

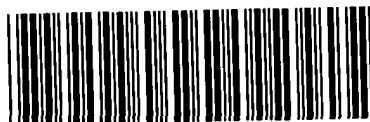
Registration number: 01579234

# Wood Group/OTS Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2019

TUESDAY



\*A9KG02TL\*

A16

22/12/2020

#242

COMPANIES HOUSE

## **Wood Group/OTS Limited Contents**

Strategic Report	1
Director's Report	2
Statement of Director's Responsibilities	3
Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Notes to the Unaudited Financial Statements	7 to 11

**Wood Group/OTS Limited**  
**Strategic Report for the Year Ended 31 December 2019**

The director presents his strategic report for the year ended 31 December 2019.

**Principal activities**

The principal activities of the company during the year was to incur final costs, before being wound up.

**Fair review of the business**

The loss for the year, after taxation, amounted to \$13,000 (2018: \$82,000 profit).

**Principal risks and uncertainties**

The company's material balances comprise cash and cash equivalents. On this basis, the directors consider that the company does not have any principal risks and uncertainties requiring further disclosure.

Approved by the director on 16 December 2020 and signed on its behalf by:

  
.....

IA Jones

Company secretary

## **Wood Group/OTS Limited**

### **Director's Report for the Year Ended 31 December 2019**

The director presents his report and the unaudited financial statements for the year ended 31 December 2019.

#### **Director**

The director, who held office during the year, was as follows:

GR Angus

#### **Results and dividends**

The loss for the year, after taxation, amounted to \$13,000 (2018: \$82,000 profit).

The directors do not recommend the payment of a dividend for the year ended 31 December 2019 (2018: nil).

#### **Future developments**

It is anticipated that the assets and liabilities of the company will be wound up in the 2020 financial year.

#### **Going concern**

The directors do not believe that it is appropriate to prepare the financial statements on a going concern basis, due to the information detailed in the future developments paragraph, above.

#### **Important non adjusting events after the financial period**

The COVID-19 outbreak developed rapidly in 2020, with a significant number of infections. Measures that have been taken by Governments around the world, including the UK Government, to contain the virus have had a significant impact on economic activity. Measures to prevent the transmission of the virus include, but not limited to:

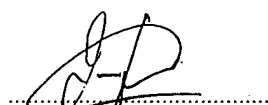
- Limiting the movement of people, including working from home;
- Restricting flights and other travel; and
- Temporarily closing businesses, schools and cancelling events.

These actions have had an impact on businesses across a wide range of industries, who are facing unique and unparalleled challenges. To date, the business has not suffered any material impact from the actions taken by Government in response to COVID-19 or oil price volatility. Management have a proven track order of leveraging our flexible, asset light model in response to changing market conditions.

#### **Disclosure of information in the strategic report**

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013, a strategic report and the company's results, activities, objectives, policies and risks has been included on page 1 of the financial statements.

Approved by the director on 16 December 2020 and signed on its behalf by:



IA Jones  
Company secretary

## **Wood Group/OTS Limited**

### **Statement of Director's Responsibilities**

The director acknowledges his responsibilities for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework ('FRS 101'). Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

**Wood Group/OTS Limited**  
**Income Statement for the Year Ended 31 December 2019**

	Note	2019 \$ 000	2018 \$ 000
Revenue		-	-
Administrative expenses		<u>(17)</u>	<u>71</u>
Operating (loss)/profit	4	(17)	71
Finance income	5	<u>11</u>	<u>8</u>
(Loss)/profit before tax		(6)	79
Taxation	8	<u>(7)</u>	<u>3</u>
(Loss)/profit for the year		<u><u>(13)</u></u>	<u><u>82</u></u>

The notes on pages 7 to 11 form an integral part of these financial statements.

