

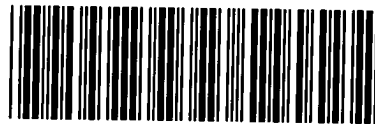
Registered number  
SC123684

JFD Limited  
Registered number: SC123684

Annual Report and Financial Statements

for the year ended  
31 December 2021

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15/09/2022

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COMPANIES HOUSE

## JFD Limited Strategic Report

The directors present their report and financial statements for the year ended 31 December 2021.

### Principal activities

The principal activities of the Company during the year were the sale of proprietary diving systems and the design, manufacture, assembly and supply of subsea vehicles, systems for special forces and submarine rescue services including project management, engineering, maintenance and operation services. Profitable performance was enjoyed with strong performance in product sales into the defence and commercial markets. Specialised construction contracts continued during the year yielding good revenues and profits. A number of new opportunities are being pursued for order intake in 2022 and beyond.

### Results for the year

The trading results for the year and the Company financial position at the end of the period are shown in the attached financial statements. The profit for the year before taxation was £1,819,553 (2020: £8,702,094).

### Key performance indicators

The Directors have considered the issue of key performance indicators (KPI's) as a measure of performance and have concluded that profit before taxation is the most appropriate measure.

### Risks and uncertainties

The main risks facing the Company are material availability and prices: the company monitors material requirement and when necessary, will place purchase orders for the materials in advance if possible to do so. This can be crucial to achieve delivery where the Company has entered into a contractual arrangement to supply customers with diving systems and/or products by a specified date in the future. Late delivery penalties are in all cases limited but can impact on Company profitability. Price risk is managed by close monitoring of market forces at the time of processing orders.

In regards to climate risk, JFD Ltd is committed to minimising the impact of its operation on climate change. We are conscious of the need to reduce our impact on the climate, including the emission of greenhouse gases. We are planning initiatives to reduce to the businesses emissions such as electric vehicles and charging points as well as solar panels.

1 January 2021 marked the end of the Transition Period following the UK's departure from the European Union on 31 January 2020. Due to the geographical location of JFD Limited customers being predominately based in the UK and Asia, we do not consider Brexit to have a material impact on the business.

The ongoing COVID pandemic, and the resulting restrictions imposed by localised governments in which JFD provides its services is continuing to impact the business operations. This can be seen through customers delaying anticipated work, longer lead times for materials required and projects taking longer to complete with increased cost. JFD Ltd will continue to follow local government restrictions and in conjunction with our COVID working group, provide advice and support to employees to ensure we are making office locations safe for work and promoting a hybrid working model where possible.

### Going concern

The directors are of the opinion that the Company has sufficient financial resources to continue trading for at least 12 months from the date of this report.

See the basis of preparation section of the notes to the financial statements for more details on the going concern assessment.

This report was prepared and approved by the board on 6 September 2022 and signed by its order.

### Section 172 statement

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 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.

Section 172 of the Companies Act 2006 requires a Director of a company to act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, Section 172 requires a Director to have regard, among other matters to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct;
- and the need to act fairly with members of the company.

The Directors give careful consideration to the factors set out above in discharging their duties under Section 172. The stakeholders we consider in this regard are the people who work for us, buy from us, supply to us, own us, regulate us and live in the societies we serve and the planet we inhabit. The Board recognises that building strong relationships with our stakeholders will help us deliver our strategy in line with our long-term values, and operate the business in a sustainable way. The board is committed to effective engagement with all of its stakeholders. For example:

#### Supporting our local communities

We have engaged with activities such as presenting at local schools on some Company topics, such as submarine rescue, as well as active participation in the STEM (Science, Technology, Engineering and Mathematics) activities. We have also provided raffle prizes for local or industry associate charities and schools. In the past we've also hosted tours at our NHC facility for local schools as well as clubs, such as the Scouts, however this has been impacted recently due to the restrictions from Covid-19.

#### Empowering our employees

We conduct employee engagement surveys on a frequent basis to ensure we are taking our employee's views in our Employee Strategy, we want to hear our employee's views and also want their input. We encourage employees to join forums and working groups to contribute to the wider employee experience. We are currently working towards empowering our leaders and people managers to lead as effectively as possible by providing guidance and creating management training programmes. During quarterly Town-Hall meetings, employee input into the business is discussed.

#### The interests of the Company's employees

The interests of the Company's employees was at the forefront of the business considerations in 2021 and in particular, the continued impact on the business of the COVID pandemic. We are committed to ensuring that JFD is a great place to work. Attracting and developing talent is a key driver of the companies sustainable and profitable growth. We continue to build on the employee engagement surveys held which is providing valuable insights to the directors on the issues that matter to our employees. Some key issues raised with our employees during the year has been development and progression and recognition. We are striving to ensure that we work towards achieving these goals in 2022 and beyond.

#### Health and safety

JFD operates in challenging environments where health and safety for our people, customers and other stakeholders is of paramount importance. We are committed to our health and safety as a key value, and have a robust management system in place, which is independently verified by Lloyds register to ISO 45001.

#### Partnering with our customers and suppliers

We continue to strive as a company to understand the challenges that our customers face and the complexities posed by the environments in which they operate. We aim to work with suppliers who share and can assist the company in achieving our goals. On supplier choices we ensure that the following criteria is met: greater clarity of environmental credentials, legal compliance, respect for human rights and transparent business ethics. We contribute to the James Fisher Group PLC's customer and supplier working groups to share best practice and embed consistent approaches as well as continuing to affirm our commitment to support customers in their efforts to drive continuous environmental improvements.

