

Registered number
4316767

DELTAGEM LIMITED

Director's Report and Consolidated Financial Statements

Year to 31 December 2014

THURSDAY



L4GM476Y

LD3

24/09/2015

#238

COMPANIES HOUSE

DELTAGEM LIMITED
Report and accounts
Contents

	Page
Company information	1
Director's report	2 to 3
Strategic report	4
Independent auditors' report	5
Consolidated profit and loss account	6
Statement of total recognised gains and losses	7
Consolidated balance sheet	8
Company balance Sheet	9
Consolidated cash flow statement	10
Notes to the accounts	11 to 16

DELTAGEM LIMITED
Company Information

Director

Mr S J Rowley

Secretary

Cornhill Secretaries Limited

Auditors

Soteriou Christou Ltd
Chartered Accountants
6A Dickensons Place
London
SE25 5HL

Registered office

8 Baden Place
Crosby Row
London
SE1 1YW

Registered number

4316767

DELTAGEM LIMITED**Registered number:** 4316767**Director's Report**

The director presents his report and accounts for the year ended 31 December 2014.

Principal activities

The group's principal activities during the period were the supply of equipment and expertise in the natural gas and petrochemical industry.

Employee involvement

The group is committed to offering equal opportunities to both current and prospective employees. The group continues to review and develop best practices and procedures to ensure that all employees are treated fairly in all aspects of employment. It also strives for the diverse environment that is supportive of all employees. Individual differences which do not relate to job performance such as gender, marital status, race, colour, ethnic origin, nationality, religion, age or disability are respected.

Future developments

The group directors considers that the forthcoming financial year will be another year of difficult trading conditions. Their aim is to continue to implement the management policies which have been introduced in recent years and which have assisted in successfully overcoming the difficulties and uncertainties in the market place in 2014.

Policy and practice on payment of creditors

The group's policy is to settle the terms of payment with suppliers when agreeing the terms of each transaction, to ensure that all suppliers are made aware of the terms of payment and to abide by the terms of payment.

Dividends

The director does not propose the payment of a dividend.

Events since the balance sheet date

No events have occurred after the balance sheet date that require disclosure in the accounts.

Directors

The following persons served as directors during the year:

Mr S J Rowley

Director's responsibilities

The director is responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the director to prepare accounts for each financial year. Under that law the director has elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts 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 accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 accounts comply with the Companies Act 2006. He is 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.

DELTAGEM LIMITED

Registered number: 4316767

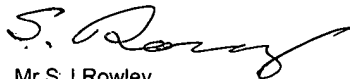
Director's Report

Disclosure of information to auditors

The director confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 auditor is aware of that information.

This report was approved by the board on 28.08.15 and signed on its behalf.



Mr S J Rowley
Director

DELTAGEM LIMITED

Strategic Report

The director presents his strategic report for the company and its subsidiaries for the year to 31 December 2014.

Review and analysis of business during the current year

The group continued its principal activities throughout the current year.

Development and financial performance during the year

As shown in the group's profit and loss account, the group's sales have increased by 72.9% over the prior year due to completion of a number of projects and profit after tax was also satisfactory. The gross profit margin was 10.61% compared to the previous year's of 24.40% and is in line with the expectations of the group's directors reflecting the current market position. The group's profit primarily relates to the profit generated by the subsidiary Combit AB.

The directors in the group monitor the performance of the business and consider the key performance indicator, the gross profit margin, which they have maintained at an acceptable level.

Financial position at the reporting date

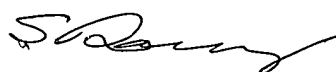
The balance sheet of the financial statements shows that the group's net assets at the year end has increased from SEK27,088,000 to SEK29,832,000. This is due to increased trading activity and profitability in the year.

Principal risks and uncertainties facing the business

The group regularly reviews the risks faced. Market risk has been identified as a major potential risk to the successful performance of the business. The group directors are aware of these risks and monitor their potential impact on an ongoing basis.

In the normal course of business, the group is subject to a number of risks that are inseparably linked to the operations of its business. The group trades primarily in Eastern Europe where risk levels are relatively high due to the unregulated business environment and client base. To manage these risks, the Group uses a comprehensive system that is embedded within the business and decision making process. The risk management system is designed to enable management to recognise risks early and take the necessary countermeasures when necessary.

