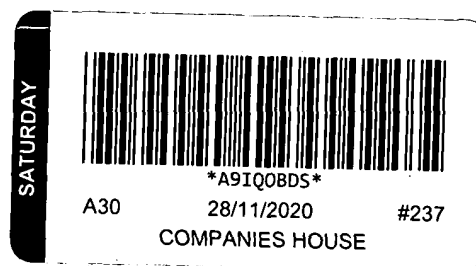


Worley Field Services Limited

Report and Financial Statements

For the period end 30 June 2019



**Report and Financial Statements
30 June 2019**

Table of contents	Page
Corporate information	2
Strategic Report	3
Directors' Report	5
Independent Auditor's Report	9
Income Statement	12
Statement of Comprehensive Income	13
Statement of Changes in Equity	14
Balance Sheet	15
Notes to the financial statements	16

Corporate information

Directors	B Andrews B Connell
Secretary	V Jibuike
Registered office	27 Great West Brentford England TW8 9BW
Registered number	454398
Bankers	Natwest Croydon Business Centre 40 Whitgift Centre Croydon Surrey CR9 3BQ
Auditors	Ernst & Young LLP G1 5 George Square Glasgow G2 1DY

Strategic Report
For the 9 months period ended 30 June 2019

The directors present their Strategic Report for the period ended 30 June 2019.

Business review

On 21 October 2018 Jacobs Engineering Group Inc ("the ultimate parent company") and WorleyParsons Limited ("buyer"), a company incorporated in Australia entered into a Stock and Asset Purchase Agreement to which the buyer agreed to acquire the ultimate parent company's energy, chemical and renewables ('ECR') business for a purchase price of \$3.3 billion consisting of (i) \$2.6 billion in cash plus (ii) ordinary shares of the buyer equal to \$700 million, subject to adjustments for changes in working capital and certain other items. The transaction which has been approved by the boards of directors of the ultimate parent company and the buyer completed on 26th April 2019.

As a result, Worley Field Services Limited (previously known as Jacobs Process Limited) was sold in full on this date to WorleyParsons Limited, which subsequently changed its name to Worley Limited on 21 October 2019 and is now the Company's ultimate parent company.

Principal activity

The principal activity of Worley Field Services Limited is the provision of design, project management, consultancy, construction and commissioning services to the petrochemical, process, energy, environmental and pharmaceutical industries.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are as follows:

Financial risk management policy

The Company's principal financial instruments comprise cash and cash equivalents. Other financial assets and liabilities, such as trade creditors and trade debtors, arise directly from operating activities.

The main risks associated with the Company's financial assets and liabilities are set out below.

Interest rate risk: The Company holds any surplus cash in a floating rate interest yielding bank current account.

Credit risk: The Company has external debtors; however, the Company undertakes assessments of its customers in order to ensure that credit is not extended where there is a likelihood of default.

Liquidity risk: The Company aims to mitigate liquidity risk by managing cash generated by its operations and restricting capital expenditure if necessary.

Currency risk: The Company has few transactional currency exposures which arise from sales and purchases in currencies other than its functional currency as well as the currency risk associated with inter-company transactions in various currencies. Potential exposures to foreign currency exchange rate movements are monitored and reviewed monthly by management and appropriate actions are taken to manage net open foreign currency positions.

Strategic Report (continued)
For the 9-month period ended 30 June 2019

Financial risk management policy (continued)

Health Pandemic

The Company is exposed to uncertainty due to the Coronavirus (COVID19) pandemic and resulting lower and volatile commodity prices adversely affecting the oil and gas sector. The Company will manage risk by closely monitoring the impact that the Coronavirus (COVID19) pandemic is having on the industry by holding open and regular dialogue with potential and existing customers.

Further details are contained in the Directors' report Going Concern disclosure on page 5, regarding the factors considered in managing the impact of the Coronavirus (COVID19) pandemic.

