

Neptune Midco 2 Limited
Annual Report and Financial Statements
Registered Number 08674938
31 December 2018

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Directors' report

The directors present their report and financial statements for the year ended 31 December 2018

Principal activities

The company's principal activity is that of a holding company.

Results and dividends

The loss for the year, after taxation, amounted to £2,400 (2017 £2,484). The directors do not recommend the payment of a dividend.

Directors

The directors who held office during the year were as follows

N Butt
A J Squire

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future based upon the results of its subsidiary undertakings. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The directors have claimed exemption under section 479A of the companies Act 2006, from the need to have these financial statements audited. A statement of guarantee by a parent undertaking, LOC Group Limited (registered number 04985989), has been filed at Companies House.

Signed by order of the directors



N Butt
Company Secretary

Address of registered
office
IBEX House
42-47 Minories
London
EC3N 1DY

Date 19 September 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the annual 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*

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 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 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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Profit and Loss Account and Other Comprehensive Income

for year ended 31 December 2018

	<i>Note</i>	2018	2017
		£	£
Turnover		-	-
Gross profit		-	-
Administrative expenses		(2,400)	(2,484)
Operating loss		(2,400)	(2,484)
Other interest receivable and similar income	2	3,955,552	3,241,460
Interest payable and similar expenses	3	(3,955,552)	(3,241,460)
Loss before taxation	4	(2,400)	(2,484)
Tax on loss	6	-	-
Loss after taxation		(2,400)	(2,484)

Other comprehensive income

for year ended 31 December 2018

	<i>Note</i>	2018	2017
		£	£
Loss after taxation		(2,400)	(2,484)
Other comprehensive income			
Income tax on other comprehensive income		-	-
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		(2,400)	(2,484)

All amounts arose from continuing operations during the current and previous period

The notes on pages 6 to 13 form an integral part of these financial statements

Balance Sheet

at 31 December 2018

	Note	2018	2017
		£	£
Fixed assets			
Investments	7	270,000	270,000
		<u>270,000</u>	<u>270,000</u>
Current assets			
Debtors	8	45,589,060	41,633,507
		<u>45,589,060</u>	<u>41,633,507</u>
Creditors: amounts falling due within one year	9	(2,400)	(2,484)
		<u></u>	<u></u>
Net current assets		<u>45,586,660</u>	<u>41,631,023</u>
Total assets less current liabilities		<u>45,856,660</u>	<u>41,901,023</u>
Creditors: amounts falling due after more than one year	10	(45,596,767)	(41,638,730)
		<u></u>	<u></u>
Net assets		<u>259,893</u>	<u>262,293</u>
Capital and reserves			
Called up share capital	11	270,000	270,000
Profit and loss account		(10,107)	(7,707)
		<u></u>	<u></u>
Shareholders' funds		<u>259,893</u>	<u>262,293</u>

The notes on pages 6 to 13 form an integral part of these financial statements.

For the period ending 31 December 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts

These financial statements were approved and authorised for issue by the board of directors on 19 September 2019 and were signed on its behalf by:



N Butt

Director

Company registered number 08674938

Statement of Changes in Equity

	Called up Share capital	Profit and loss account	Shareholders ' funds
	£	£	£
Balance at 1 January 2017	270,000	(5,223)	264,777
Profit after taxation	-	(2,484)	(2,484)
Total comprehensive income for the period			
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	(2,484)	(2,484)
Transactions with owners, recorded directly in equity			
Dividends	-	-	-
Capital contribution (Note 15)	-	-	-
Total contributions by and distributions to owners			
Balance at 31 December 2017	270,000	(7,707)	262,293
	Called up Share capital	Profit and loss account	Shareholders ' funds
	£	£	£
Balance at 1 January 2018	270,000	(7,707)	262,293
Profit after taxation	-	(2,400)	(2,400)
Total comprehensive income for the period			
Other comprehensive income	-	-	-
Total comprehensive income for the period	270,000	(10,107)	259,893
Transactions with owners, recorded directly in equity			
Dividends	-	-	-
Total contributions by and distributions to owners			
Balance at 31 December 2018	270,000	(10,107)	259,893

The notes on pages 6 to 13 form an integral part of these financial statements

Notes

(forming part of the financial statements)

1. Accounting policies

Neptune Midco 2 Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 subject to the small companies regime of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2015. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period.
- Cash Flow Statement and related notes.
- Related party transactions between two or more members of the same group, and
- Key Management Personnel compensation

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operational existence for the foreseeable future based upon the results of its subsidiary undertakings. For this reason the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Basic financial instruments