Protecting our environment

At JFD Ltd, we are continuing to assess and quantify the impact of our operations has on the environment. We aim to develop and implement plans to conduct our operations more responsibly with identifying opportunities to improve. We have multiple environmental objectives underway, some location specific and others with a view to global roll out. Examples include; Paperless offices, electronic notetaking, stores packaging sustainably sourced/environmentally friendly materials, use of solar panels, redesign of a product or product enhancement that reduces impact to the environment and 3R's (Reduce, Re-use, Recycle), employee engagement and reducing business travel. We have also set up a working group within the business to identify and support charity events with local groups we will be encouraging that the group(s) identified have a strong ethos with environmental matters where charity events may be focused on.

The Board hold quarterly meetings and receive reports from management on issues concerning customers, the environment, communities, suppliers, employees, regulators, governments and investors, which it takes into account in its discussions and its decision-making process under section 172.



P A Speirs  
Secretary  
Fisher House  
PO Box 4  
Barrow in Furness  
Cumbria  
LA14 1HR

**JFD Limited**

Registered number: SC123684

**Directors' Report**

**Directors**

The following persons served as directors during the year:

S C Kilpatrick (resigned 29 April 2021)  
G Corbetta (resigned 16 February 2021)  
D J Gray  
S Caldwell  
E P O'Lionaird

**Secretary**

J H J Marsh (resigned 1 September 2022)  
P A Speirs (appointed 1 September 2022)

**Auditor**

KPMG LLP  
319 St Vincent Street  
Glasgow  
G2 5AS

**Bankers**

Lloyds Bank PLC

**Registered office**

Westhill Industrial Estate  
Enterprise Drive  
Aberdeen  
AB32 6TQ

**Statement of Compliance**

To comply with the Companies Act 2006, the Company has detailed in the Strategic report, a review of the development and performance of the business during the year including key financial performance indicators, and a description of the principal risks and uncertainties facing the Company.

**Treasury policies**

The Company's treasury management operates under approved treasury policies and guidelines covering funding and management of foreign currency exposure and interest rate risk. Its purpose is to manage the financial risks of the business effectively and to secure finance at a minimum cost. Activities are covered by guidelines, exposure limits, controls and a system of authority authorised by the board of the Company's ultimate holding Company, James Fisher and Sons plc.

The Company manages its cash to ensure maximum benefit is gained whilst ensuring security of investment sources. Any surplus funds are placed with institutions with strong credit ratings.

**Political contributions**

The Company made no political contributions in the year (2020: £nil).

**Research and development**

The Company continues to develop its range of diving equipment to provide the required systems for diving tasks in both the commercial and defence markets that ensure they are at the cutting edge of technology to conduct safe and efficient operations. The continued approach taken has ranged from continual upgrades and improvements of existing equipment with input from clients to new 'clean sheet' developments to enhance safety and performance within the industry.

**JFD Limited**  
**Registered number:** SC123684  
**Directors' Report**

**Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**Post balance sheet event**

There were no significant post balance sheet events.

**Dividends**

The Company paid a dividend during the year of £2,000,000 (2020: £10,000,000).

**Disclosure of information to the auditor**

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Directors' Indemnity**

The Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

By order of the Board



P A Speirs  
Secretary  
Fisher House  
PO Box 4  
Barrow in Furness  
Cumbria  
LA14 1HR

06 September 2022

JFD Limited  
Registered number: SC123684  
Directors' Report

#### Directors' responsibilities

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 101 and applicable law). 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 then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**JFD Limited**  
**Independent auditor's report**  
**to the members of JFD Limited**

**Opinion**

We have audited the financial statements of JFD Limited ("the Company") for the year ended 31st December 2021 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation

**Fraud and breaches of laws and regulations – ability to detect**

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, including the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries; and

**JFD Limited**  
**Independent auditor's report**  
**to the members of JFD Limited**

- the risk of bias in accounting estimates over the cost budgets for overtime revenue recognition and

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Obtaining a list of payments made to agents and on a sample basis testing that payments had been appropriately authorised.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Testing revenue transactions and agreeing to supporting documentation to determine the correct accounting period.

*Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, regulatory capital and liquidity, and certain aspects of company legislation recognising the nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**JFD Limited**  
**Independent auditor's report**  
**to the members of JFD Limited**

**Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

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.



Gordon Herbertson (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
*Chartered Accountants*  
319 St Vincent Street  
Glasgow  
G2 5AS  
6 September 2022

**JFD Limited**  
**Profit and Loss Account and Other Comprehensive Income**  
**for the year ended 31 December 2021**

JFD Limited  
Annual report and financial statements  
31 December 2021

	Notes	2021 £	2020 £
Turnover	3	56,809,513	59,207,307
Cost of sales		(43,604,428)	(38,458,096)
<b>Gross Profit</b>		<u>13,205,085</u>	<u>20,749,211</u>
Administrative expenses		(10,645,725)	(11,536,478)
<b>Operating Profit</b>	4	<u>2,559,360</u>	<u>9,212,733</u>
Profit on sale of fixed assets		7,608	-
Income from investments	7	692,906	503,187
Interest receivable	8	225,468	213,709
Interest payable	9	(1,665,789)	(1,227,535)
<b>Profit before taxation</b>		<u>1,819,553</u>	<u>8,702,094</u>
Tax on profit	10	(380,626)	(1,575,381)
<b>Profit for the financial year</b>		<u>1,438,927</u>	<u>7,126,713</u>

The results for the period are derived from continuing operations.