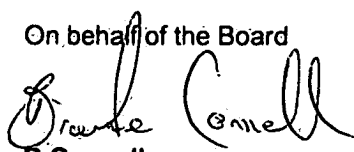
Market Risk

The company's business is dependent upon the amount of activity in the oil, gas, and renewable energy industries and consequently any change in the level or timing of clients' expenditure plans that could adversely affect level of activity and new order book awards. Volatility in both energy and the oil price could have a sustained impact on the Company's revenues. The Directors manage this by meeting on a regular basis to discuss and review the market and potentially volatility in the oil price.

Legislative risks

The performance of the Company's services in the UK is bound by the Health and Safety legislation that governs the activities on construction sites. These standards are subject to periodic revision and continued compliance with the legislation imposes a cost to the business. Failure to comply with the legislation could materially affect the Group's ability to operate.

On behalf of the Board



B Connell
Director

Date: 12 November 2020

Directors' Report

For the 9 months period ended 30 June 2019

The Directors have pleasure in presenting their report and financial statements for the nine-month period ended 30 June 2019 for Worley Field Services Limited, company registration number 454398.

Company name change and accounting reference date change

On the 14 June 2019 the company changed its name from Jacobs Process Limited to Worley Field Services Limited.

The company also changed its financial reporting date to 30 June to align with the financial year-end of the new owner Worley Limited (previously WorleyParsons Limited). These financial statements cover the period from 1 October 2018 to 30 June 2019. The comparative period is for the year ended 30 September 2018.

Directors of the company

The current directors are shown on page 2.

The Directors during the period were:

B Andrews (appointed 18 August 2020)

B Connell (appointed 26 April 2019)

P Seaton (resigned 3 August 2020)

J Shattock (resigned 26 April 2019)

Results

Prior to the sale of the company to WorleyParsons Limited, the company made a capital reduction of £47,249,000 by

1. Cancelling and extinguishing 16,999,000 ordinary shares of £1 each in the company.
2. Reducing the capital redemption reserve of the company by an amount equal to £30,250,000.
3. Creating the capital reduction amount to the company's reserve of profits available for distribution.

A dividend of £35,000,000 was then declared on the ordinary shares of £1.00 each in the company and satisfied to the company's former sole shareholder Jacobs UK limited of the entire issued share capital of Jacobs E&C Limited, a 100% subsidiary of Worley Field Services Limited (dividend in specie). The dividend in specie was then paid on 8 March 2019 to the company's former immediate parent undertaking and sole shareholder Jacobs UK Limited.

Prior to the sale of the company to WorleyParsons Limited the company also paid a dividend to its former immediate parent undertaking Jacobs UK Limited of £11,238,000.

The company's former immediate parent undertaking Jacobs UK Limited contributed £4,028,000 cash to Worley Field Services Limited in exchange for 100 ordinary shares with par value of £1 each. The amount paid for each share was £40,280.

Directors' Report (continued)
For the 9 months period ended 30 June 2019

The cash was used to purchase £4,028,000 of assets from Jacobs Field Services Limited, a 100% owned subsidiary of Jacobs UK Limited. Turnover for the period increased from £7,000 to £3,891,000 as a result of the purchase of these assets.

The original Share premium £4,027,900 was reduced by value of assets transferred to Worley Field Services Limited from Jacobs Field Services Limited of £885,083 and the value of £724,578 of the land and buildings transferred to Worley via Jacobs process Ltd (renamed Worley Field Services Ltd, WFSL), which were not included on SPA and title did not pass.

The loss for the period ended 30 June 2019 after taxation was £280,000 (2018: profit £113,000).

Going concern

The Company's business activities, together with the factors likely to affect the future development, performance, and position, are set out in the strategic report.

In assessing whether the financial statements of the Company should be prepared on a going concern basis, the Directors have considered the current trading performance, budgets, current market conditions and the long-term future outlook of the Company.

There has been a sustained period of global economic uncertainty due to the Coronavirus (COVID-19) pandemic in conjunction with lower and volatile commodity prices which have directly adversely impacted the oil and gas sector. The market outlook is expected to remain challenging as global Oil & Gas operators continue to adapt to changes in demand and the continued transition towards sustainable new energy gathers momentum.