**Wood Group/OTS Limited**  
**(Registration number: 01579234)**  
**Balance Sheet as at 31 December 2019**

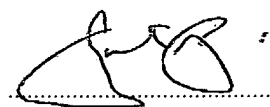
	Note	31 December 2019 \$ 000	31 December 2018 \$ 000
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	9	5	5
Cash and cash equivalents		<u>478</u>	<u>507</u>
		<u>483</u>	<u>512</u>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Called up share capital	11	-	-
Profit and loss account		<u>483</u>	<u>496</u>
		483	496
<b>Current liabilities</b>			
Trade and other payables	10	<u>-</u>	<u>16</u>
Total equity and liabilities		<u>483</u>	<u>512</u>

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the director on 16 December 2020 and signed on its behalf by:



GR Angus  
Director

The notes on pages 7 to 11 form an integral part of these financial statements.

**Wood Group/OTS Limited**  
**Statement of Changes in Equity for the Year Ended 31 December 2019**

	Share capital \$ 000	Retained earnings \$ 000	Total \$ 000
At 1 January 2019	-	496	496
Loss for the year	-	(13)	(13)
Total comprehensive income	-	(13)	(13)
At 31 December 2019	-	483	483

	Share capital \$ 000	Retained earnings \$ 000	Total \$ 000
At 1 January 2018	-	414	414
Profit for the year	-	82	82
Total comprehensive income	-	82	82
At 31 December 2018	-	496	496

The notes on pages 7 to 11 form an integral part of these financial statements.



**Wood Group/OTS Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**

**1 General information**

The company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:

Booths Park  
Chelford Road  
Knutsford  
WA16 8QZ

**2 Accounting policies**

**Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Basis of preparation**

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities measured at fair value through the income statement, and in accordance with the Companies Act 2006.

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'US Dollars' (\$), which is also the company's functional currency.

**Summary of disclosure exemptions**

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement'.
- Paragraphs 10(d), 10(f), 16, 38A, 38B to D, 40A to D, 111 and 134 to 136 of IAS 1, 'Presentation of financial statements'.
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors'.
- Paragraphs 17 and 18A of IAS 24, 'Related party disclosures', to disclose key management compensation.
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.
- Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets'.

**Going concern**

The directors do not believe that it is appropriate to prepare the financial statements on a going concern basis, due to the information detailed in the future developments paragraph, as it is anticipated that the assets and liabilities of the company will be wound up in the 2020 financial year.

**Wood Group/OTS Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**  
**(continued)**

**2 Accounting policies (continued)**

**Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 January 2019 have had a material effect on the financial statements.

**Finance income**

Interest income is recorded in the same income statement in the period to which it relates.

**Foreign currency transactions and balances**

Transactions in foreign currencies are translated into the relevant functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate ruling at the balance sheet date. Any exchange differences are taken to the income statement.

**Tax**

The tax charge represents the sum of tax currently payable and deferred tax. Tax currently payable is based on the taxable profit for the year. Taxable profit differs from the profit reported in the income statement due to items that are not taxable or deductible in any period and also due to items that are taxable or deductible in a different period. The company's liability for current tax is calculated using tax rates enacted or substantively enacted at the balance sheet date.

Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity as appropriate.

A current tax provision is recognised when the company has a present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. In line with IFRIC 23, depending on the circumstances, the provision is either the single most likely outcome, or a probability weighted average of all potential outcomes. The provision incorporates tax and penalties where appropriate. Separate provisions for interest are also recorded. Interest in respect of the tax provisions is not included in the tax charge, but disclosed within profit before tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is provided, using the full liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The principal temporary differences arise from depreciation on PP&E, tax losses carried forward and, in relation to acquisitions, the difference between the fair values of the net assets acquired and their tax base. Tax rates enacted, or substantively enacted, at the balance sheet date are used to determine deferred tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and it is intended that they will be settled on a net basis.

**Wood Group/OTS Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**  
**(continued)**

**2 Accounting policies (continued)**

**Share capital**

The company has one class of ordinary shares and these are classified as equity. Dividends on ordinary shares are not recognised as a liability or charged to equity until they have been approved by shareholders.