There was no other comprehensive income for the period other than the profit for the financial year (2020: £nil).

Notes on pages 13 to 24 form part of the financial statements.

**JFD Limited**  
**Balance Sheet**  
**as at 31 December 2021**

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	11	3,400,450	4,201,916
Tangible assets	12	6,953,646	7,244,263
Investments	13	<u>11,053,998</u>	<u>11,075,307</u>
		21,408,094	22,521,486
<b>Current assets</b>			
Stocks	14	9,437,572	8,184,224
Debtors (of which £10,049,400 (2020: £8,732,065) is due after more than one year)	15	40,291,365	40,530,051
Cash at bank and in hand		<u>957,939</u>	<u>8,045,247</u>
		50,686,876	56,759,522
<b>Creditors: amounts falling due within one year</b>	16	<u>(17,676,744)</u>	<u>(17,238,950)</u>
<b>Net current assets</b>		33,010,132	39,520,572
<b>Total assets less current liabilities</b>		<u>54,418,226</u>	<u>62,042,058</u>
<b>Creditors: amounts falling due after more than one year</b>	17	(40,756,176)	(47,053,408)
<b>Provisions for liabilities</b>			
Deferred taxation	18	(416,832)	(672,354)
Other provisions	19	<u>(1,341,699)</u>	<u>(1,851,704)</u>
		<u>(1,758,531)</u>	<u>(2,524,058)</u>
<b>Net assets</b>		<u>11,903,519</u>	<u>12,464,592</u>
<b>Capital and reserves</b>			
Called up share capital	20	393,455	393,455
Share premium	21	930,600	930,600
Capital redemption reserve		332,514	332,514
Merger reserve		544,555	544,555
Profit and loss account	22	9,702,395	10,263,468
<b>Total equity</b>		<u>11,903,519</u>	<u>12,464,592</u>

Notes on pages 13 to 24 form part of the financial statements.



S Caldwell  
Director  
Approved by the board on  
6 September 2022

**JFD Limited**  
**Statement of Changes in Equity**  
**for the year ended 31 December 2021**

	Share capital	Share premium	Merger reserves	Capital redemption reserves	Profit and loss account	Total
	£	£			£	£
<b>At 1 January 2020</b>	393,455	930,600	544,555	332,514	13,136,755	15,337,879
Profit for the financial year	-	-	-	-	7,126,713	7,126,713
Dividends	-	-	-	-	(10,000,000)	(10,000,000)
<b>At 31 December 2020</b>	<u>393,455</u>	<u>930,600</u>	<u>544,555</u>	<u>332,514</u>	<u>10,263,468</u>	<u>12,464,592</u>
<b>At 1 January 2021</b>	393,455	930,600	544,555	332,514	10,263,468	12,464,592
Profit for the financial year	-	-	-	-	1,438,927	1,438,927
Dividends	-	-	-	-	(2,000,000)	(2,000,000)
<b>At 31 December 2021</b>	<u>393,455</u>	<u>930,600</u>	<u>544,555</u>	<u>332,514</u>	<u>9,702,395</u>	<u>11,903,519</u>

Notes on pages 13 to 24 form part of the financial statements.

**JFD Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2021**

**1 Summary of significant accounting policies**

JFD Limited (the "Company") is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s406 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted international accounting standards, but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, James Fisher and Sons plc includes the Company in its consolidated financial statements. The consolidated financial statements of James Fisher and Sons plc are prepared in accordance with UK-adopted international accounting standards and are available to the public and may be obtained from Fisher House, PO Box 4, Barrow in Furness, Cumbria, LA14 1HR.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of James Fisher and Sons plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

***Basis of preparation***

As set out in the Directors' Report on page 4, the company is a subsidiary of James Fisher and Sons plc (the 'Group'). We note the profit before tax of £1,819,553 and net current assets of £33,010,132 as at 31 December 2021. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As explained in the Directors' Report on page 4, the company is party to the Group banking arrangements with JFD Limited being a named party on the banking documents and providing a cross-guarantee for certain Group facilities. Consequently, in assessing the going concern of JFD Limited, the Directors also consider the financial situation of the Group as a whole.

The Directors of the ultimate parent Company, James Fisher and Sons plc have prepared cashflow forecasts for a period of at least 12 months from the date of approval of these financial statements taking into account the impacts of wider macro-economic environment. The base case was prepared under conservative assumptions that no disposals of non-core businesses would materialise in the assessment period and any expiring facilities would not be renewed. The Group continues to work on rationalisation of its business portfolio and expects to renew the expiring facilities. The base case which demonstrated the Company would have headroom against facilities and comply with covenants. A number of severe but plausible downside scenarios were modelled compared to the base case forecast of profit and cash flow to assess headroom against facilities and covenant compliance for at least the next 12 months.

These scenarios included reducing operating profit by 30% and reducing cash receipts by £10m in 2022 and £20m in 2023. A combination of these scenarios was considered as the downside case which showed headroom and no breach of covenants.

Further mitigating actions could also be taken in such scenarios should they be required.