The report was approved by the board on 28.06.15 and signed on its behalf.



Mr S J Rowley
Director

DELTAGEM LIMITED
Independent auditors' report
to the shareholders of DELTAGEM LIMITED

We have audited the company and group accounts of DELTAGEM LIMITED for the year ended 31 December 2014 which comprise the consolidated Profit and Loss Account, the company and consolidated Balance Sheet, the consolidated Cash Flow Statement, the Statement of Total Recognised Gains and Losses 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).

This report is made solely to the company's and the group'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 and the group's members those matters we are required to state to them in an auditors' 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Director's Responsibilities, the director is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the accounts

In our opinion the company and group accounts:

- give a true and fair view of the state of the company's and group's affairs as at 31 December 2014 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the accounts are prepared is consistent with the accounts.

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 accounts 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.



Panicos Soteriou
(Senior Statutory Auditor)
for and on behalf of
Soteriou Christou Ltd
Accountants and Statutory Auditors

6A Dickensons Place

London
SE25 5HL

18/09/2015

DELTAGEM LIMITED
Consolidated Profit and Loss Account
for the year ended 31 December 2014

	Notes	2014 SEK (000s)	2013 SEK (000s)
Turnover	2	121,403	70,228
Cost of sales		(108,527)	(53,771)
Gross profit		<u>12,876</u>	<u>16,457</u>
Administrative expenses		(9,365)	(11,258)
Other operating income		-	3,558
Operating profit	3	<u>3,511</u>	<u>8,757</u>
Interest receivable		392	9
Interest payable	6	(329)	(234)
Profit on ordinary activities before taxation		<u>3,574</u>	<u>8,532</u>
Tax on profit on ordinary activities	7	(831)	(1,175)
Profit for the financial year		<u>2,743</u>	<u>7,357</u>

Continuing operations


None of the company's activities were acquired or discontinued during the above two financial years.

DELTAGEM LIMITED**Consolidated statement of total recognised gains and losses
for the year ended 31 December 2014**

	Notes	2014 SEK (000s)	2013 SEK (000s)
Profit for the financial year		2,743	7,357
Total recognised gains and losses related to the year		<u>2,743</u>	<u>7,357</u>

DELTAGEM LIMITED
Consolidated Balance Sheet
as at 31 December 2014

	Notes	2014 SEK (000s)	2013 SEK (000s)
Fixed assets			
Intangible assets	8	(1,103)	(1,134)
Tangible assets	9	<u>5,377</u>	<u>5,463</u>
		4,274	4,329
Current assets			
Stocks	11	68,543	57,619
Debtors	12	35,244	25,218
Investments held as current assets	13	301	301
Cash at bank and in hand		<u>6,314</u>	<u>9,976</u>
		110,402	93,114
Creditors: amounts falling due within one year	14	(82,821)	(66,783)
Net current assets		<u>27,581</u>	<u>26,331</u>
Total assets less current liabilities		<u>31,855</u>	<u>30,660</u>
Creditors: amounts falling due after more than one year	15	(976)	(2,731)
Provisions for liabilities			
Deferred taxation	16	(1,047)	(841)
Net assets		<u>29,832</u>	<u>27,088</u>
Capital and reserves			
Called up share capital	17	15	15
Profit and loss account	18	29,817	27,073
Shareholders' funds	19	<u>29,832</u>	<u>27,088</u>



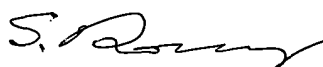
Mr S J Rowley
Director

Approved by the board on 28.08.15

DELTAGEM LIMITED

Company Balance Sheet - Registration number 4316767
as at 31 December 2014

	Notes	2014 SEK (000s)	2013 SEK (000s)
Fixed assets			
Investments	10	<u>9,112</u>	<u>9,112</u>
		9,112	9,112
Current assets			
Debtors	12	-	-
		<u>-</u>	<u>-</u>
Creditors: amounts falling due within one year	14	(698)	(115)
Net current liabilities		<u>(698)</u>	<u>(115)</u>
Total assets less current liabilities		<u>8,414</u>	<u>8,997</u>
Creditors: amounts falling due after more than one year	15	-	(439)
Net assets		<u>8,414</u>	<u>8,558</u>
Capital and reserves			
Called up share capital	17	15	15
Profit and loss account	18	8,399	8,543
Shareholders' funds	19	<u>8,414</u>	<u>8,558</u>



