

Registered number: 07558096

PHAROS OFFSHORE GROUP LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2021



PHAROS OFFSHORE GROUP LIMITED
REGISTERED NUMBER: 07558096

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	2,837,309	2,503,186
Investments	5	190,004	190,004
		<u>3,027,313</u>	<u>2,693,190</u>
Current assets			
Stocks		18,028	18,536
Debtors: amounts falling due within one year	6	925,686	510,480
Cash at bank and in hand		-	400,181
		<u>943,714</u>	<u>929,197</u>
Creditors: amounts falling due within one year	7	<u>(1,543,372)</u>	<u>(1,086,441)</u>
Net current liabilities		(599,658)	(157,244)
Total assets less current liabilities		2,427,655	2,535,946
Creditors: amounts falling due after more than one year	8	(724,689)	(1,066,262)
Provisions for liabilities			
Deferred tax	10	(194,157)	(119,208)
Net assets		1,508,809	1,350,476
Capital and reserves			
Called up share capital	11	90	90
Capital redemption reserve		10	10
Profit and loss account		1,508,709	1,350,376
		<u>1,508,809</u>	<u>1,350,476</u>

PHAROS OFFSHORE GROUP LIMITED
REGISTERED NUMBER: 07558096

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2021

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
18 November 2021.



P Walker
Director

The notes on pages 3 to 11 form part of these financial statements.

PHAROS OFFSHORE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. General information

Pharos Offshore Group Limited is a private Company limited by shares, incorporated in England and Wales. The address of its registered office is Shed E, Wimbourne Quay, Blyth, Northumberland, NE24 1PX. The Company is registered at Companies House England and Wales. Its registration number is 07558096.

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 Company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The following principal accounting policies have been applied:

2.2 Going concern

Due to the current economic conditions there are inherent and future uncertainties that may impact on the business. The Group has prepared projected cash flow information for the following 12 month period and the Director is satisfied that there are sufficient cash resources if trade develops as expected. The Director therefore considers it appropriate to prepare the financial statements on a going concern basis.

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.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

PHAROS OFFSHORE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Plant and machinery - UTV 400	- 600 working days
Plant and machinery - Q1000	- 1,000 working days
Plant and machinery - other	- 20% straight-line
Fixtures, fittings and equipment	- 10 - 20% straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 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.

Basic financial assets and liabilities are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

PHAROS OFFSHORE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

The Company's functional currency is GBP.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.14 Pensions

The Company operates a defined contribution pension scheme for its employees and the pension charge represents the amount payable by the Company to the fund in respect of the year.

The Group also operates an Employer Financed Retirement Benefits Scheme (EFRBS). The assets of the defined contribution scheme are held separately from those of the Group. In addition, for the EFRBS, the Group considers that, as it does not retain any economic benefit from the assets of the scheme or any control of the rights or access to present economic benefits, it does not include the assets and liability of the scheme on its Balance Sheet.

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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

PHAROS OFFSHORE GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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 reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Employees

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

	2021	2020
	No.	No.
Administration	14	13

PHAROS OFFSHORE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2020	2,391,248	458,408	2,849,656
Additions	117,020	303,191	420,211
Disposals	-	(44,142)	(44,142)
At 31 March 2021	<u>2,508,268</u>	<u>717,457</u>	<u>3,225,725</u>
Depreciation			
At 1 April 2020	63,226	283,244	346,470
Charge for the year on owned assets	-	77,574	77,574
Charge for the year on financed assets	5,396	-	5,396
Disposals	-	(41,024)	(41,024)
At 31 March 2021	<u>68,622</u>	<u>319,794</u>	<u>388,416</u>
Net book value			
At 31 March 2021	<u>2,439,646</u>	<u>397,663</u>	<u>2,837,309</u>
At 31 March 2020	<u>2,328,022</u>	<u>175,164</u>	<u>2,503,186</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	<u>1,760,339</u>	<u>1,690,352</u>

PHAROS OFFSHORE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	10,050,099
At 31 March 2021	<u>10,050,099</u>
Impairment	
At 1 April 2020	9,860,095
At 31 March 2021	<u>9,860,095</u>
Net book value	
At 31 March 2021	<u>190,004</u>
At 31 March 2020	<u>190,004</u>

PHAROS OFFSHORE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Debtors

	2021 £	2020 £
Trade debtors	625,044	234,670
Other debtors	291,506	222,434
Prepayments and accrued income	9,136	53,376
	<u>925,686</u>	<u>510,480</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	27,758	-
Bank loans	500,000	-
Other loans	189,398	170,598
Trade creditors	102,414	307,393
Amounts owed to group undertakings	316,681	316,214
Other taxation and social security	13,189	21,844
Obligations under finance lease and hire purchase contracts	152,272	143,175
Other creditors	22,928	74,434
Accruals and deferred income	218,732	52,783
	<u>1,543,372</u>	<u>1,086,441</u>

The bank overdraft is secured by fixed charges dated 22 December 2014 and an unlimited debenture dated 23 March 2016 incorporating a fixed and floating charge. The bank overdraft is also secured by a personal cross guarantee by P Walker dated 12 July 2016.

Other loans are secured by fixed charges dated 30 August 2019.

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

	2021 £	2020 £
Other loans	548,420	737,818
Net obligations under finance leases and hire purchase contracts	176,269	328,444
	<u>724,689</u>	<u>1,066,262</u>

PHAROS OFFSHORE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	152,272	143,175
Between 1-5 years	176,269	328,443
	<u>328,541</u>	<u>471,618</u>

10. Deferred taxation

	2021 £	2020 £
At beginning of year	119,208	132,472
Charged to profit or loss	74,949	(13,264)
At end of year	<u>194,157</u>	<u>119,208</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	367,428	279,752
Tax losses carried forward	(173,271)	(160,544)
	<u>194,157</u>	<u>119,208</u>

11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
9,000 (2020 - 9,000) Ordinary A shares of £0.01 each	<u>90</u>	<u>90</u>

PHAROS OFFSHORE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Related party transactions

The Company rents offices from AAFW Limited a company in which P Walker is a director. The Company was paid £5,472 (2020 - £32,400) for rent and service charges to AAFW Limited. At year end, there was a debtor outstanding of £105,102 (2020 - £88,618).

Included within other creditors due within one year is an interest free director's loan account from P Walker amounting to £20,746 (2020 - £71,802).

The company has taken advantage of the exemption available under FRS 102 section 33.1A from disclosing transactions with entities that are wholly owned within the group.

13. Controlling party

P Walker is deemed to be the controlling party by virtue of his majority shareholding in the Company and position as Director.

14. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2021 was unqualified.

The audit report was signed on 19 November 2021 by Ross Prince (Senior statutory auditor) on behalf of Crowe U.K. LLP.