The Directors of James Fisher and Sons plc have indicated their intention to make available such funds as are needed by JFD Limited to meet its liabilities as they fall due and that it does not intend to seek repayment of the intercompany amounts due at the balance sheet date, which amounted to £37,936,587 both for at least 12 months from the date of approval of these financial statements.

As with any company placing reliance on other Group entities for financial support, the Directors acknowledge that there can be no certainty this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Taking the above into account, the Directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

***Revenue***

Revenue, after excluding trade discounts and value added tax, represents the provision of goods and services by the Company in the normal course of business. Revenue is recognised when control of the goods and services is transferred to the customer, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of the transfer of control will vary depending on the terms of the sales agreement, the evaluation of the specific risks associated with the performance of the contract (for example design, construction and testing) or generally accepted practice where there are no specific arrangements in the contract.

**JFD Limited**  
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Performance obligations

Upon approval by the parties to a contract, the contract is assessed to identify each promise to transfer either a distinct good or service or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. Goods and services are distinct and accounted for as separate performance obligations in the contract if the customer can benefit from them either on their own or together with other resources that are readily available to the customer and they are separately identifiable in the contract.

Transaction price

At the start of the contract, the total transaction price is estimated as the amount of consideration to which the company expects to be entitled in exchange for transferring the promised goods and services to the customer, excluding sales taxes. Variable consideration, such as price escalation, is included based on the expected value or most likely amount only to the extent that it is highly probable that there will not be a reversal in the amount of cumulative revenue recognised. The transaction price does not include estimates of consideration resulting from contract modifications, such as change orders, until they have been approved by the parties to the contract. The total transaction price is allocated to the performance obligations identified in the contract in proportion to their relative stand-alone selling prices where appropriate. Given the bespoke nature of many of the Company's products and services, which are designed and/or manufactured under contract to the customer's individual specifications, there are typically no observable stand-alone selling prices. In such cases, stand-alone selling prices are typically estimated based on expected costs plus contract margin consistent with the Company's pricing principles.

Revenue and profit recognition

Revenue is recognised as performance obligations are satisfied as control of the goods and services is transferred to the customer. For each performance obligation within a contract, the Company determines whether it is satisfied over time or at a point in time. Performance obligations are satisfied over time if one of the following criteria is satisfied:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs;
- the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Company's performance does not create an asset with an alternative use to the Company and it has an enforceable right to payment for performance completed to date.

Contracts that satisfy the over time criteria primarily occur either because the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs (typically services or support contracts) or the Company's performance does not create an asset with an alternative use and it has an enforceable right to payment for performance completed to date (typically production contracts).

For each performance obligation to be recognised over time, the company typically recognises revenue using an input method, based on costs incurred in the period. Revenue and attributable margin are calculated by reference to reliable estimates of transaction price and total expected costs, after making suitable allowances for technical and other risks. Revenue and associated margin are therefore recognised progressively as costs are incurred. If the over time criteria for revenue recognition are not met, revenue is recognised at the point in time that control is transferred to the customer, which is usually when legal title passes to the customer and the business has the right to payment, for example, on delivery. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately as an expense.

Bid costs

All pre-contract bidding costs which are incurred irrespective of whether the contract is awarded relating to the design, manufacture or operation of assets or the provision of services are expensed when incurred.

Contract costs

In some circumstances, the company incurs costs to obtain a contract with a customer, for example commission fees. The costs are recognised initially as an asset within debtors: contract assets are amortised on a systematic basis as the goods and services are transferred to the customer.

Warranty costs

Provision is made for warranties offered with products where it is probable that an obligation to transfer economic benefits to the customer in future will arise. This provision is based on management's assessment of the previous history of claims and probability of future obligations arising on a product by product basis.

Financial assets

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset, other than a trade receivable without a significant financing component, or financial liability is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or 'Fair Value through the Profit and Loss' (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses, and any gain or loss on de-recognition are recognised in profit or loss.

JFD Limited  
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for the year ended 31 December 2021

**Company investments in subsidiaries and joint ventures**

The Company recognises its investments in subsidiaries and joint ventures at cost. Income is recognised from these investments when its right to receive the dividend is established.

**Foreign currency**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Exchange differences arising on settlement of monetary items or on the retranslation of monetary items at rates different from those at which they were initially recognised are taken to the profit & loss account.

**Intangible fixed assets**

Intangible assets are stated at cost or fair value less any provision for impairment.

Intangible assets assessed as having finite lives are amortised over their estimated useful economic life and are assessed for impairment whenever there is an indication that they are impaired. Amortisation charges are on a straight line basis and recognised in the profit & loss account. Estimated useful lives are as follows:

Development costs	5 years or over the expected period of product sales, if less
Patents and licences	5 years or over the period of the licence, if less
Goodwill	Not amortised, but tested annually for impairment

**Property, plant and equipment**

Property, plant and equipment is stated at cost, less accumulated depreciation and any provision for impairment losses

Depreciation is provided to write-off the cost of property, plant and equipment to their residual value in equal annual instalments over their estimated useful lives, as follows:

Freehold property	40 years
Leasehold improvements	25 years or the period of the lease, if shorter
Plant and equipment	Between 5 and 20 years
Motor vehicles	Between 5 and 8 years
Computer equipment	Between 3 and 4 years
Office equipment	Between 4 and 6 years
Other	Between 4 and 10 years

No depreciation is charged on assets under construction or land.

