

SD FortyFive Limited

Annual Report and Financial Statements

For the year ended 31 December 2017

Registered Number - 02342469



SD FortyFive Limited
Annual report and financial statements
for the year ended 31 December 2017

Director

G Angus

Company Secretary

I Jones

Registered office

Compass Point
79-87 Kingston Road
Staines
TW18 1DT

Independent auditors

PricewaterhouseCoopers LLP
The Capitol, 431 Union Street
Aberdeen
AB11 6DA

SD FortyFive Limited
Annual report and financial statements
for the year ended 31 December 2017

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SD FortyFive Limited
Strategic report
for the year ended 31 December 2017

Principal activities

SD FortyFive Limited is a limited liability company incorporated and domiciled in England and Wales. The principal place of business is at 15 Justice Mill Lane, Aberdeen, AB11 6EQ.

The principal activity of the Company is to hold investments in fellow John Wood Group Plc companies.

Results

The company had no profit and loss account transactions in the year, other than dividends receivable of \$2,000,000. In 2016 it had no transactions.

Review of business

The company did not trade in the year but continued to hold an investment in a fellow Wood companies.

The financial position of the Company is shown on the balance sheet on page 10.

Key performance indicators ("KPIs")

The directors of John Wood Group PLC, the ultimate holding company, manage operations on a Group basis. For this reason the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development or position of this business.

The development and position of the Asset Solutions - EAAA Business Unit, which includes the Company, is discussed in the Group's annual report and financial statements (of which page 15 includes the Business Unit KPIs).

Principal risks and uncertainties

The directors consider there to be no significant risks and uncertainties relating to the company itself, although its subsidiary is reliant on funding from fellow Wood companies.

See note 11 for commentary on the Company's exposure to financial risks.

On behalf of the Board



G Angus
Director
15 May 2018

SD FortyFive Limited
Directors' report
for the year ended 31 December 2017

The directors present their report and the audited financial statements for the year ended 31 December 2017.

Future developments

The directors are considering the possibility of liquidating the Company and its subsidiary.

Dividends

A dividend of \$2,000,000 was paid in the year (2016: \$nil paid). No further dividend is proposed.

Director

The current director of the Company is listed on page 1.

The director who served during the year and at the date of this report, unless otherwise stated, were as follows:

G Angus

Director's 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 prepared the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101, Reduced Disclosure Framework ("FRS 101").

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101, 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.

SD FortyFive Limited
Directors' report (continued)
for the year ended 31 December 2017

Statement as to disclosure of information to auditors

The directors who were members of the Board at the time of approving this report are listed on page 1. Having made enquiries of fellow directors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no relevant information of which the Company's auditors are unaware, and
- each director has taken all the 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.

Independent auditors

The term as auditor for PricewaterhouseCoopers LLP ceased with effect from the end of the 2017 financial year. Following a tender process, the firm of KPMG LLP has been appointed as auditor for 2018.

On behalf of the Board



G Angus
Director
15 May 2018

Report on the audit of the financial statements

Opinion

In our opinion, SD FortyFive Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise the balance sheet as at 31 December 2017; the profit and loss account, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent auditors' report to the members of SD FortyFive Limited

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Independent auditors' report to the members of SD FortyFive Limited

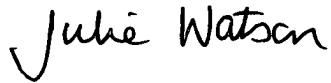
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Julie Watson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
15 May 2018

SD FortyFive Limited
Profit and loss account
for the year ended 31 December 2017


	Note	2017 \$000	2016 \$000
Operating result	4	-	-
Income from shares in Group undertakings	5	2,000	-
Profit before tax		2,000	-
Tax on profit	6	-	-
Profit and total comprehensive income for the year		2,000	-
Attributable to:			
Equity owners of the Company		2,000	-

The results have been derived wholly from continuing operations.

SD FortyFive Limited
Balance sheet
As at 31 December 2017

	Note	2017 \$000	2016 \$000
Fixed assets			
Investments	8	-	-
Net assets		-	-
Capital and reserves			
Called-up share capital	9	2	2
Profit and loss account		(2)	(2)
Total shareholders' equity		-	-

The financial statements on pages 9 to 16 were approved by the Board of Directors on 15 May 2018 and were signed on its behalf by:


G Angus
Director

Registered number: 02342469

SD FortyFive Limited
Statement of changes in equity
for the year ended 31 December 2017

	Called-up share capital \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2016	2	(2)	-
Result and total comprehensive income for the year	-	-	-
At 31 December 2016	2	(2)	-
Profit and total comprehensive income for the year	-	2,000	2,000
Dividends (note 7)	-	(2,000)	(2,000)
At 31 December 2017	2	(2)	-

SD FortyFive Limited
Notes to the financial statements
for the year ended 31 December 2017

1 General information

SD FortyFive Limited is a limited liability company incorporated in England and Wales. The principal activity of the Company is to hold investments in other John Wood Group PLC group companies.

2 Summary of significant accounting policies

The principal accounting policies, which have been 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.

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with United Kingdom Accounting Standards - in particular FRS 101 - and the Companies Act 2006 ("the Act"). FRS 101 sets out a reduced disclosure framework for a "qualifying entity", as defined in the Standard, which addressed the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRSs").

The Company is a qualifying entity for the purposes of FRS 101. Note 12 gives details of the Company's ultimate parent and from where consolidated financial statements prepared in accordance with IFRS may be obtained.

The application of FRS 101 has enabled the Company to take advantage of certain disclosure exemptions that would have been required had the Company adopted International Financial Reporting Standards in full. The only such exemptions that the directors consider to be significant are:

- no detailed disclosures in relation to financial instruments;
- no cash flow statement;
- no disclosure of related party transactions with fellow 100% subsidiaries of John Wood Group PLC;
- no statement regarding the potential impact of forthcoming changes in financial reporting standards;
- no disclosures relating to the Company's policy on capital management.