Mr S J Rowley

Director

Approved by the board on 28.08.15

DELTAGEM LIMITED
Cash Flow Statement
for the year ended 31 December 2014

	Notes	2014 SEK (000s)	2013 SEK (000s)
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		3,511	8,757
Depreciation and amortisation		55	56
Increase in stocks		(10,924)	(947)
Increase in debtors		(10,026)	(7,472)
Increase/(decrease) in creditors		19,280	(19,004)
Net cash inflow/(outflow) from operating activities		1,896	(18,610)
CASH FLOW STATEMENT			
Net cash inflow/(outflow) from operating activities		1,896	(18,610)
Returns on investments and servicing of finance	20	63	(225)
Taxation		(633)	(1,227)
		1,326	(20,062)
Financing	20	(4,989)	8,256
Decrease in cash		(3,663)	(11,806)
Reconciliation of net cash flow to movement in net debt			
Decrease in cash in the period		(3,662)	(11,806)
Decrease/(increase) in debt and lease financing		4,989	(8,256)
Change in net debt	21	1,327	(20,062)
Net funds at 1 January		2,021	22,083
Net funds at 31 December		3,348	2,021

DELTAGEM LIMITED
Notes to the Accounts
for the year ended 31 December 2014

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

Basis of consolidation

The group accounts consolidate the financial statements of the company and its subsidiary undertakings from their accounts drawn for the 12 months to 31 December 2014. The comparative figures consolidate the financial statements of the company and its subsidiary undertakings for the 12 months to 31 December 2013.

Subsidiary undertakings are included using the acquisitions method of accounting. Under this method the group profit and loss account and statement of cashflows include the results and cashflows of subsidiaries from the date of acquisition and to the date of sale outside the group in the case of disposals of subsidiaries. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

No profit and loss account is presented for the company as permitted by Section 408 of the Companies Act 2006. Its loss for the year was SEK144,494.

Exemptions

The company has also taken advantage of the exemption from preparing a cashflow statement under the terms of FRS 1 Cash Flow Statements. The cash flows of the company are included within its consolidated financial statements.

The company is also exempt under the terms of the revised FRS 8 Related Party Disclosures from disclosing related party transactions with wholly-owned subsidiaries within the group.

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

In accordance with the terms of the contracts along with Swedish accounting standards and tax law, turnover is recognised in the accounts on completion of the project.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a 30% straight line basis, its expected useful economic life.

Negative goodwill arising on consolidation is recognised in the profit and loss account over the period in which the non-monetary assets acquired are depreciated or sold.

Positive goodwill arising on consolidation is capitalised, classified as an asset on the balance sheet and amortised over 10 years, its expected useful economic life.

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Plant and machinery	20% per annum straight line

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Investments held as current assets are stated at the lower of cost and net realisable value.

Work-in-progress

In accordance with the terms of the contracts along with Swedish accounting standards and tax law, turnover is recognised in the accounts on completion of the project.

Work-in-progress includes the direct costs associated with the project at actual costs.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes.

Deferred tax is calculated at the tax rates which are expected to apply in the periods when the timing differences will reverse, and discounted to reflect the time value of money using rates based on the post-tax yields to maturity that could be obtained at the balance sheet date on government bonds with similar maturity dates.

DELTAGEM LIMITED
Notes to the Accounts
for the year ended 31 December 2014

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2 Analysis of turnover	2014 SEK (000s)	2013 SEK (000s)
By activity:		
supply of equipment and expertise in the natural gas and petrochemical industry	121,403	70,228
By geographical market:		
outside EEC	110,306	70,228
Europe	11,097	-
	121,403	70,228
3 Operating profit	2014 SEK (000s)	2013 SEK (000s)
This is stated after charging:		
Depreciation of owned fixed assets	86	87
Amortisation of negative goodwill -in respect of non-monetary assets	(31)	(31)
Exchange losses/ (gains)	10	(3,558)
Auditors' remuneration for audit services-group	73	51
Auditors' remuneration for other services-company	58	60
4 Director's emoluments	2014 SEK (000s)	2013 SEK (000s)
Fees paid to third parties in respect of directors services	7,573	8,969
5 Staff costs	2014 SEK (000s)	2013 SEK (000s)
Wages and salaries	2,718	2,473
Social security costs	804	756
	3,522	3,229
Average number of employees during the year	Number	Number
Administration and marketing	3	3
6 Interest payable	2014 SEK (000s)	2013 SEK (000s)
Bank loans and overdrafts	329	234
7 Taxation	2014 SEK (000s)	2013 SEK (000s)
Analysis of charge in period		
Current tax:		
Swedish corporation tax on profits of the period	625	889
Deferred tax:		
Origination and reversal of timing differences	206	286
Tax on profit on ordinary activities	831	1,175