**Impairment of tangible and intangible assets**

At each reporting date the Company assesses whether there are any indications that an asset has been impaired. If any indication exists, an estimate of the recoverable amount of the asset is made which is determined as the higher of its fair value less costs to sell and its value in use. These calculations are determined for an individual asset unless that asset does not generate cash inflows independently from other assets, in which case its value is determined as part of that group of assets. To assess the value in use, estimated future cash flows relating to the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and risks specific to the asset. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. Impairment losses are recognised in the profit & loss account.

**Research and development costs**

Research expenditure is expensed in the profit & loss account as incurred. Expenditure on development which represents the application of research to the development of new products or processes is capitalised provided that specific projects are identifiable, technically feasible, and the Company has sufficient resources to complete development. The useful life of projects meeting the criteria for capitalisation is determined on a project by project basis. Capitalised development expenditure is measured at cost and amortised over its expected useful life on a straight line basis. Other development costs are recognised in the profit & loss account as incurred.

If an event occurs after the recognition of an impairment that leads to a decrease in the amount of the impairment loss previously recognised the impairment loss is reversed. The reversal is recognised in the profit & loss account to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

**Stock**

Inventories are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Raw materials, consumables stores and finished goods for sale are stated at purchase cost on a first in first out basis. Work in progress and finished goods are stated at the cost of direct materials and labour plus attributable overheads allocated on a systematic basis based on a normal level of activity. Net realisable value is based on estimated selling price less the estimated costs of completion and sale or disposal.

**JFD Limited**  
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**for the year ended 31 December 2021**

**Taxation**

Corporation tax is provided on taxable profits from activities not qualifying for tonnage tax relief and is recognised in the profit & loss account except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected corporation tax payable or receivable in respect of the taxable profit for the year using tax rates enacted or substantively enacted at the balance sheet date, less any adjustments to tax payable or receivable in respect of previous years.

Deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities included in the financial statements and the amounts used for tax purposes, that will result in an obligation to pay more, a right to pay less or to receive more tax, with the following exceptions:

- No provision is made where a deferred tax liability arises from the initial recognition of an asset or liability in a transaction that at the time of the transaction affect neither accounting nor taxable profit; and
- No provision is made for deferred tax that would arise on all taxable temporary differences associated with investments in subsidiaries and interests in joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised only to the extent that the Directors consider that it is probable that there will be suitable taxable profits from which the future reversal of the underlying temporary differences and unused tax losses and credits can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which the asset is expected to be realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rates as the discount rate.

**Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less at inception and leases of low-value assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**Pension plans**

The company recognises a liability and an expense for short term employee benefits, including bonuses, only when contractually or constructively obliged.

**Share capital and reserves**

Ordinary shares are classified as equity. Costs attributable to the issue of new shares are deducted from equity from the proceeds.

**JFD Limited**  
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**2 Critical accounting estimates and judgements**

**Revenue**

Revenue is recognised as control of the goods and services is transferred to the customer, the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of the transfer of control will vary depending on the terms of the sales agreement, the evaluation of the specific risks associated with the performance of the contract (for example design, construction and testing) or generally accepted practice where there are no specific arrangements in the contract.

<b>3 Revenue</b>	<b>2021</b>	<b>2020</b>
	£	£
Sale of goods	13,203,897	13,003,233
Services rendered	16,223,134	12,252,773
Revenue from construction contracts	<u>27,382,482</u>	<u>33,951,301</u>
	<u>56,809,513</u>	<u>59,207,307</u>

By geographical market:

United Kingdom and Republic of Ireland	20,131,382	18,005,622
Asia	31,761,714	36,493,532
Rest of world	<u>4,916,417</u>	<u>4,708,153</u>
	<u>56,809,513</u>	<u>59,207,307</u>

**4 Expenses and auditor's remuneration**

Included in profit are the following:

	<b>2021</b>	<b>2020</b>
	£	£
Depreciation of owned fixed assets	576,476	1,405,431
Depreciation and other amounts written off tangible fixed assets	1,132,145	-
Amortisation of intangible assets	724,060	431,050
Amortisation and other amounts written off intangible fixed assets	1,646,690	-
Commercial claim write-off	2,520,843	-
Auditor's remuneration for audit services	165,504	152,250
Foreign exchange losses / (gains)	216,165	28,126

**5 Directors' emoluments**

	<b>2021</b>	<b>2020</b>
	£	£
Emoluments	288,900	313,722
Gains made under long term incentive schemes	-	44,360
Company contributions to defined contribution pension plans	<u>21,634</u>	<u>24,552</u>
	<u>310,534</u>	<u>382,634</u>

Highest paid director:

Emoluments	160,700	234,930
Company contributions to defined contribution pension plans	<u>12,789</u>	<u>14,270</u>
	<u>173,489</u>	<u>249,200</u>

**Number of directors to whom retirement benefits accrued:**

	<b>2021</b>	<b>2020</b>
	Number	Number
Defined contribution plans	2	2

**JFD Limited**  
**Notes to the Accounts**  
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<b>6 Staff costs</b>	<b>2021</b>	<b>2020</b>
The aggregate payroll costs of these persons were as follows:	£	£
Wages and salaries	15,534,092	14,199,284
Social security costs	1,760,295	1,593,316
Other pension costs	697,686	712,254
	<u>17,992,073</u>	<u>16,504,854</u>

The average number of persons employed by the Company (including Directors) during the year, analysed by category, was as follows:

<b>Average number of employees during the year</b>	<b>2021</b>	<b>2020</b>
Technical and administration	341	358
Sales	12	12
	<u>353</u>	<u>370</u>

The assets of the Company's defined contribution scheme are held separately from those of the Company in an independently managed fund. The amount charged to the profit and loss account of £697,686 (2020: £712,254) represents the contributions payable to the scheme in respect of the accounting period. The pension creditor at 31 December 2021 was £119,503 (2020: £114,713).