The Company must manage the issues brought about by the global health pandemic, whilst simultaneously coping with the new oil price scenario and lower energy demand. Worley group have taken immediate steps to reorganise the structure of the business, ensuring the company will continued to adapt to changing customer demands and market conditions.

The Directors believe that the Company has enough resources to continue in operation for the foreseeable future. At 30 June 2019, the Company had net current assets of £2,081,000. The Company has no external loan obligations but is owed £948,000 from fellow group companies and owes £24,000 to other group companies.

In the event that the Company requires assistance to meet its financial obligations, Worley Limited would be able to provide support to the Company. The Directors have received a letter of support from Worley Limited confirming it will be able to provide support to the Company if needed, for a period of at least 12 months from the date of approval of the balance sheet, in order to allow the Company to operate as a going concern.

The Directors have assessed the ability of Worley Limited to provide the support for a period of 12 months from the date of the approval of the balance sheet and having reviewed the financial position and made suitable enquiries, are satisfied that the financial statements should be prepared on a going concern basis.

Directors' Report (continued)

For the 9 months period ended 30 June 2019

Although the magnitude and duration of the impact of the COVID-19 pandemic remains uncertain, after considering the risks to the business and the continued parental support, the Directors believe that the company remains able to meet to costs of its commitments to manage the business successfully. Therefore, it is appropriate to prepare the financial statements on a going concern basis

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed above. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- Each director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS101).

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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company transactions 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.

Future Developments

The Directors do not anticipate any major change in the company's trading activities for the foreseeable future.

Directors' Report (continued)
For the 9 months period ended 30 June 2019

Post Balance Sheet events

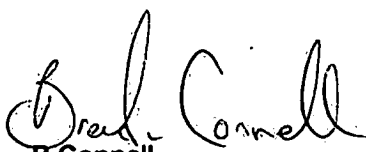
After the balance sheet date, the Coronavirus (COVID19) pandemic has had a widespread impact on the global economy and in turn on the Oil and Gas sector. The pandemic is contributing to dampened global energy demand, resulting in reduced production, delayed capital expenditure, and future market uncertainty. COVID19 is a non-adjusting post balance sheet event, and no disclosure is made in the financial statements in respect of this as impact remains uncertain.

There are no other material events that have occurred since the balance sheet date which would affect the future of the Company

Auditors

A resolution proposing in accordance with Section 485 of the Companies Act 2006 the re-appointment of Ernst & Young LLP as auditors and authorising the directors to determine their remuneration will be submitted to the Annual General Meeting.

On behalf of the Board



B Connell
Director

Date: 12 November 2020

Independent Auditor's Report to the Members of Worley Field Services Limited

Opinion

We have audited the financial statements of Worley Field Services Limited for the period ended 30 June 2019 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 17 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; 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 below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - effects of COVID19

We draw attention to note 2.1 (basis of preparation of financial statements), note 2.2(i) (Going concern) and note 17 (Post balance sheet events) in the financial statements, which describe the economic and social disruption the Company is facing as a result of COVID19, which is impacting supply chains, consumer demand, and personnel available for work. Our opinion is not modified in this matter.

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 authorized for issue,

Independent Auditor's Report to the Members of Worley Field Services Limited (continued)

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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report to the Members of Worley Field Services Limited (continued)

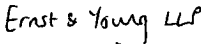
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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.

DocuSigned by:

2C5916683F26420...