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

DELTAGEM LIMITED
Notes to the Accounts
for the year ended 31 December 2014

	2014 SEK (000s)	2013 SEK (000s)
Profit on ordinary activities before tax	<u>3,574</u>	<u>8,532</u>
Standard rate of Swedish corporation tax	22%	22%
	SEK	SEK
Profit on ordinary activities multiplied by the standard rate of corporation tax	786	1,877
Effects of:		
Expenses not deductible for tax purposes	(161)	(988)
Current tax charge for period	<u>625</u>	<u>889</u>

Factors that may affect future tax charges

Profits earned in Sweden are taxed at a rate of 22% (2013: 22%).

8 Intangible fixed assets -Group

Goodwill:

	Positive goodwill on consolidation SEK (000s)	Goodwill SEK (000s)	Negative goodwill on consolidation SEK (000s)	Total SEK (000s)
Cost				
At 1 January 2014	<u>23</u>	<u>163</u>	<u>(1,764)</u>	<u>(1,578)</u>
At 31 December 2014	<u>23</u>	<u>163</u>	<u>(1,764)</u>	<u>(1,578)</u>
Amortisation				
At 1 January 2014	<u>23</u>	<u>162</u>	<u>(629)</u>	<u>(444)</u>
Provided during the year			<u>(31)</u>	<u>(31)</u>
At 31 December 2014	<u>23</u>	<u>162</u>	<u>(660)</u>	<u>(475)</u>
Net book value				
At 31 December 2014	<u>-</u>	<u>1</u>	<u>(1,104)</u>	<u>(1,103)</u>
At 31 December 2013	<u>-</u>	<u>1</u>	<u>(1,135)</u>	<u>(1,134)</u>

Amortisation of negative goodwill arising on consolidation is in respect of non-monetary assets.

9 Tangible fixed assets - Group

	Land and buildings SEK (000s)	Fixtures, fittings, tools and equipment SEK (000s)	Total SEK (000s)
Cost			
At 1 January 2014	<u>6,284</u>	<u>2,705</u>	<u>8,989</u>
At 31 December 2014	<u>6,284</u>	<u>2,705</u>	<u>8,989</u>
Depreciation			
At 1 January 2014	<u>964</u>	<u>2,562</u>	<u>3,526</u>
Charge for the year	<u>74</u>	<u>12</u>	<u>86</u>
At 31 December 2014	<u>1,038</u>	<u>2,574</u>	<u>3,612</u>
Net book value			
At 31 December 2014	<u>5,246</u>	<u>131</u>	<u>5,377</u>
At 31 December 2013	<u>5,320</u>	<u>143</u>	<u>5,463</u>

Included in the cost of land and buildings above is SEK 2,562 in respect of the cost of land which is not depreciated.

DELTAGEM LIMITED
Notes to the Accounts
for the year ended 31 December 2014

10 Investments - company

	Investments in subsidiary undertakings SEK (000s)
Cost	
At 1 January 2014	9,112
At 31 December 2014	9,112

The company holds 20% or more of the share capital of the following companies:

Company	Shares held Class	%	Capital and reserves SEK (000s)	Profit (loss) for the year SEK (000s)
Combit Sweden AB	Ordinary	100	387	-
Combit AB	Ordinary	100	26,884	1,560
Pipeline & Terminal Contractors Scandinavian AB	Ordinary	100	5,410	567

All three subsidiaries are incorporated in Sweden.

The activities of Combit AB and Pipeline & Terminal Contractors Scandinavian AB was the supply of equipment and expertise in the natural gas and petrochemical industry. Combit Sweden AB had not generated any income in the year.