<b>7 Income from Shares and Group undertakings</b>	<b>2021</b>	<b>2020</b>
	£	£
Dividend income from joint venture undertaking	540,979	503,187
Dividend income from subsidiary	151,927	-
	<u>692,906</u>	<u>503,187</u>

<b>8 Other interest receivable and similar income</b>	<b>2021</b>	<b>2020</b>
	£	£
Intercompany interest	225,468	213,709

<b>9 Interest payable and similar expenses</b>	<b>2021</b>	<b>2020</b>
	£	£
Intercompany interest	1,502,228	1,054,161
Other interest payable	163,561	173,374
	<u>1,665,789</u>	<u>1,227,535</u>

<b>10 Taxation on profit</b>	<b>2021</b>	<b>2020</b>
	£	£
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	822,916	1,227,286
Adjustments in respect of previous periods	(186,768)	3,872
	<u>636,148</u>	<u>1,231,158</u>
Deferred tax:		
Origination and reversal of timing differences	(247,165)	319,508
Adjustments in respect of prior periods	(8,357)	24,715
	<u>(255,522)</u>	<u>344,223</u>
<b>Tax on profit</b>	<u>380,626</u>	<u>1,575,381</u>

**Factors affecting corporation tax charge in the year**

The effective rate is lower (2020: lower) than the standard rate of corporation tax in the UK of 19% (2020: 19%)

<b>Reconciliation of effective tax rate</b>	<b>2021</b>	<b>2020</b>
	£	£
Profit before tax	1,819,553	8,702,094
Standard rate of corporation tax in the UK	19%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	345,715	1,653,398
Effects of:		
Expenses not deductible for tax purposes	2,638	40,115
Ineligible depreciation	40,562	38,553
Non-taxable income	(131,652)	(95,606)
Research and development	-	(200,000)
Transfer of assets in at net book value	183,987	-
Overseas tax	34,461	68,823
Effect of rate change	100,040	41,511
Adjustment in respect of prior periods	(195,125)	28,587
<b>Total tax charge for period</b>	<u>380,626</u>	<u>1,575,381</u>

**Factors that may affect future tax charges**

In the 3 March 2021 Budget speech it was announced that the UK tax rate will increase to 25% from 1 April 2023. During 2021, the deferred tax charge was calculated at 25%.

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11 Intangible fixed assets

	Goodwill	Patents trade- marks	Development costs	Total £
<b>Cost</b>				
At 1 January 2021	999,655	1,709,576	6,981,992	9,691,223
Additions	-	-	708,290	708,290
Disposals	-	-	-	-
Transfer	-	-	1,211,029	1,211,029
At 31 December 2021	<u>999,655</u>	<u>1,709,576</u>	<u>8,901,311</u>	<u>11,610,542</u>
<b>Amortisation</b>				
At 1 January 2021	-	1,709,576	3,779,731	5,489,307
Provided during the year	-	-	724,060	724,060
Impairment	-	-	1,646,690	1,646,690
Transfer	-	-	350,035	350,035
At 31 December 2021	<u>-</u>	<u>1,709,576</u>	<u>6,500,516</u>	<u>8,210,092</u>
<b>Carrying amount</b>				
At 31 December 2021	<u>999,655</u>	<u>-</u>	<u>2,400,795</u>	<u>3,400,450</u>
At 31 December 2020	<u>999,655</u>	<u>-</u>	<u>3,202,261</u>	<u>4,201,916</u>

JFD Limited  
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12 Tangible fixed assets

	Assets in Construction	Other tangibles	Motor Vehicles	Land and buildings	Plant and machinery	Office Equipment	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 January 2021	1,301,154	974,192	285,351	7,054,185	6,472,912	3,274,515	19,362,309
Additions	755,089	106,555	-	1,080,309	354,868	155,782	2,452,603
Disposals	-	(2,142)	-	(24,005)	(206,656)	(58,327)	(291,330)
Transfer	(1,286,979)	28,552	26,600	1,218,530	380,705	153,268	530,687
At 31 December 2021	<u>769,264</u>	<u>1,107,167</u>	<u>311,951</u>	<u>9,329,019</u>	<u>7,001,630</u>	<u>3,535,238</u>	<u>22,054,269</u>
<b>Depreciation</b>							
At 1 January 2021	-	670,909	240,239	3,236,389	5,119,695	2,850,814	12,118,046
Charge for the year	-	112,474	36,159	960,372	347,730	251,886	1,708,621
Impairment	-	-	-	1,132,145	-	-	1,132,145
On disposals	-	(384)	-	(24,005)	(201,849)	(55,281)	(281,519)
Transfer	-	5,263	16,079	24,005	247,477	130,506	423,330
At 31 December 2021	<u>-</u>	<u>788,262</u>	<u>292,477</u>	<u>5,328,906</u>	<u>5,513,053</u>	<u>3,177,925</u>	<u>15,100,623</u>
<b>Carrying amount</b>							
At 31 December 2021	<u>769,264</u>	<u>318,905</u>	<u>19,474</u>	<u>4,000,113</u>	<u>1,488,577</u>	<u>357,313</u>	<u>6,953,646</u>
At 31 December 2020	<u>1,301,154</u>	<u>303,283</u>	<u>45,112</u>	<u>3,817,786</u>	<u>1,353,217</u>	<u>423,701</u>	<u>7,244,263</u>

Included in the table above within Land and Buildings is IFRS16 assets. Property, plant and equipment includes right-of-use assets at a cost of £3,943,791 in relation to leased properties that do not meet the definition of investment property.