**Rounding of amounts**

All amounts in the financial statements and notes have been rounded off to the nearest thousand US Dollar, unless otherwise stated.

**3 Critical accounting judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. These estimates and judgements are based on management's best knowledge of the amount, event or actions and actual results ultimately may differ from those estimates. Company management believe that the estimates and assumptions contained in these accounts do not have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities.

**4 Operating (loss) / profit**

Arrived at after charging/(crediting)

	<b>2019</b>	<b>2018</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Foreign exchange losses/(gains)	<u>20</u>	<u>(51)</u>

**5 Finance income**

	<b>2019</b>	<b>2018</b>
	<b>\$ 000</b>	<b>\$ 000</b>
Interest income on bank deposits	<u>11</u>	<u>8</u>

**6 Staff costs**

The average number of persons employed by the company (including the director) during the year was nil (2018: nil).

**7 Director remuneration**

No remuneration was paid to, or waived by, the directors during the current or prior year in respect of services provided to the company.

**Wood Group/OTS Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**  
**(continued)**

**8 Taxation**

Tax charged/(credited) in the income statement

	2019 \$ 000	2018 \$ 000
Foreign tax adjustment to prior periods	<u>7</u>	<u>(3)</u>

The tax on profit before tax for the year differs from the standard rate of corporation tax in the UK of 19% (2018 - 19%).

The differences are reconciled below:

	2019 \$ 000	2018 \$ 000
(Loss)/profit before tax	<u>(6)</u>	<u>79</u>
Corporation tax at standard rate	(1)	15
Increase/(decrease) in current tax from adjustment for prior periods	7	(3)
Increase/(decrease) arising from group relief tax reconciliation	2	(16)
Other tax effects for reconciliation between accounting profit and tax (income)/expense	<u>(1)</u>	<u>1</u>
Total tax charge/(credit)	<u>7</u>	<u>(3)</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset/(liability) as at 31 December 2019 has been calculated based on this rate.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge accordingly.

**9 Trade and other receivables**

	31 December 2019 \$ 000	31 December 2018 \$ 000
Income tax receivable	<u>5</u>	<u>5</u>

**10 Trade and other payables**

	31 December 2019 \$ 000	31 December 2018 \$ 000
Accrued expenses	-	15
Amounts due to group undertakings	<u>-</u>	<u>1</u>
	<u>-</u>	<u>16</u>

**Wood Group/OTS Limited**  
**Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019**  
**(continued)**

**11 Share capital**

**Allotted, called up and fully paid shares**

	<b>31 December 2019</b>		<b>31 December 2018</b>	
	<b>No.</b>	<b>\$</b>	<b>No.</b>	<b>\$</b>
100 Ordinary Shares at £1 each	<u>100</u>	<u>143</u>	<u>100</u>	<u>143</u>

**12 Parent and ultimate parent undertaking**

The company's immediate parent is Wood Group Engineering & Operations Support Limited.

The ultimate parent is John Wood Group PLC. These financial statements are available upon request from 15 Justice Mill Lane, Aberdeen, AB11 6EQ

The ultimate controlling party is John Wood Group PLC.

**13 Non adjusting events after the financial period**

The COVID-19 outbreak developed rapidly in 2020, with a significant number of infections. Measures that have been taken by Governments around the world, including the UK Government, to contain the virus have had a significant impact on economic activity. Measures to prevent the transmission of the virus include, but not limited to:

- Limiting the movement of people, including working from home;
- Restricting flights and other travel; and
- Temporarily closing businesses, schools and cancelling events.

These actions will have an immediate impact on businesses across a wide range of industries. It will also begin to affect supply chains and production of goods throughout the world and lower economic activity is likely to result in reduced demand for many goods and services. To date, the business has not suffered any material impact from the actions taken by Government in response to COVID-19. Management have a proven track order of leveraging our flexible, asset light model in response to changing market conditions.