

DSND Subsea Ltd

Directors' report and financial statements

For the year ended 31 December 2012

Registered Number 01005947

MONDAY



L2HZREM3

L20

30/09/2013

#304

COMPANIES HOUSE

DSND Subsea Ltd

Directors' report and financial statements for the year ended 31 December 2012

Contents

Directors and advisers	1
Directors' report for the year ended 31 December 2012	2
Independent auditors' report to the members of DSND Subsea Ltd	4
Profit and loss account for the year ended 31 December 2012	6
Balance sheet as at 31 December 2012	7
Notes to the financial statements for the year ended 31 December 2012	8

DSND Subsea Ltd

Directors and advisers

Directors

D B Lie

T Sorensen

Company secretary and registered office

Charles Bondi

c/o Star Reefers UK Ltd

30 Charles II Street

London

SW1Y 4AE

England

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

32 Albyn Place

Aberdeen

AB10 1YL

DSND Subsea Ltd

Directors' report for the year ended 31 December 2012

The directors present their report and the audited financial statements for the company for the year ended 31 December 2012

Principal activity and review of business

The trade and activities of the company were transferred to the Subsea 7 group in May 2002. The residual activities of the company comprise the settlement of remaining liabilities and recovery of outstanding assets. The directors expect that these activities will continue in a similar manner in 2013. The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The profit and loss account for the year is set out on page 6.

Results and dividends

The company's profit for the year was £68,148 (2011: loss £4,071). The directors do not propose payment of a dividend for the current year (2011: Nil). No dividends were received in 2012 (2011: £ Nil).

Going Concern

A letter of support has been received from the ultimate parent undertaking. Therefore, the directors consider that the parent company will be able to provide the necessary financial support to the company for at least the period of 12 months from the date of this report. For this reason the directors believe that the company is a going concern and these financial statements have been prepared on that basis.

Directors and company secretaries

The directors who held office during the year and up to the date of this report were as follows:

D B Lie
T Sorensen

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report and the financial statement 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 statement in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, 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 loss of the company for the period. In preparing these 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.

DSND Subsea Ltd

Directors' report for the year ended 31 December 2012 (continued)

Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution that they be reappointed will be proposed at the Annual General Meeting

On behalf of the Board



T Sorensen
Director

30 September 2013

DSND Subsea Ltd

Independent auditors' report to the members of DSND Subsea Ltd

We have audited the financial statements of DSND Subsea Ltd for the year ended 31 December 2012 which comprises the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

DSND Subsea Ltd

Independent auditors' report to the members of DSND Subsea Ltd (continued)

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.



Kevin Reynard (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
30 September 2013

DSND Subsea Ltd

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Administrative Expenses		(12,775)	(5,750)
Loss on ordinary activities before interest and taxation	2	(12,775)	(5,750)
Interest receivable and similar income	2	97,027	4,485
Interest payable and similar charges	2	(1,886)	(2,806)
Profit/(loss) on ordinary activities before taxation		82,366	(4,071)
Taxation on gain/(loss) on ordinary activities	5	(14,218)	-
Profit/(loss) for the financial year	9	68,148	(4,071)

The results above relate wholly to discontinued activities

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents

The notes on pages 8 to 11 are an integral part of the financial statements

DSND Subsea Ltd

Balance sheet as at 31 December 2012

	Notes	2012 £	2011 £
Creditors: amounts falling due within one year	6	(106,828)	(174,976)
Net current liabilities		(106,828)	(174,976)
Total assets less current liabilities		(106,828)	(174,976)
Capital and reserves			
Called up share capital	7	1	1
Profit and loss account	8	(106,829)	(174,977)
Total shareholder's deficit	9	(106,828)	(174,976)

The notes on pages 8 to 11 are an integral part of the financial statements

The financial statements on pages 6 to 11 were approved by the board of directors on 30 September 2013 and were signed on its behalf by


T Sorensen
Director

DSND Subsea Ltd

Registered Number 01005947

DSND Subsea Ltd

Notes to the financial statements for the year ended 31 December 2012

1 Basis of accounting and principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, on a going concern basis, and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The principal accounting policies, which have been applied consistently, are set out below.

Going concern

The entity was in a net current liability position in the amount of £106,828 as of 31 December 2012 (2011 £174,976).

The ultimate parent company, Siem Offshore Inc, has confirmed that it will provide the necessary financial support for at least the period of 12 months from the date of these financial statements. For this reason, the directors believe that the company is a going concern and the financial statements have been prepared on this basis.