Janie McMinn (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

Glasgow

Date: November 19, 2020

Income Statement

for 9 months period ended 30 June 2019 and year ended 30 September 2018

		2019	2018
	Note	£'000	£'000
Turnover	3	3,564	7
Operating expenses		(4,126)	(5)
Operating (Loss)/profit.		(562)	2
Interest received and similar income	4	5	-
(Loss)/profit on ordinary activities before tax		(557)	2
Tax on profit on ordinary activities	7	277	111
(Loss)/Profit for the financial period/year		(280)	113

**Statement of Comprehensive Income
for 9 months period ended 30 June 2019 and year ended 30 September 2018**

	Note	2019 £'000	2018 £'000
Loss for the period/year		(280)	113
<i>Other comprehensive income</i>			
Items that cannot be reclassified to profit or loss:		-	-
		<hr/>	<hr/>
Other comprehensive income for the period/year net of tax		-	-
		<hr/>	<hr/>
Total loss for the period/year		(280)	113
		<hr/> <hr/>	<hr/> <hr/>

Worley Field Services Limited

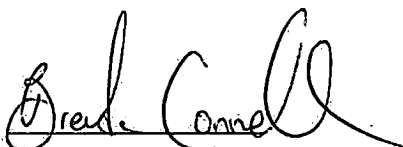
**Statement of changes in equity
for the 9 months period ended 30 June 2019**

	<i>Notes</i>	<i>Equity Share capital £'000</i>	<i>Share premium £'000</i>	<i>Other reserves £'000</i>	<i>Profit & loss account £'000</i>	<i>Total equity £'000</i>
At 1 October 2017		17,000	-	30,250	(1,079)	46,171
Profit for the year		-	-	-	113	113
Total comprehensive income for the year		-	-	-	113	113
At 30 September 2018		17,000	-	30,250	(966)	46,284
Capital Reduction		(16,999)	-	(30,250)	47,249	-
Dividends paid to Jacobs UK Limited		-	-	-	(46,238)	(46,238)
Additions	13	-	2,416	-	1	2,417
Loss for the period		-	-	-	(280)	(280)
Total comprehensive loss for the period		-	-	-	(280)	(280)
At 30 June 2019		1	2,416	-	(234)	2,183

**Balance sheet
at 30 June 2019**

	Note	2019 £'000	2018 £'000
Fixed Assets			
Investments	8	-	35,000
Tangible fixed assets	9	102	-
		<u>102</u>	<u>35,000</u>
Current assets			
Debtors: Amounts falling due within one year	10	4,938	11,304
Cash at bank		753	-
Deferred tax asset	7	6	8
		<u>5,697</u>	<u>11,312</u>
Creditors			
Amounts falling due within one year	11	(3,616)	(28)
		<u>2,081</u>	<u>11,284</u>
Net current assets			
		<u>2,081</u>	<u>11,284</u>
Net assets		<u>2,183</u>	<u>46,284</u>
Capital and reserves			
Share capital	12	1	17,000
Share premium	13	2,416	-
Other Reserves		-	30,250
Profit and loss account		(234)	(966)
		<u>2,183</u>	<u>46,284</u>

Approved by the Board on



B Connell
Director

Date: 12 November 2020

Notes to the financial statements
30 June 2019

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Worley Field Services Limited (the 'company') for the period ended 30 June 2019 were authorised for issue by the board of directors on 12 November 2020 and the balance sheet was signed on the board's behalf by B Connell. The company is incorporated and domiciled in England and Wales.

These financial statements are prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and applicable accounting standards. The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated. The principal accounting policies adopted by the company are set out in note 2. The financial statements are prepared on a going concern basis.

The Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare group financial statements as it is a wholly owned subsidiary of Worley Europe Ltd. The results of Worley Field Services Limited and Worley Europe Ltd are included in the consolidated financial statements of WorleyParsons Limited, which are available to the public from its registered office, Level 15, 141 Walker Street, North Sydney, NSW 2060. These financial statements present information about the company as an individual undertaking

2. Accounting policies

2.1 Basis of preparation

With regards to the preparation of the financial statements, COVID19 is a non-adjusting post balance sheet event, and further information is included in note 17.

