

Oyster Brokerage Limited

**Annual report and financial statements for the
period 01 January 2017 to 31 March 2018**

Registered number: 02995671



Oyster Brokerage Limited

Annual report and financial statements

For the period 01 January 2017 to 31 March 2018

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Oyster Brokerage Limited

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report, for the period 01 January 2017 to 31 March 2018.

The financial reporting period has been extended to align with the year end of the new parent company, therefore the results in the profit and loss account on page 6 may not be comparable.

Principal activity

The principal activity of the company is yacht and charter brokerage.

Dividends

The directors do not recommend the payment of a final dividend for the year (2016: £nil).

Directors

The directors, who served throughout the year except as noted, were as follows:

S Haynes (resigned 04 April 2018)
D R Tydeman (resigned 04 April 2018)
R A Hadida (appointed 04 April 2018)
R J Bridgen (appointed 30 August 2018)

Registered office

Saxon Wharf
Lower York Street
Southampton
SO14 5QF

Auditor

RSM UK Audit LLP have been appointed as auditor for the company and appropriate arrangements have been put in place for them to access any records required by the previous auditors.

Statement of disclosure to auditor

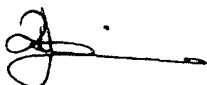
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as each of the directors 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 they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Approved by the Board and signed on its behalf by:



R J Bridgen

Director

Date: 19 December 2018

Oyster Brokerage Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 judgments and accounting estimates that are reasonable and prudent; 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.

Oyster Brokerage Limited

Independent Auditor's Report To The Members Of Oyster Brokerage Limited

Opinion

We have audited the financial statements of Oyster Brokerage Limited (the 'company') for the period ended 31 March 2018 which comprise the profit and loss account, balance sheet, statement of changes in equity 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 where:

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Oyster Brokerage Limited

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

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

RSM UK Audit CP

Paul Anthony (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

Date: 20 December 2018

Oyster Brokerage Limited

Profit and loss account

For the period 01 January 2017 to 31 March 2018

	Note	Period ended 31 March 2018 £	Year ended 31 December 2016 £
Turnover		1,445,914	1,472,241
Cost of sales		(484,390)	(612,319)
Gross profit		961,524	859,922
Administrative expenses		(788,081)	(555,118)
Operating profit		173,443	304,804
Finance income	3	2,694	3,216
Exceptional write off	5	(450,822)	-
(Loss)/Profit before taxation	4	(274,685)	308,020
Tax (charge)/credit on profit	8	(36,196)	(3,614)
(Loss)/Profit for the financial year		(310,881)	304,406

Oyster Brokerage Limited

Balance sheet

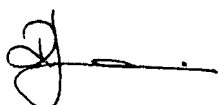
At 31 March 2018

	Note	2018 £	2016 £
Fixed assets			
Tangible assets	9	6,110	7,690
Current assets			
Debtors	10	549,882	2,325,942
Restricted cash	11	493,195	1,660,951
Cash at bank and in hand		75,158	85,617
		1,118,235	4,072,510
Creditors: Amounts falling due within one year	12	(1,019,668)	(1,998,757)
Net current (liabilities)/assets		98,567	2,073,753
Net assets		104,677	2,081,443
Capital and reserves			
Called-up share capital		2	2
Profit and loss account		104,675	2,081,441
Shareholders' funds		104,677	2,081,443

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements of Oyster Brokerage Limited (registered number 02995671) were approved by the board of directors and authorised for issue on 19 December 2018

They were signed on its behalf by:



R J Bridgen
Director

Date 19 December 2018

Oyster Brokerage Limited

Statement of changes in equity

At 31 March 2018

	Notes	Called-up share capital £	Profit and loss account £	Total £
At 1 January 2016		2	1,777,035	1,777,038
Profit for the financial year		-	304,406	304,406
At 31 December 2016		2	2,081,441	2,081,443
(Loss)/Profit for the financial period		-	(310,881)	(310,881)
Inter-group write off	5	-	(1,665,885)	(1,665,885)
At 31 March 2018		2	104,675	104,677

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

Oyster Brokerage Limited is a private company limited by shares incorporated in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 1.

The financial statements have been prepared under the historical cost convention, and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The functional currency of Oyster Brokerage Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates. Foreign operations are included in accordance with the policies set out below.

Going concern

The financial statements have been prepared on a going concern basis. The directors have received confirmation from the ultimate parent undertaking that it is committed to providing adequate financial support to the company for the foreseeable future, to enable the company to continue in operational existence by meeting its financial obligations as they fall due.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, other than assets in the course of construction, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Plant and machinery	10-20% on cost
Fixtures, fittings and equipment	10-20% on cost

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

Accounting policies (continued)

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Turnover

Turnover is stated net of value added tax and trade discounts.

Turnover on agency sales when the Company acts as a broker for a yacht owner is based on commissions earned and is recognised on completion of the sale. Turnover on charter sales when the Company acts as an agent for a yacht owner is based on commissions earned and is recognised on completion of the charter.

Employee benefits

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

Accounting policies (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

2. Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements often requires management to make significant judgements and estimates. No critical judgements or estimates have been made in preparing the company's financial statements and there are no particular uncertainties.

