

Stirling Shipping Company Limited

Annual Report and Financial Statements

31 December 2019



Directors

J P Anniss

J R Llorca Rodriguez

Secretary

T P Wilkinson

Auditor

Lovewell Blake LLP

Bankside 300

Peachman Way

Broadland Business Park

Norwich NR7 0LB

Bankers

DNB Bank ASA

8th Floor, The Walbrook Building,

25 Walbrook,

London EC4N 8AF

Solicitors

Monro Wright & Wasbrough LLP

7-8 Great James Street

London WC1N 3DF

Registered Office

C/o Stirling & Gilmour

Pavilion Court

45 Kilbowie Road

Clydebank

Dunbartonshire G81 1BL

Registered No. SC159842

Strategic report

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

Principal activity

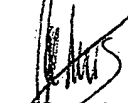
The principal activity of the company is that of a parent undertaking.

Principal risks and uncertainties

Financial risks

The company is not subject to liquidity risk and is able to meet obligations associated with financial liabilities.

On behalf of the Board


J.P. Anniss
Director

Date: OCTOBER 23, 2020

Registered No. SC159842

Directors' report

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

Results and dividends

The loss for the year after taxation amounted to £35 (2018 – profit of £492). The directors did not pay a dividend during the year (2018 - £nil).

Future development

The company will continue to act as a parent undertaking for the foreseeable future.

Directors

The directors who served the company during the year and up to the date of signing the financial statements were as follows:

J P Anniss

J R Llorca Rodriguez

Going concern

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the annual report and financial statements.

Directors' qualifying third party indemnity insurance

The company has taken out insurance to indemnify, against third party proceedings, the directors of the company whilst serving on the board of the company. These indemnity policies subsisted throughout the year and remain in place at the date of this report.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Director's 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including FRS 102 'The Financial Reporting Standard applicable to the United Kingdom 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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; 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 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.

Directors' report (continued)

Disclosure of information to the auditor

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

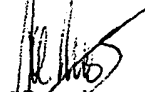
- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor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

Post balance sheet events

Subsequent to the 31 December 2019 there has been one event that is considered material to an understanding of the company's financial position. These are as follows:

- COVID-19: From early 2020, and as of the date of signing of these financial statements, the COVID-19 outbreak continues to significantly affect the entire global economy and continues to have an economic cost in addition to the humanitarian impact. There is presently no indication that the ongoing pandemic will have a material impact on the company's financial position.

On behalf of the Board



J. P. Anniss
Director

Date: OCTOBER 23, 2020

Independent auditor's report

to the members of Stirling Shipping Company Limited

Opinion

We have audited the financial statements of Stirling Shipping Company Limited (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its 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.

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Independent auditor's report

to the members of Stirling Shipping Company Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matter on which we are required to report under the Companies Act 2006

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

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.

Auditor's responsibilities for the audit of the financial statements

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


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

Independent auditor's report

to the members of Stirling Shipping Company Limited (continued)

Use of our report

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



Tobias Wilson BA (Hons), FCA
Senior Statutory Auditor
for and on behalf of Lovewell Blake LLP
Statutory Auditor, Chartered Accountants
Norwich

Date: 23/10/20

Income statement

for the year ended 31 December 2019

		2019	2018
	Notes	£	£
Turnover		—	—
Cost of sales		—	—
Gross profit		—	—
Operating (loss)/income		(43)	485
Operating (loss)/profit	2	(43)	485
Interest receivable and similar income	4	—	7
(Loss)/profit on ordinary activities before taxation		(43)	492
Tax on (loss)/profit on ordinary activities	5	8	—
(Loss)/profit for the financial year		(35)	492

All amounts for the year and prior year relate to the continuing operations of the company.

Statement of comprehensive income

for the year ended 31 December 2019

There is no other comprehensive income or loss, other than the loss attributable to the shareholders of the company, and therefore the total comprehensive loss for the year amounts to £35 (2018 – income of £492).