The impact of COVID19 on the going concern basis for the financial statements, and management's assessment, is disclosed in note 2.2 (i) and in the Directors' Report.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 30 June 2019.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
- (b) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
- (c) the requirements of paragraphs 10(d), 10(f), 38(c), 38(d) and 134-136 of IAS 1 Presentation of Financial Statements;
- (d) the requirements of IAS 7 Statement of Cash Flows;
- (e) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (f) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (g) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (h) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

Notes to the financial statements (continued)

30 June 2019

2. Accounting policies (continued)

2.2 Significant accounting policies

(a) Revenue recognition

Revenues are recognised based on the percentage of completion method of accounting, determined primarily by relating contract charges (which include both direct and indirect costs) incurred to date to total estimated contract charges at completion. Projected losses, if any, are provided for in their entirety in the period in which they become known, without reference to percentage-of-completion. Where the contract revenue outcome cannot be measured reliably, revenue is recognised only to the extent of expenses recognised that are recoverable.

The Company applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about the remaining performance obligations that have original expected durations of one year or less.

(b) Tangible fixed assets

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on tangible fixed assets, other than land, on a straight-line basis over its expected useful life as follows:

Leasehold property	shorter of the lease term and useful life
Fixtures, fittings & equipment	20% straight line
Motor vehicles	20% straight line

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of tangible fixed assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

(c) Investments

Fixed asset investments are originally recorded at cost. The company assesses at each reporting date whether there is an indication that the investment may be impaired.

Notes to the financial statements (continued)

30 June 2019

2. Accounting policies (continued)

2.2 Significant accounting policies (continued)

(d) Impairment of assets

Non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement.

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are recognised in two stages:

- for credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL);
- for those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes to the financial statements (continued)
30 June 2019

2. Accounting policies (continued)

2.2 Significant accounting policies (continued)

(e) Foreign currency translation

The company's financial statements are presented in Sterling, which is also the company's functional currency.

(f) Transactions and balances

Transactions in foreign currencies are initially recorded in the company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(g) Trade and other debtors

Trade debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. The company uses the IFRS 9 ECL model to measure loss allowances at an amount equal to their lifetime expected credit loss. A provision for doubtful amounts is made when there is objective evidence that collection of the full amount is no longer probable.

(h) Cash

Cash comprises cash at bank and on hand.

(i) Going concern

The Company's business activities, together with the factors likely to affect the future development, performance, and position, are set out in the strategic report.

In assessing whether the financial statements of the Company should be prepared on a going concern basis, the Directors have considered the current trading performance, budgets, current market conditions and the longer-term future outlook of the Company.

There has been a prolonged period of economic uncertainty due to the Coronavirus (COVID19) pandemic, in conjunction with lower and volatile commodity prices, which have directly and indirectly impacted the oil and gas sector. The market outlook is expected to remain challenging as Oil & Gas operators continue to adapt to changes in demand, and the continued transition towards sustainable new energy gathers momentum,

The Company must manage the issues brought about by the global health pandemic, whilst simultaneously coping with the new oil price scenario and lower energy demand. Worley group have taken immediate steps to reorganize the structure of the business, ensuring the company will continued to adapt to changing customer demands and market conditions.

Notes to the financial statements (continued)
30 June 2019

2. Accounting policies (continued)

2.2 Significant accounting policies (continued)

(i) Going concern (continued)

The Directors believe that the Company has enough resources to continue in operation for the foreseeable future. At 30 June 2019, the Company had net current assets of £2,081,000. The Company has no external loan obligations but is owed £948,000 from fellow group companies, and owes £24,000 to other group companies.

In the event that the Company requires assistance to meet its financial obligations, Worley Limited would be able to provide support to the Company. The Directors have received a letter of support from Worley Limited confirming it will be able to provide support to the Company if needed, for a period of at least 12 months from the date of approval of the balance sheet, in order to allow the Company to operate as a going concern.

The Directors have assessed the ability of Worley Limited to provide the support for a period of 12 months from the date of the approval of the balance sheet and having reviewed the financial position and made suitable enquiries, are satisfied that the financial statements should be prepared on a going concern basis.