The Company has notified its shareholders in writing about, and they do not object to, the use of the disclosure exemptions used by the Company in these financial statements.

The financial statements are presented in US Dollars (USD) and all values are rounded to the nearest thousand US Dollars (\$000) except where otherwise indicated.

The Company's business activities, together with the factors likely to affect its future, are set out in the Strategic and Directors reports. The financial position of the Company is shown in the balance sheet on page 10. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, John Wood Group PLC. The directors have received confirmation that John Wood Group PLC intends to support the Company for at least one year after these financial statements are signed.

2.2 Functional and reporting currency

The financial statements are presented in US Dollars which is the functional currency of the Company and constitutes the principal income stream of the Company.

2.3 Cash flows

The Company is a wholly-owned subsidiary of John Wood Group PLC and its cash flows are included in the consolidated group cash flow statements of that company (see note 12). Consequently the Company has taken advantage of the exemption available with FRS 101 from publishing a cash flow statement.

2 Summary of significant accounting policies (continued)

2.4 Investments in subsidiaries and joint ventures

Investments are measured initially at cost, including transaction costs, less any provision for impairment. As permitted by Section 400 of the Companies Act 2006, the Company does not prepare consolidated financial statements because it is a wholly owned subsidiary of John Wood Group PLC, which prepares consolidated financial statements (see note 12).

2.5 De-recognition of financial assets and liabilities

Financial assets:

A financial asset (or where appropriate a part of a financial asset) is de-recognised where the rights to receive cash flows from the asset have expired.

Financial liabilities:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

2.6 Taxation

The tax expense in the profit and loss account represents the sum of current and deferred taxes. Current tax is based on taxable profit for the year and the Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised only to the extent that it is probable that a taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised. Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise, tax is recognised in the profit and loss account.

2.7 Judgements and key sources of estimation or uncertainty

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

In the process of applying the Company's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

However in the case of this company, no significant judgments are required due to its non-trading status and the fact that investments in subsidiaries are held at a minimal carrying value.

SD FortyFive Limited
Notes to the financial statements (continued)
for the year ended 31 December 2017

3 Information on employees and directors

The Company had no employees during the current or prior year.

The directors neither received nor waived any emoluments during the year from the Company (2016: \$nil). Their remuneration is allocated to companies in the Group as part of an overall management charge and therefore it is not possible to determine the elements of directors' remuneration relevant to this Company in a practical manner.

4 Operating result

The Company's audit fee for current and prior year was borne by another group company.

5 Income from shares in Group undertakings

	2017	2016
	\$000	\$000
Dividends receivable from equity investments	2,000	-
	2,000	-

6 Taxation

	2017	2016
	\$000	\$000
Current tax		
Total current income tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax on profit	-	-

The tax in the profit and loss account for the year varied from the average standard rate of corporation tax in the UK due to the following factors:

	2017	2016
	\$000	\$000
Profit before tax of \$2,000k (2016: profit of \$-k) at average UK standard rate of corporation tax of 19.25% (2016: 20.0%)	385	-
Non-deductible or non-taxable items	(385)	-
Tax charge for the year	-	-

The standard Corporation Tax rate in the UK changed from 20% to 19% with effect from 1 April 2017. Accordingly, the Company's profits for 2017 are taxed at 19.25% (2016: 20.00%).

In addition, a further reduction to 17% in April 2020 was enacted in the Finance Act 2016. This change has no significant impact on these financial statements.

SD FortyFive Limited
Notes to the financial statements (continued)
for the year ended 31 December 2017

7 Dividends paid

	2017	2016
	\$000	\$000
Dividend of £2,000 (2016: £-) per Ordinary share	2,000	-

8 Investments

	Group companies
	\$000
Cost and net book value:	
At 31 December 2017	-
At 31 December 2016	-

Details of the Company's interests in Group undertakings at 31 December 2017 are as follows:

Name and registered office	Principal activity	Country of registration	Equity owned (%)	Description of shares
Wood Group / OTS Limited Compass Point, 79-87 Kingston Road, Staines, TW18 1DT United Kingdom	Provision of training services	England	100	Ordinary

9 Called-up share capital

	2017	2016
	\$000	\$000
Allotted and fully paid:		
1,000 (2016: 1,000) Ordinary shares of £1 each	2	2
Total	2	2

10 Related party transactions

Transactions and balances with fellow Wood companies

The Company has taken advantage of the exemptions within Financial Reporting Standard 101 not to disclose transactions and balances with John Wood Group PLC and its wholly-owned subsidiaries, on the grounds that the Company itself is a wholly-owned subsidiary of John Wood Group PLC, for which the consolidated financial statements are publicly available.

11 Financial risk management objectives and policies

The Company has no significant financial assets or liabilities. It bears minimal credit risk, interest rate risk or foreign exchange risk.

Any additional funding required is provided by fellow Wood Group companies.

SD FortyFive Limited
Notes to the financial statements (continued)
for the year ended 31 December 2017

12 Ultimate parent undertaking

The Company is a wholly owned subsidiary of Wood Group Engineering & Operations Support Limited.

The directors regard John Wood Group PLC, a company registered in Scotland, as the ultimate parent undertaking and controlling party.

John Wood Group PLC is the only undertaking for which consolidated financial statements that include the financial statements of the Company, are prepared. Copies of John Wood Group PLC financial statements can be obtained from the Company Secretary at 15 Justice Mill Lane, Aberdeen, AB11 6EQ, Scotland.