11 Stocks -Group

	2014 SEK (000s)	2013 SEK (000s)
Raw materials and consumables	11,911	21,183
Work in progress	56,632	36,436
	<u>68,543</u>	<u>57,619</u>

12 Debtors

	Company 2014 SEK (000s)	Company 2013 SEK (000s)	Group 2014 SEK (000s)	Group 2013 SEK (000s)
Trade debtors	-	-	33,137	23,476
Other debtors	-	-	1,956	1,610
Prepayments and accrued income	-	-	151	132
	<u>-</u>	<u>-</u>	<u>35,244</u>	<u>25,218</u>

13 Investments held as current assets - Group

	2014 SEK (000s)	2013 SEK (000s)
Unlisted investments	<u>301</u>	<u>301</u>

14 Creditors: amounts falling due within one year

	Company 2014 SEK (000s)	Company 2013 SEK (000s)	Group 2014 SEK (000s)	Group 2013 SEK (000s)
Bank loans and overdrafts	-	-	2,291	5,964
Trade creditors	-	-	5,816	8,033
Payments on account	-	-	72,512	50,651
Corporation tax	-	-	184	192
Other taxes and social security	-	-	877	1,335
Other creditors	698	115	1,141	608
	<u>698</u>	<u>115</u>	<u>82,821</u>	<u>66,783</u>

DELTAGEM LIMITED
Notes to the Accounts
for the year ended 31 December 2014

15 Creditors: amounts falling due after one year

	Company 2014 SEK (000s)	Company 2013 SEK (000s)	Group 2014 SEK (000s)	Group 2013 SEK (000s)
Other creditors	-	439	-	439
Bank loans	-	-	976	2,292
	-	439	976	2,731

16 Deferred taxation -Group

	2014 SEK (000s)	2013 SEK (000s)
Arising on untaxed profits of Swedish subsidiaries	1,047	841
Undiscounted provision for deferred tax	1,047	841

Under Swedish Law a company may defer payment of tax on part of its profits for up to six years. Provision for these timing differences have been made at the Swedish tax rate of 22%.

	2014 SEK (000s)	2013 SEK (000s)
At 1 January	841	555
Deferred tax charge in profit and loss account	206	286
At 31 December	1,047	841

17 Share capital

	Nominal value	2014 Number	2014 SEK (000s)	2013 SEK (000s)
Allotted, called up and fully paid: Ordinary shares	£1 each	1,000	15	15

The company's authorised and issued share capital is in Pound Sterling. The issued share capital is stated in the balance sheet of the company's and group's in Swedish Kroners following translation at the rate of exchange prevailing on the date of issue.

18 Profit and loss account

	Company 2014 SEK (000s)	Group 2014 SEK (000s)
At 1 January 2014	8,543	27,073
(Loss)/profit for the financial year	(144)	2,743
At 31 December 2014	8,399	29,817

19 Reconciliation of movement in shareholders' funds

Group	2014 SEK (000s)	2013 SEK (000s)
At 1 January	27,089	19,731
Profit for the financial year	2,743	7,357
At 31 December	29,832	27,088
Company	2014 SEK (000s)	2013 SEK (000s)
At 1 January	8,558	331
(Loss)/profit for the financial year	(144)	8,227
At 31 December	8,414	8,558

DELTAGEM LIMITED
Notes to the Accounts
for the year ended 31 December 2014

20 Gross cash flows

	2014 SEK (000s)	2013 SEK (000s)
Returns on investments and servicing of finance		
Interest received	392	9
Interest paid	(329)	(234)
	<u>63</u>	<u>(225)</u>
Financing		
Loan repayments	<u>(4,989)</u>	<u>8,256</u>

21 Analysis of changes in net debt

	At 1 Jan 2014 SEK (000s)	Cash flows SEK (000s)	Non-cash changes SEK (000s)	At 31 Dec 2014 SEK (000s)
Cash at bank and in hand	9,976	(3,662)		6,314
Debt due within 1 year	(5,964)	3,673		(2,291)
Debt due after 1 year	(2,292)	1,316		(976)
		<u>4,989</u>		
Current asset investments	301	-		301
Total	<u>2,021</u>	<u>1,327</u>	<u>-</u>	<u>3,348</u>

22 Controlling party

The ultimate parent company at the year end was CG Integrator Limited, a company registered in Belize. The immediate parent company is Deltagem Limited, a company incorporated in England.