Although the magnitude and duration of the impact of the COVID-19 pandemic remains uncertain, after considering the risks to the business and the continued parental support, the Director believes that the company remains able to meet to costs of its commitments to manage the business successfully. Therefore it is appropriate to prepare the financial statements on a going concern basis

(j) Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the exception that deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised, or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Notes to the financial statements (continued)
30 June 2019

2.3 New standards, amendments and interpretations

On 1 October 2018 the Company adopted IFRS 9 'Financial Instruments' on a retrospective basis and IFRS 15 'Revenue from Contracts with Customers' using the cumulative effect method. There have been no material impacts on the Company's financial statements from adopting these standards.

3. Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the Company's ordinary activities, stated net of value added tax. Turnover is analysed by geographical market as follows:

	2019	2018
	£'000	£'000
<i>By origin</i>		
UK	3,542	7
Rest of world	22	-
	3,564	7

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	2019	2018
	£'000	£'000
Trade Debtors	566	-
Contracts Assets- Amounts recoverable on contracts	2,091	9
Contracts Liabilities- Payments on Account	(27)	(28)
	2,630	(19)

During the year 100% of amounts recoverable on contracts was subsequently billed and transferred to trade receivables from the balance in the period (2018: 100%).

4. Interest received

	2019	2018
	£'000	£'000
Bank interest received	5	-

Notes to the financial statements (continued)
30 June 2019

5. Auditors' remuneration

	2019 £'000	2018 £'000
Audit fees	20	-
	<u>20</u>	<u>-</u>

The auditor's remuneration in 2018 was borne by Jacobs UK Ltd.

6. Staff costs and directors' remuneration

(a) Staff costs	2019 £'000	2018 £'000
Wages and salaries	2,718	-
Social welfare costs	281	-
Pension costs	143	-
	<u>3,142</u>	<u>-</u>

The average monthly number of employees during the year was made up as follows:

	2019 No.	2018 No.
Operations staff	247	-
Administration staff	<u>5</u>	<u>-</u>

The company did not employ any persons in 2018.

(b) Directors' remuneration

The directors' emoluments for qualifying services were as follows:

	2019 £'000	2018 £'000
Emoluments	8	6
Pension contributions	-	-
	<u>8</u>	<u>6</u>

The emoluments of all directors were incurred by other Jacobs Engineering Group Inc. companies up until 26 April 2019 when the company was sold to WorleyParsons Limited. Post-sale the emoluments of all directors were incurred by other Worley companies and it is not possible to accurately apportion remuneration in respect of qualifying services to this Company.

Notes to the financial statements (continued)
30 June 2019

7. Taxation	2019	2018
	£'000	£'000
(a) Tax on profit on ordinary activities		
<i>Current tax:</i>		
UK Corporation tax	(309)	(2)
Prior year adjustments	30	(111)
	<hr/>	<hr/>
Total current income tax credit	(279)	(113)
	<hr/>	<hr/>
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	2	2
	<hr/>	<hr/>
Total deferred tax charge	2	2
	<hr/>	<hr/>
Tax credit in the income statement	(277)	(111)
	<hr/>	<hr/>
(b) Reconciliation of the total tax charge		

The tax expense in the income statement for the period is less than the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

	2019	2018
	£'000	£'000
Accounting (loss)/profit before income tax	(557)	2
	<hr/>	<hr/>
Tax calculated at UK standard rate of corporation tax of 19% (2018: 19%)	(106)	-
	<hr/>	<hr/>
Effects of:		
Income not assessable for tax purposes	(258)	-
Expenses not allowable for tax purposes	57	-
Prior year adjustments	30	(111)
	<hr/>	<hr/>
Total tax credit reported in the Income Statement	(277)	(111)
	<hr/>	<hr/>

The main UK corporation tax rate reduced from 20% to the current rate of 19% on 1 April 2017. The Finance Act 2016 included legislation which would reduce the tax rate further to 17% from 1 April 2020. This became law when The Finance Act 2016 received Royal Assent on 15 September 2016. Following the budget resolution on 17 March 2020, the main UK corporation tax rate will remain at 19% from 1 April 2020 (cancelling the enacted reduction to 17%). This became substantially enacted post year end on 17 March 2020