Statement of changes in equity

for the year ended 31 December 2019

	<i>Called-up share capital</i> £	<i>Share premium</i> £	<i>Profit and loss account</i> £	<i>Total equity</i> £
At 31 December 2017	820,683	4,838,699	118,417	5,777,799
Profit for the year	—	—	492	492
At 31 December 2018	<u>820,683</u>	<u>4,838,699</u>	<u>118,909</u>	<u>5,778,291</u>
Loss for the year	—	—	(35)	(35)
At 31 December 2019	<u>820,683</u>	<u>4,838,699</u>	<u>118,874</u>	<u>5,778,256</u>

Statement of financial position

at 31 December 2019

	Notes	2019 £	2018 £
Fixed assets			
Investments	7	352,201	352,201
Current assets			
Debtors	8	6,612,992	6,612,978
Cash at bank and in hand		3,260	3,309
		6,616,252	6,616,287
Creditors: amounts falling due within one year	9	(1,190,197)	(1,190,197)
Net current assets		5,426,055	5,426,090
Total assets less current liabilities, being net assets		5,778,256	5,778,291
Capital and reserves			
Called up share capital	10, 11	820,683	820,683
Share premium account	11	4,838,699	4,838,699
Profit and loss account	11	118,874	118,909
Equity shareholders' funds		5,778,256	5,778,291

The notes on pages 11 to 15 form part of these financial statements.

Approved and signed on behalf of the board



J.P. Anniss
Director

Date: OCTOBER 23, 2020

Notes to the financial statements

at 31 December 2019

1. Accounting policies

Statement of compliance

Stirling Shipping Company Limited is a limited liability company incorporated in Scotland. The Registered Office is c/o Stirling & Gilmour, Pavilion Court, 45 Kilbowie Road, Clydebank, Dunbartonshire G81 1BL.

The financial statements are prepared in compliance with FRS 102 'The financial reporting standard applicable in the UK and Republic of Ireland' as it applies to the financial statements for the year ended 31 December 2019 and the Companies Act 2006.

Basis of preparation and change in accounting policy

The financial statements are prepared in sterling which is the functional currency of the company.

The company has taken advantage of the following disclosure exemptions under FRS 102 reduced disclosure framework:

- (a) The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv).
- (b) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- (c) The requirements of Section 11 Basic Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48 (a)(iii), 11.48 (a)(iv), 11.48(b), 11.48(c).
- (d) The requirement of Section 33 Related Party Disclosures paragraph 33.7.
The requirements of Section 12 Other Financial Instruments Issues paragraphs 12.26, 12.27, 12.29(a), 12.29(b).

Equivalent disclosures are included within the financial statements of Seacor Marine Holdings Inc.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The directors are of the opinion that the key judgements and sources of estimation uncertainty in the preparation of these accounts were the following:

Key sources of estimation uncertainty

Impairment of investments in subsidiaries and amounts recoverable from group undertakings

Management evaluates the carrying amounts of the company's investments in subsidiary companies and also in amounts receivable from group undertakings to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Refer to note 7 for details of the investments held by the company.

Going concern

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the report and financial statements. In reaching this conclusion the directors have given careful consideration to the potential impact of the ongoing COVID-19 pandemic. Further detail on this aspect is given in note 14 to the financial statements. It is not considered to give rise to a material uncertainty given the nature and scope of the company's activities.

Notes to the financial statements

at 31 December 2019

1. Accounting policies (continued)

Group financial statements

In accordance with the exemption granted by section 401 of the Companies Act 2006 the company has not prepared group financial statements. Stirling Shipping Company Limited's results are included within the group financial statements (prepared under US GAAP) of the company's ultimate parent undertaking and controlling party Seacor Marine Holdings Inc.

These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash at bank and in hand

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand.

Investments

Fixed asset investments represent investments in the company's subsidiaries. These are shown at cost less any provision for impairment.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Foreign currencies

Transactions denominated in foreign currencies are recorded in sterling at the actual exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the income statement.

2. Operating (loss)/profit

Auditor's remuneration for the audit of the financial statements is borne by another group undertaking in both the current and prior year.

3. Directors' remuneration

The company had no employees during 2019 and 2018 and no director received any remuneration or pension contributions from the company for the year or the prior year.

All directors of the company are also directors of other group undertakings. The directors received total remuneration (from other group undertakings) for the year of £384,492 (2018 – £473,944). The directors do not believe that it is practicable to apportion this amount between their services as directors of the company and their services as directors of the other group undertakings. No director was a member of a pension scheme to which the company contributes in either the current or prior year.