Cash flow statement

The company is a wholly owned subsidiary of Siem Offshore Inc and the cash flows of the company are included in the consolidated cash flow statement of Siem Offshore Inc. The consolidated financial statements of Siem Offshore Inc are publicly available (Note 10). Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996) "Cash flow statements".

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling and recorded at rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date and differences on exchange included in the profit and loss account.

Related party transactions

In accordance with the exemption available under FRS8 "Related Party Disclosures", transactions with entities that are part of the Siem Offshore Inc Group are not disclosed on the grounds that the company is a subsidiary where 100% or more of its voting rights are controlled within the group and the consolidated financial statements of Siem Offshore Inc are publicly available.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided on taxable profits at current rates in the respective taxation jurisdictions. 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.

A deferred tax asset is regarded as recoverable and therefore recognised only when, 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 difference can be deducted.

Deferred tax is measured on a non-discountable basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

DSND Subsea Ltd

Notes to the financial statements for the year ended 31 December 2012 (continued)

2 Profit/(loss) on ordinary activities before interest and taxation

	2012	2011
	£	£
<hr/>		
Loss on ordinary activities before interest and taxation is stated after charging:		
Foreign exchange loss/(gain)	26,079	(1,679)
Services provided by the company's auditor:		
Fees payable for the audit	6,300	4,500
Fees payable for other services – tax compliance	4,575	2,500
	<hr/>	<hr/>

3 Directors' remuneration

None of the directors who served during the year neither received nor waived any emoluments from the company (2011 £nil)

4 Employee information

The company had no employees during the year (2011 nil)

5 Taxation on profit/(loss) on ordinary activities

	2012	2011
	£	£
<hr/>		
Current tax		
UK corporation tax on profits of the year	14,218	-
Total current tax	14,218	-
Tax on profit on ordinary activities	14,218	-
	<hr/>	<hr/>

DSND Subsea Ltd

Notes to the financial statements for the year ended 31 December 2012 (continued)

5 Taxation on profit/(loss) on ordinary activities (continued)

There is a £14,218 tax charge (2011 £nil) The effective rate is lower (2011 lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2012 of 24.5% (2011 26.5%) The differences are explained below

	2012 £	2011 £
Profit/(loss) on ordinary activities before tax	82,366	(4,071)
Tax on profit/(loss) on ordinary activities at 24.5% (2011 26.5%)	20,180	(1,079)
Effects of		
Unrecognised losses	-	1,079
Utilisation of tax losses	(5,688)	-
Effects of other tax rates/credits	(274)	-
Current tax credit for the year	14,218	-

During the year, as a result of the changes in the UK corporation tax rate to 24% which was substantially enacted on 26 March 2012 and was effective from 1 April 2012, and to 23% which was substantially enacted on 3 July 2012 and will be effective from 1 April 2013 A further reduction to the UK corporation tax rate has been announced The change proposes to reduce the rate to 22% from 1 April 2014 The change had not been substantively enacted at the balance sheet date and, therefore, is not recognised in these financial statements

6 Creditors: amounts falling due within one year

	2012 £	2011 £
Amounts owed to fellow subsidiaries in the Siem Offshore group	-	24,544
Amounts owed to ultimate parent undertaking	79,235	46,541
Accruals and deferred income	13,375	103,891
Corporation tax	14,218	-
	106,828	174,976

Amounts owed to the ultimate parent and fellow subsidiary undertakings are interest free and repayable on demand

DSND Subsea Ltd

Notes to the financial statements for the year ended 31 December 2012 (continued)

7 Called up share capital

	2012	2011
	£	£
Authorised:		
3,208,001 (2011 3,208,001) Ordinary Shares of £1 each	3,208,001	3,208,001
Allotted, called up and fully paid:		
Ordinary Shares of £1 each	1	1

8 Reserves

	Profit and loss account £
At 1 January 2012	(174,977)
Profit for the financial year	68,148
At 31 December 2012	(106,829)

9 Reconciliation of movements in shareholder's funds

	2012	2011
	£	£
Profit/(loss) for the financial year	68,148	(4,071)
Net increase/(reduction) to shareholders' funds	68,148	(4,071)
Opening shareholders' deficit	(174,976)	(170,905)
Closing shareholders' deficit	(106,828)	(174,976)

10 Ultimate parent undertaking

The immediate parent undertaking is Siem Offshore Inc, a company registered in the Cayman Islands

The ultimate parent undertaking and controlling party is Siem Offshore Inc, a company registered in the Cayman Islands

Siem Offshore Inc is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2012. The consolidated financial statements of Siem Offshore Inc may be obtained from Siem Offshore Inc, Harbour Place, 5th Floor, PO Box 309, 103 South Church Street, George Town, Grand Cayman, Cayman Islands