Notes to the financial statements (continued)
30 June 2019 (continued)

7. Taxation (continued)

(c) Deferred tax

<i>Deferred tax asset</i>	2019 £'000	2018 £'000
Deferred tax asset at start of the year	8	10
Deferred tax charge to the income statement	(2)	(2)
Disclosed on the balance sheet	<u>6</u>	<u>8</u>

<i>Deferred tax relates to the following:</i>	2019 £'000	2018 £'000
Deferred tax asset		
Accelerated capital allowances	6	8
Disclosed on the balance sheet	<u>6</u>	<u>8</u>

8. Investments

	2019 £'000	2018 £'000
Shares in subsidiary undertakings	-	35,000

As at September 2018 the trading subsidiary undertakings were:

	<u>Country of Incorporation</u>	<u>% of ordinary share capital held</u>
Worley E&C International Ltd (previously known as Jacobs E&C International Ltd)	UK	100
Jacobs E&C Ltd	UK	100
Jacobs Matasis (Pty) Limited	South Africa	65

The principal activities of all the trading subsidiary undertakings were the provision of conceptual design, engineering services, procurement, project management, construction and commissioning services to various industries.

Prior to the sale of Worley Field Services Ltd to Worley Limited, the company distributed its shares in Jacobs E&C Limited to Jacobs UK Limited, the company's former immediate parent undertaking. Refer to the Director's Report for more information.

Notes to the financial statements (continued)
30 June 2019

9. Tangible Fixed Assets

	<i>Land and Computer buildings equipment</i>		<i>Fixtures and fittings</i>	<i>Motor vehicles</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Cost:					
At 1 October 2018	-	-	-	-	-
Transferred from Jacobs	49	65	179	49	342
	<u>49</u>	<u>65</u>	<u>179</u>	<u>49</u>	<u>342</u>
At 30 June 2019	49	65	179	49	342
	<u>49</u>	<u>65</u>	<u>179</u>	<u>49</u>	<u>342</u>
Depreciation:					
At 1 October 2018	-	-	-	-	-
Transferred from Jacobs	(9)	(56)	(121)	(47)	(233)
Charge for the period	(1)	(1)	(3)	(2)	(7)
	<u>(10)</u>	<u>(57)</u>	<u>(124)</u>	<u>(49)</u>	<u>(240)</u>
At 30 June 2019	(10)	(57)	(124)	(49)	(240)
	<u>(10)</u>	<u>(57)</u>	<u>(124)</u>	<u>(49)</u>	<u>(240)</u>
Net book amounts:					
At 30 June 2019	39	8	55	-	102
	<u>39</u>	<u>8</u>	<u>55</u>	<u>-</u>	<u>102</u>
At 30 September 2018	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

10. Debtors (amounts falling due within one year)	2019 £'000	2018 £'000
Trade debtors	566	-
Amounts recoverable on contracts	2,091	9
Other debtors	1,023	-
Amounts owed by group undertakings	948	11,202
Corporation tax	310	93
	<u>4,938</u>	<u>11,304</u>

Amounts owed by group undertakings includes a loan due from WP US Finance Sub Ltd of \$485,000. Interest on this loan is 2.875% and is payable on the 30 June each year. The loan is repayable in less than one year, this may however be extended upon mutual agreement between both parties.

All other amounts owed by group undertakings are interest free, have no fixed date of repayment and are repayable on demand.

Notes to the financial statements
30 June 2019 (continued)

11. Creditors (amounts falling due within one year)	2019 £'000	2018 £'000
Accounts payable	1,125	-
Payments on account	27	28
Amounts due to group undertakings	24	-
Accruals and other creditors	1,787	-
Other tax and social security	653	-
	<u>3,616</u>	<u>28</u>

Amounts due to group undertakings are interest free, have no fixed date of repayment and are repayable on demand.