3. Finance income

	2018 £	2016 £
Bank interest receivable	2,694	3,216
	<u>2,694</u>	<u>3,216</u>

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

4. (Loss)/Profit before taxation

Profit before taxation is stated after charging/(crediting):

	2018 £	2016 £
Depreciation of tangible fixed assets	1,580	1,275
Operating lease charges - other than plant and machinery	6,985	7,788
Foreign exchange loss	(6,764)	(10,813)
Exceptional write off	450,822	-

5. Exceptional costs

The parent company of Oyster Marine Events Ltd, Oyster Marine Holdings Ltd, went into administration in February 2018. This resulted in the company writing off intercompany balances between the company and the parent company. Additionally, debts due from Oyster Marine Ltd, which was also a subsidiary of Oyster Marine Holdings Limited, went into administration following the parent company in February 2018 and debts owed by this company were also written off.

The total sum written off has been split in respect of trading and financing activities, £450,822 has been written off through the profit and loss account as an exceptional item and £1,665,885 has been deducted from the profit and loss reserve within equity.

6. Staff numbers and costs

The average monthly number of employees (including executive directors) was:

	2018 Number	2016 Number
Sales, administration	7	7
	7	7

Their aggregate remuneration comprised:

	2018 £	2016 £
Wages and salaries	384,489	388,246
Social security costs	34,565	33,853
Other pension costs	23,433	14,322
	442,487	436,421

7. Directors' remuneration

The directors were remunerated by other group companies for their services to the group as a whole. It is not practical to separate the remuneration for services provided for this company.

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

8. Tax on profit

	2018 £	2016 £
Current tax on profit		
UK corporation tax at 19.20% (2016: 20%)	35,444	-
Adjustment in respect of prior years UK corporation tax	-	-
Total current tax charge	-	-
Deferred tax:		
Origination and reversal of timing differences	752	(401)
Adjustment in respect of prior years	-	3,882
Changes in tax rates	-	133
Total deferred tax charge	752	3,614
Total tax charge on profit	36,196	3,614

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss)/profit before tax is as follows:

	2018 £	2016 £
(Loss)/Profit before tax	(274,685)	308,020
Tax on (loss)/profit at standard UK corporation tax rate of 19.20% (2016: 20%)	(52,733)	61,604
Effects of:		
Expenses not deductible for tax purposes	88,929	1,338
Adjustment in respect of prior years	-	3,882
Tax rate changes	-	133
Group relief	-	(63,343)
Total tax charge for the period	36,196	3,614

Since April 2017, there was a change to the applicable tax rate and corporation tax is now charged at 19.00% (2016: 20%).

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

9. Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 January 2017	23,227	17,347	40,574
Additions	-	-	-
At 31 March 2018	23,227	17,347	40,574
Depreciation			
At 1 January 2017	17,238	15,646	32,884
Charge for the year	870	710	1,580
At 31 March 2018	18,108	16,356	34,464
Net book value			
At 01 January 2017	5,989	1,701	7,690
At 31 March 2018	5,119	991	6,110

10. Debtors

	2018 £	2016 £
Trade debtors	36,159	55,397
Amounts owed by group undertakings	510,954	2,211,737
Deferred tax asset	824	1,576
Other debtors	-	5,765
Prepayments and accrued income	1,945	51,467
	<u>549,882</u>	<u>2,325,942</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

Deferred tax

The deferred tax asset is calculated as follows:

	2018 £	2016 £
Accelerated capital allowances	824	1,003
Other timing differences	-	573
	<u>824</u>	<u>1,576</u>

The movement in the deferred tax asset is as follows:

	£
At 1 January 2017	1,576
Adjustment in respect of prior years	(752)
Credited to the profit and loss account	
At 31 March 2018	<u>824</u>

11. Restricted cash

	2018 £	2016 £
Restricted cash	<u>493,195</u>	<u>1,660,951</u>

Restricted cash relates to monies temporarily held on behalf of brokerage and charter clients.

12. Creditors: Amounts falling due within one year

	2018 £	2016 £
Trade creditors	30,674	26,405
Amounts owed to group undertakings	549,620	512,997
Corporation tax	35,444	-
Other taxation and social security	690	10,352
Other creditors	361,652	1,285,532
Accruals and deferred income	41,588	163,471
	<u>1,019,668</u>	<u>1,998,757</u>

Amounts owed to group undertakings are unsecured, interest free and payable on demand.

Oyster Brokerage Limited

Notes to the financial statements

For the period 01 January 2017 to 31 March 2018

13. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings	
	2018	2016
	£	£
Within one year	-	3,243
Within two to five years	-	-
After five years	-	-
	<hr/>	<hr/>
	-	3,243
	<hr/>	<hr/>

14. Ultimate parent company and controlling party

The immediate parent undertaking was Oyster Marine Holdings Limited. This company entered administration in February 2018.

The company was purchased in March 2018 by Oyster Yachts Limited and its immediate parent company has post balance sheet been incorporated in the new parent company Oyster Yacht Holdings Limited. The ultimate controlling party is Richard Hadida.