evelyn Partners Limited

Chartered Accountants
Statutory Auditor

45 Gresham Street
London
EC2V 7BG

27 September 2022

FAIRLINE YACHTS DESIGN STUDIO LTD

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover		889,067	-
Cost of sales		(889,067)	-
Gross profit		-	-
Administrative expenses		(1,239,743)	(2,125,535)
Other operating income	5	153,066	-
Operating loss		(1,086,677)	(2,125,535)
Interest payable and similar expenses		(161,063)	(256,385)
Loss before tax		(1,247,740)	(2,381,920)
Tax on loss		-	-
Loss for the financial year		<u>(1,247,740)</u>	<u>(2,381,920)</u>

The notes on pages 11 to 17 form part of these financial statements.

FAIRLINE YACHTS DESIGN STUDIO LTD
REGISTERED NUMBER:11425221

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Current assets			
Stocks	6	-	889,067
Debtors: amounts falling due within one year	7	35,070	29,885
Bank and cash balances		1,189	1,064
		<u>36,259</u>	<u>920,016</u>
Creditors: amounts falling due within one year	8	(1,799,321)	(1,600,898)
Net current liabilities		<u>(1,763,062)</u>	<u>(680,882)</u>
Total assets less current liabilities		<u>(1,763,062)</u>	<u>(680,882)</u>
Creditors: amounts falling due after more than one year	9	-	(2,680,333)
Net liabilities		<u><u>(1,763,062)</u></u>	<u><u>(3,361,215)</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Capital contribution	11	2,845,893	-
Profit and loss account	11	(4,609,955)	(3,362,215)
Shareholders' deficit		<u><u>(1,763,062)</u></u>	<u><u>(3,361,215)</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

P M Pankhania
Director

Date: 27 September 2022

The notes on pages 11 to 17 form part of these financial statements.

FAIRLINE YACHTS DESIGN STUDIO LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Capital contribution £	Profit and loss account £	Total equity £
At 1 January 2019	1,000	-	(980,295)	(979,295)
Comprehensive income for the year				
Loss for the year	-	-	(2,381,920)	(2,381,920)
At 1 January 2020	1,000	-	(3,362,215)	(3,361,215)
Comprehensive income for the year				
Loss for the year	-	-	(1,247,740)	(1,247,740)
Loan waiver	-	2,845,893	-	2,845,893
At 31 December 2020	1,000	2,845,893	(4,609,955)	(1,763,062)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Fairline Yachts Studio Design Ltd is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 11425221). The registered office address is Nene Valley Business Park, Oundle, Peterborough, Cambridgeshire, PE8 4HN.

The Company's functional and presentational currency is GBP.

Principal activities

The Company provides product design studio services to Fairline Yachts Limited, a company under common control. The directors of Fairline Yachts Design Studio Limited are also the directors of Fairline Yachts Limited. The Company has no other customers.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The Company provides product design studio services and relating tooling to Fairline Yachts Limited, a company under common control. The directors of Fairline Yachts Design Studio Ltd are also the directors of Fairline Yachts Limited.

In 2022, as part of a wider corporate structure review, the directors of Fairline Yachts Design Studio Limited decided that the activities would in future be undertaken by Fairline Yachts Limited. The directors therefore decided that the Company would cease to trade and all trade, assets and liabilities will be transferred back to Fairline Yachts Limited.

After consideration of the matters above, the directors are of the opinion that it is not appropriate to prepare the financial statements on a going concern basis. These financial statements have therefore been prepared on a basis other than going concern basis with assets and liabilities being carried at realisable value. The directors consider that no adjustments were necessary in these financial statements to reduce assets to their realisable values, or to provide for liabilities arising from the decision to wind down operations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in profit or loss in the same period as the related expenditure.

2.5 Finance costs

Finance costs are charged to profit or loss 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.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.7 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 profit or loss 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.

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured on initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

FAIRLINE YACHTS DESIGN STUDIO LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>12,000</u>	<u>10,350</u>

4. Employees

The average monthly number of employees, including directors, during the year was 17 (2019 - 21).

5. Other operating income

	2020 £	2019 £
Government grants receivable	<u>153,066</u>	<u>-</u>

6. Stocks

	2020 £	2019 £
Work in progress	<u>-</u>	<u>889,067</u>

7. Debtors

	2020 £	2019 £
Prepayments and accrued income	35,070	8,687
Other debtors	-	21,198
	<u>35,070</u>	<u>29,885</u>

FAIRLINE YACHTS DESIGN STUDIO LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	-	6,827
Amounts owed to related parties	1,390,038	1,542,638
Other taxation and social security	220,669	22,275
Other creditors	182,854	24,158
Accruals and deferred income	5,760	5,000
	<u>1,799,321</u>	<u>1,600,898</u>

9. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Shareholders loans	-	2,400,000
Accruals	-	280,333
	<u>-</u>	<u>2,680,333</u>

During the year, as part of the acquisition of Fairline Yachts by RiverRock European Opportunities Fund II Limited, loans with exiting shareholders were waived in full. This resulted in a release of £2,400,000 principal and £445,893 accrued interest to the equity reserves as a capital contribution.

10. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due after more than 5 years		
Shareholder loans	<u>-</u>	<u>2,400,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Reserves

Capital contribution

This represents the contribution made by shareholders.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

12. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £30,133 (2019 - £47,044). Contributions totalling £3,551 (2019 - £4,849) were payable to the fund at the reporting date and are included in creditors.

13. Related party transactions

Amounts owed to shareholders totalled £Nil (2019 - £2,400,000) plus accrued interest of £Nil (2019 - £280,333) at the year end. During the year, the loans were waived in full including related accrued interest. The amounts have been recognised in equity reserves as a capital contribution.

During the year sales were made totalling £889,067 (2019 - £Nil) to a company under common control and common directors.

The Company was recharged costs totalling £914,280 (2019 - £914,007) in the year from a company under common control and common directors.

£1,390,038 (2019 - £1,542,638) was owed to a company under common control and common directors at the year end as a result of the timing of funding receipts and the settlement of recharge invoices. Interest accrues on the outstanding balance at 8%.

During the year £39,300 (2019 - £Nil) was paid to S Bondarev, husband of a director, for boat building services. This transaction was within the normal course of business.

14. Post balance sheet events

On 12 June 2021, Fairline Yachts Holding Limited (formally Hanover Bidco 3 Limited) became the sole shareholder of Fairline Yachts Design Studio Limited. Further details are given with note 15.

In March 2022, the directors decided that the Company would, later in 2022, cease trading and transfer its trade, assets and liabilities to Fairline Yachts Limited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Controlling party

The ultimate controlling party from 1 January 2020 to 30 June 2020 was A Volov by virtue of their majority shareholding.

The ultimate controlling party from 1 July 2020 was RiverRock European Opportunities Fund II Limited, by virtue of their 100% shareholding.

Since 12 June 2021, the immediate parent company is Fairline Yachts Holding Limited (formally Hanover Bidco 3 Limited), a company registered in England and Wales. The ultimate parent company is Hanover Active Equity Fund II, S.C.A.SICAV-RAIF, a Company incorporated in Luxembourg.

Since 12 June 2021 the directors did not consider there to be an ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.