12. Authorised and issued share capital	2019 £'000	2018 £'000
<i>Authorised:</i>		
1 ordinary share of £1 each	<u>1</u>	<u>17,000</u>
<i>Allotted, called up and fully paid:</i>		
1 ordinary share of £1 each	<u>1</u>	<u>17,000</u>

Prior to the sale of the company to Worley Limited, the company made a capital reduction by cancelling and extinguishing 16,999,000 ordinary shares of £1 each in the company.

13. Share premium

	2019 £'000
At 30 June 2019	<u>2,416</u>

Prior to the sale of the company to Worley Limited, the company's former immediate parent undertaking Jacobs UK Limited contributed £2,416,433 cash to Worley Field Services Limited in exchange for 100 ordinary shares with par value of £1 each. The amount paid for each share was £24,164.

Prior to the sale of the company to WorleyParsons Limited, the cash was used to purchase £3,142,817 of assets from Jacobs Field Services Limited, a 100% owned subsidiary of Jacobs UK Limited.

Notes to the financial statements (continued)
30 June 2019

14. Guarantees

Until 26 April 2019, The National Westminster Bank Plc held an unlimited inter-company cross guarantee between the company and the group companies listed below:

- Jacobs U.K. Limited
- Jacobs GIBB Limited
- Jacobs Engineering UK Limited
- Jacobs One Limited
- Jacobs Field Services Limited
- LeighFisher Limited
- JEG Acquisition Company Limited
- Sula Systems Limited
- Gibb Holdings Limited
- Worley E&C International Limited (previously known as Jacobs E&C International Ltd)
- Jacobs E&C Limited

Under a group registration, the company was jointly and severally liable for value added tax due by some other group undertakings.

Following the sale of the company to WorleyParsons Limited the company was removed from Jacobs UK Limited inter-company cross guarantee and de-registered from the Jacobs UK Limited vat group on 27 April 2019.

15. Ultimate and immediate parent undertaking

Pre - sale to WorleyParsons on 26 April 2019

The company's immediate parent undertaking and controlling party was Jacobs UK Limited a company incorporated in the United Kingdom. The company's ultimate parent undertaking and controlling party was Jacobs Engineering Group Inc., a company incorporated in the United States of America.

The parent undertaking of the smallest group of undertakings of which the company was a member and for which group financial statements are drawn up was Jacobs UK Limited. The largest group of undertakings of which the company was a member and for which group financial statements are drawn up was Jacobs Engineering Group Inc., a company incorporated in the United States of America. Copies of its group financial statements are available to the public from its registered office at 1999 Bryan Street, Suite 1200, Dallas, Texas 75201, United States of America.

Post – sale to WorleyParsons on 26 April 2019

The company's immediate parent undertaking and controlling party is Worley Europe Limited, a company incorporated in the United Kingdom. The company's ultimate parent undertaking and controlling party is WorleyParsons Limited, a company incorporated in Australia. WorleyParsons Limited changed its name to Worley Limited on 29 April 2019.

The parent undertaking of the smallest group of undertakings of which the company is a member is Worley Europe Limited. The largest group of undertakings of which the company is a member and for which group financial statements are drawn up is WorleyParsons Limited a company incorporated in Australia. Copies of its group financial statements are available to the public from its registered office, Level 15, 141 Walker Street, North Sydney, NSW 2060, Australia.

Notes to the financial statements (continued)

30 June 2019

16. Related party transactions

The company has taken advantage of the exemption under paragraph 8(j) and 8(k) of FRS101 not to disclose transactions with wholly owned subsidiaries.

17. Post Balance Sheet events.

After the balance sheet date, the COVID19 pandemic has had a widespread impact on the global economy, and in turn on the Oil & Gas sector. The pandemic is contributing to dampened global energy demand, resulting in reduced production, delayed capital expenditure, and future market uncertainty. COVID19 is a non-adjusting balance sheet event and no disclosure is made in the financial statements in respect of this as the impact remains uncertain.

There are no other material events since the balance sheet date which would affect the financial statements of the company.