Trade and other debtors – creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Notes (Continued)

1. Accounting policies (Continued)

1.4 Basic financial instruments (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement

Investments

These are separate financial statements of the company. Investments in subsidiaries, jointly controlled entities and associated are carried at cost less impairment.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met, and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits

Notes (Continued)

2 Interest Receivable

	2018	2017
	£	£
Other similar expenses payable	3,955,552	3,241,460
Total interest payable and similar expenses	<u>3,955,552</u>	<u>3,241,460</u>

3 Interest payable

	2018	2017
	£	£
Other similar expenses payable	3,955,552	3,241,460
Total interest payable and similar expenses	<u>3,955,552</u>	<u>3,241,460</u>

4 Expenses and auditors remuneration

Included in profit before taxation are the following

Auditors remuneration

	2018	2017
	£	£
Taxation compliance services	<u>1,800</u>	<u>2,484</u>

5 Directors' Remuneration

The directors' time devoted to management of Neptune Midco 2 Limited is considered to be immaterial and the directors of the company are remunerated by LOC Group Limited, a holding company registered at IBEX House, 42-47 Minories, London, EC3N 1DY.

Notes (Continued)

6 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

Analysis of tax charge/(credit) for the period

	2018 £	2017 £
<i>Current tax</i>		
UK corporation tax at 19% (2017: 19.25%)	-	-
	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
	-	-
	-	-
Tax on profit on ordinary activities	-	-
	-	-
<i>Provision for deferred tax</i>		
<i>Movement in provision</i>		
Provision at start of period	-	-
Deferred tax charged in the Statement of Comprehensive Income for the period	-	-
	-	-
Provision at end of period	-	-
	-	-
Deferred tax (asset)/liability not recognised	-	-
	-	-
Reconciliation of tax charge		
Loss on ordinary activities before tax	(2,400)	(2,484)
Tax on profit on ordinary activities at standard CT rate of 19% (2017: 19.25%)		(478)
<i>Effects of</i>		
Expenses not deductible for tax purposes		368,083
Income not taxable for tax purposes		(368,083)
Group relief surrendered		478
	-	-
Tax charge for the period	-	-

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was subsequently enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

Notes (Continued)

7 Fixed assets investments

	Shares in Group Undertakings £	TOTAL £
Cost		
At beginning of year	270,000	270,000
At end of year	270,000	270,000
Net book value		
At 31 December 2018	270,000	270,000
At 31 December 2017	270,000	270,000

Notes (Continued)

7 Fixed assets investments (Continued)

The Company has the following investments in subsidiaries, associates and jointly controlled entities

Companies	Address of registered office	Class of Shares held	Ownership 2018 %	Ownership 2017 %
Neptune Bidco Limited	Ibex House, 42-47 Minorics, London, EC3N 1DY, United Kingdom	Ordinary	100.00%	100.00%
LOC Group Limited	Ibex House, 42-47 Minorics, London, EC3N 1DY, United Kingdom	Ordinary	100.00%	100.00%
London Offshore Consultants (Holdings) Limited	Ibex House, 42-47 Minorics, London, EC3N 1DY, United Kingdom	Ordinary	100.00%	100.00%
Longitude Consultancy Holdings Limited	Ibex House, 42-47 Minorics, London, EC3N 1DY, United Kingdom	Ordinary	100.00%	100.00%
London Offshore Consultants Limited	Ibex House, 42-47 Minorics, London, EC3N 1DY, United Kingdom	Ordinary	100.00%	100.00%
London Offshore Consultants (Aberdeen) Limited	Ibex House, 42-47 Minorics, London, EC3N 1DY, United Kingdom	Ordinary	100.00%	100.00%
London Offshore Consultants (France) SARI	Four de l'horloge, 4 Place Louis Armand, 75012 Paris, France	Ordinary	100.00%	100.00%
London Offshore Consultants (Guernsey) Limited	Hirzel Court, Hirzel Street, St Peter Port, Guernsey, GY1 2NN	Ordinary	100.00%	100.00%
LOC (Guernsey) Limited	Hirzel Court, Hirzel Street, St Peter Port, Guernsey, GY1 2NN	Ordinary	100.00%	100.00%
London Offshore Consultants (India) Private Limited	413, J-Square Building Subhash Road, Vile Parle East Mumbai - 400057, Maharashtra India	Ordinary	100.00%	100.00%
London Offshore Consultants Korea Co Limited	20F, 534, Teheran-Ro, Gangnam-Gu, Seoul 06181, South Korea	Ordinary	100.00%	100.00%
London Offshore Consultants (Malaysia) SDN BHD (Dormant)	Suite 21.02 & 03, 21st Floor, Menara Ilaw Par Jalan Sultan Ismail, 50250, Kuala Lumpur	Ordinary	90.20%	90.20%
London Offshore Consultants Mexico SA de CV	Av San Jeronimo 1740, Col Lomas Quebradas, Deleg. Magdalena Contreras, Distrito Federal, C.P. 10000	Ordinary	100.00%	100.00%
LOC (Tianjin) Co Ltd	1-6B, 606/607, East Wing Binhai Finance Zone 20 Guang Chang Dong Road TEDA, Tianjin 300457 P.R. China	Ordinary	100.00%	100.00%