	2021	2020
	£	£
Carrying amount of land and buildings on cost basis (net book value)	<u>2,738,032</u>	<u>2,498,055</u>

JFD Limited  
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13 Fixed asset investments

	Investments in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2021	14,890,848
Revaluation	(21,309)
At 31 December 2021	<u>14,869,539</u>
<b>Impairment</b>	
At 1 January and 31 December 2021	<u>(3,815,541)</u>
<b>Net book value</b>	
At 31 December 2021	<u>11,053,998</u>
At 1 January 2021	<u>11,075,307</u>

The company holds 20% or more of the share capital of the following companies:

Company	Country of incorporation	Shares held Class	Ownership	
			2021 %	2020 %
Divex Asia Pacific Pty Limited 1	Australia	Ordinary	100%	100%
JFD South Africa (Proprietary) Limited 2	South Africa	Ordinary	100%	100%
Divex FZE 3	UAE	Ordinary	100%	100%
Divex Ltd (formerly Hyperco Holdings Ltd 4	UK	Ordinary	100%	100%
JFD North America 5	USA	Ordinary	100%	100%
JFD Italy S.R.L. 6	Italy	Ordinary	100%	100%
James Fisher Australia Pty Ltd 7	Australia	Ordinary	100%	100%
James Fisher Singapore Pte Ltd 8	Singapore	Ordinary	100%	100%
JFD Sweden A,B 9	Sweden	Ordinary	100%	100%
JFD Domeyer GmbH 10	Germany	Ordinary	50%	50%
First Response Marine Pte Ltd 11	Singapore	Ordinary	50%	50%
WUHU Divex Diving System Ltd 12	China	Ordinary	49%	49%

- 1 Head Office – 54 Bushland Ridge, Bibra Lake, WA 6163, Australia.  
2 Head Office – Mazars House, Rialto Road, Grand Moorings Precinct, Century City, 7441, South Africa.  
3 Head Office – Monson Menon, Level 15, Lake Central - At The Bay, Business Bay, Dubai, UAE.  
4 Head Office – C/O James Fisher Offshore Limited, North Meadows, Oldmeldrum, Aberdeenshire, AB51 0GC.  
5 Head Office – 440 Monticello Avenue, Suite 1844, Norfolk, VA 23510, USA.  
6 Head Office – Via Montevideo n.27, Rome, Italy.  
7 Head Office – Level 1, 38 Station Street, Subiaco, WA 6008, Australia.  
8 Head Office – 160 Robinson Road, #17-01 SBF Center, Singapore 068914.  
9 Head Office – Rindovagen, Rindo Vastra, 185 41 Vaxholm, Sweden.  
10 Head Office – Konsul-Smidt-Str. 15, D-28217 Bremen, Germany.  
11 Head Office – 16 Benoi Road, Singapore 629889.  
12 Head Office – No. 58, Yongchang Road, Jiujiang District, Wuhu City, Anhui Province, P. R. China

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14 Stocks	2021	2020
	£	£
Raw materials and consumables	1,132,508	982,106
Work in progress	3,543,018	2,498,906
Finished goods and goods for resale	<u>4,762,046</u>	<u>4,703,212</u>
	<u>9,437,572</u>	<u>8,184,224</u>

Raw materials consumable and changes in finished goods and work in progress recognised as cost of sales in the year amounted to £29,765,822 (2020: £25,303,682).

15 Debtors	2021	2020
	£	£
Trade debtors	2,973,074	3,370,183
Amounts owed by group undertakings	13,700,839	10,404,079
Amounts owed by joint venture undertakings	107,958	85,771
Other debtors	3,174,015	2,948,578
Prepayments and accrued income	1,336,076	1,816,428
Contract assets	<u>18,999,403</u>	<u>21,905,012</u>
	<u>40,291,365</u>	<u>40,530,051</u>
Amounts due after more than one year included in:	10,049,400	8,732,065
Due within one year	<u>30,241,965</u>	<u>31,797,986</u>
	<u>40,291,365</u>	<u>40,530,051</u>

At 31 December 2021 aggregate costs incurred under open construction contracts and recognised profits, net of recognised losses, amounted to £140,174,455 (2020: £113,826,092). Progress billings and advances received from customers under open construction contracts amounted to £121,777,462 (2020: £96,001,799). Advances for which related work has not started, and billings in excess of costs incurred and recognised profits are presented as deferred income and amounted to £123,697 at 31 December 2021 (2020: £512,500).