	2019	2018
	No.	No.
Number of directors who exercised share options over shares in the ultimate parent undertaking	1	–
Number of directors accruing benefits under defined contribution pension schemes*	2	2

*contributions paid by another group company

Notes to the financial statements

at 31 December 2019

4. Interest receivable and similar income

	2019	2018
	£	£
Bank interest receivable	—	7

5. Tax

(a) Tax on (loss)/profit on ordinary activities

The tax charge is made up as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax on the (loss)/profit for the year	(8)	—
Total current tax	(8)	—
Deferred tax:		
Origination and reversal of timing differences	—	—
Total tax on (loss)/profit on ordinary activities	(8)	—

(b) Factors affecting the total tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.0% (2018 – 19.0%). The differences are explained below:

	2019	2018
	£	£
(Loss)/profit on ordinary activities before tax	(43)	492
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2018 – 19.0%)	(8)	93
Effects of:		
Income not taxable	—	—
Effects of group relief/other reliefs	—	(93)
Total tax for the year (note 5(a))	(8)	—

Notes to the financial statements

at 31 December 2019

6. Dividends

There was no dividend paid in the year (2018: nil).

7. Investments

	<i>Subsidiary undertaking £</i>
Cost at 1 January 2019 and 31 December 2019	<u>352,201</u>
Impairment at 1 January 2019 and 31 December 2019	<u>—</u>
Carrying value at 1 January 2019 and 31 December 2019	<u>352,201</u>

Details of the investment in which the company holds 20% or more of the nominal value of any class of share capital is as follows:

<i>Subsidiaries</i>	<i>Percentage of equity owned</i>	<i>Nature of business</i>	<i>Country of incorporation</i>
Stirling Offshore Limited	100%	Ship owning	Scotland

8. Debtors

	<i>2019 £</i>	<i>2018 £</i>
Amount due from group undertakings	<u>6,612,992</u>	<u>6,612,978</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: amounts falling due within one year

	<i>2019 £</i>	<i>2018 £</i>
Cumulative preferential dividend on 'A' ordinary shares (note 10)	<u>1,190,197</u>	<u>1,190,197</u>

Notes to the financial statements

at 31 December 2019

10. Issued share capital

<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>2019</i>		<i>2018</i>	
		<i>£</i>	<i>No.</i>	<i>£</i>	
Ordinary shares of £1 each	551,044	551,044	551,044	551,044	
'A' ordinary shares of £1 each	236,162	236,162	236,162	236,162	
'B' ordinary shares of £1 each	33,477	33,477	33,477	33,477	
	<u>820,683</u>	<u>820,683</u>	<u>820,683</u>	<u>820,683</u>	

The Ordinary shares, 'A' Ordinary shares and 'B' Ordinary shares rank pari passu in all respects and carry one vote per share. On original issuance the 'A' Ordinary shares had a right to an annual fixed cumulative preferential dividend together with a further profit dependent cumulative preferential dividend. On 23 December 2008 the company amended its articles of association whereby no cumulative preferential dividends accrued subsequent to that date. The liability shown in note 9 to these financial statements represents the cumulative preferential dividends accrued to 23 December 2008.

There was no movement in issued share capital in the current or previous year.

11. Equity reserves

Called-up share capital represents the nominal value of shares that have been issued.

Share premium account includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account includes all current and prior period retained profits and losses.

12. Related party transactions

The company has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the group wholly owned by Seacor Marine Holdings Inc.

13. Ultimate parent undertaking and controlling party

In the directors' opinion the company's ultimate parent undertaking and controlling party is Seacor Marine Holdings Inc. which is incorporated in the USA. Seacor Marine Holdings Inc. is the largest group for which group financial statements are prepared. Copies of its group financial statements, which include the company, are available from 12121 Wickchester Lane, Suite 500, Houston, Texas 77079.

The company's immediate parent undertaking is Stirling Shipping Holdings Limited. Stirling Shipping Holdings Limited has not prepared group financial statements having taken advantage of the exemption available under section 401 of the Companies Act 2006.

14. Post balance sheet events

Subsequent to the 31 December 2019 there has been one event that is considered material to an understanding of the company's financial position. These are as follows:

- COVID-19: From early 2020, and as of the date of signing of these financial statements, the COVID-19 outbreak continues to significantly affect the entire global economy and continues to have an economic cost in addition to the humanitarian impact. There is no indication, given the nature of the company acting as a parent undertaking, that the effects will have such significant impact as to constitute a threat to the going concern of the company.