16 Creditors: amounts falling due within one year	2021	2020
	£	£
Lease liabilities	17,318	29,148
Trade creditors	4,668,112	4,747,548
Amounts owed to group undertakings and undertakings in which the company has a	3,755,451	1,404,582
Corporation tax	497,492	1,102,113
Other taxes and social security costs	441,680	596,862
Other creditors	194,584	702,575
Accruals and contract liabilities	<u>8,102,107</u>	<u>8,656,122</u>
	<u>17,676,744</u>	<u>17,238,950</u>

17 Creditors: amounts falling due after one year	2021	2020
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	37,936,587	44,470,486
Lease liabilities	<u>2,819,589</u>	<u>2,582,922</u>
	<u>40,756,176</u>	<u>47,053,408</u>

The Company has loan arrangements with James Fisher and Sons plc and a number of subsidiaries of the James Fisher and Sons Plc group to cover funding requirements including acquisitions, working capital and capital expenditure. The facility term is 5 years and 1 month from 31 December 2021 and interest is charged at a rate decided by Group Treasury and is reviewed quarterly.

JFD Limited  
Notes to the Accounts  
for the year ended 31 December 2021

18 Deferred taxation	2021 £	2020 £
Accelerated capital allowances	<u>(416,832)</u>	<u>(672,354)</u>
	2021 £	2020 £
At 1 January	(672,354)	(328,131)
Credited to the profit and loss account	<u>255,522</u>	<u>(344,223)</u>
At 31 December	<u><u>(416,832)</u></u>	<u><u>(672,354)</u></u>

19 Provisions for liabilities	Warranty Provisions £
At 1 January 2021	(1,851,704)
Additional provisions made during the period	(321,988)
Amounts used/ released during the year	831,993
At 31 December 2021	<u><u>(1,341,699)</u></u>

The Company may be parties to legal proceedings and claims which arise in the ordinary course of business, and can be material in value. Disclosure of contingent liabilities or appropriate provision has been made in these accounts where, in the opinion of the Directors, liabilities may materialise. There are no individually significant contingent liabilities that required specific disclosure.

20 Share capital	Nominal value	2021 Number	2021 £	2020 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	393,455	<u>393,455</u>	<u>393,455</u>

21 Share premium	2021 £	2020 £
As at 1 January and 31 December 2021	<u>930,600</u>	<u>930,600</u>

22 Profit and loss account	2021 £	2020 £
At 1 January	10,263,468	13,136,755
Profit for the year	1,438,927	7,126,713
Dividends	<u>(2,000,000)</u>	<u>(10,000,000)</u>
At 31 December	<u><u>9,702,395</u></u>	<u><u>10,263,468</u></u>

23 Dividends	2021 £	2020 £
The following dividends were recognised during the period:		
£5.09 (2020: £25.42) per qualifying ordinary share	<u>2,000,000</u>	<u>10,000,000</u>

24 Leases

The following sets out a maturity analysis of lease payments to be received, showing the undiscounted lease payments to be received after the reporting date:

Leases under IFRS 16	2021 £	2020 £
Falling due:		
within one year	17,318	29,148
within two to five years	1,802,436	1,527,785
in over five years	<u>1,017,153</u>	<u>1,055,137</u>
	<u><u>2,836,907</u></u>	<u><u>2,612,070</u></u>

The following sets out the breakdown of the net book values of the right of use assets covered in the above leases:

	Land and buildings £	Plant and machinery £	Motor Vehicles £	Total £
Net book values				
Balance at 1 January 2021	2,498,055	19,456	48,244	2,565,755
Additions to right-of-use assets	906,778	-	-	906,778
Depreciation charge for the year	<u>(666,801)</u>	<u>(14,872)</u>	<u>(33,280)</u>	<u>(714,953)</u>
Balance at 31 December 2021	<u><u>2,738,032</u></u>	<u><u>4,584</u></u>	<u><u>14,964</u></u>	<u><u>2,757,580</u></u>

**JFD Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2021**

Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss for which the Company is a lessee:

**Leases under IFRS 16**

	2021	2020
	£	£
Interest expense on lease liabilities	136,797	100,286
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets accounted, excluding short-term leases of low-value assets	-	-

**25 Related party transactions**

During the year the Company entered into transactions in the ordinary course of business with fellow group members who were not wholly owned. Transactions entered into and trading balances outstanding at 31 December were as follows:

	Sales to	
	2021	2020
	£	£
JFD Domeyer	460,681	594,736
WUHU Divex Diving System	<u>105,693</u>	<u>27,588</u>
	566,374	622,324
	Receivable	
	outstandings	
	2021	2020
	£	£
JFD Domeyer	70,564	47,196
First Response Marine	31,604	11,044
WUHU Divex Diving System	<u>5,790</u>	<u>27,531</u>
	107,958	85,771

During 2021 and 2020 there were no purchases from related parties and consequently no outstanding creditors.

**26 Capital Commitments**

The company had no capital commitments at 31 Dec 2021 (31 Dec 2020: £nil).

**27 Ultimate parent company and parent company of larger group**

The Company is a subsidiary undertaking of James Fisher and Sons plc which is the ultimate parent company incorporated in United Kingdom.

The largest group in which the results of the Company are consolidated is that headed by James Fisher and Sons plc incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of these groups are available to the public and may be obtained from Fisher House, PO Box 4, Barrow in Furness, Cumbria, LA14 1HR.

**28 Presentation currency**

The financial statements are presented in Sterling.

**29 Legal form of entity and country of incorporation**

JFD Limited is a private company limited by shares and incorporated in Scotland.

**30 Principal place of business**

The address of the company's principal place of business and registered office is:

Westhill Industrial Estate  
Enterprise Drive  
Aberdeen  
AB32 6TQ