Notes (Continued)

7 Fixed assets investments (Continued)

The Company has the following investments in subsidiaries, associates and jointly controlled entities

Companies	Address of registered office	Class of Shares held	Ownership 2018 %	Ownership 2017 %
LOC (Netherlands) BV	Postbus 1144, 8900CC Leeuwarden, Heliconweg 52, 8914 AT, Leeuwarden, Netherlands	Ordinary	100.00%	100.00%
London Offshore Consultants (Nigeria) Limited	2A Adevale Kolawole Crescent, off Frank Kuboye Street, Oniru Extension, Lekki, Lagos	Ordinary	100.00%	100.00%
London Offshore Consultants Norge A/S	Stongsvingen 85 A, 4270 Akrehamn, Norway	Ordinary	100.00%	100.00%
London Offshore Consultants (Qatar) LLC	PO Box 14172, Doha, Qatar	Ordinary	49.00%	49.00%
London Offshore Consultants PTE Limited	6 Shenton Way, 19-09 OUE Downtown Two, Singapore 068809	Ordinary	100.00%	100.00%
LOC Laem Chabang Co Ltd	Harbor Mall Complex, 6A02 - 6A03, 6th Floor, 4/222 Moo 10, Sukhumvit Road, Thung Sukhla, Si Racha, Chon Buri, 20230, Thailand	Ordinary	100.00%	100.00%
London Offshore Consultants WLL	PO Box 46280, Mezzanine Floor, The Omran Tower, Abu Dhabi	Ordinary	49.00%	49.00%
London Offshore Consultants Inc	Sierra Pines II, 1575 Sawdust Road, Suite 200, The Woodlands, TX 77380, USA	Ordinary	100.00%	100.00%
LOC (Kazakhstan) LLP	Office No.3, Building No. 34, Ind. Zone 3, Aktau, 130000, Mangystauskaya, Oblast, Republic of Kazakhstan	Ordinary	100.00%	100.00%
LOC (Egypt) for Consultancy Service SAE	2nd Floor, 20 Mabrouk Shebl St., La-Selky, New Maadi, Cairo	Ordinary	60.00%	60.00%
LOC (Tianjin) Risk Technology Service Co Ltd	Rm 1004, MSD B2, No.2 Ave, TEDA, Tianjin, P R China	Ordinary	100.00%	100.00%
Longitude Consulting Engineers Limited	Ibex House, 42-47 Minorities, London, EC3N 1DY, United Kingdom	Ordinary	100.00%	100.00%
Longitude Engineering de Mexico SA de CV	Av San Jeronimo 1749, Col Lomas Quebradas, Deleg. Magdalena Contreras, Distrito Federal, C.P. 10000	Ordinary	100.00%	100.00%
Longitude Consultants Inc (Dormant)	Sierra Pines II, 1575 Sawdust Road, Suite 200, The Woodlands, TX 77380, USA	Ordinary	100.00%	100.00%
Longitude Engineers PTE Limited	6 Shenton Way, 19-09 OUE Downtown Two, Singapore 068809	Ordinary	100.00%	100.00%
Innosea SAS	1 Rue de La Noe, 44321 Nantes, France	Ordinary	71.11%	0.00%
Innosea Limited	Elte, Alrick Building, Max Born Crescent, Edinburgh, EH9 3BF	Ordinary	71.11%	0.00%

Notes (Continued)

8 Debtors

	2018 £	2017 £
Amounts owed by group undertakings	45,589,060	41,633,507
Other debtors	-	-
	<u>45,589,060</u>	<u>41,633,507</u>

9 Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals and deferred income	2,400	2,484
	<u>2,400</u>	<u>2,484</u>

10 Creditors: amounts falling due after more than one year

	2018 £	2017 £
Amounts owed to group undertakings	45,596,767	41,638,730
	<u>45,596,767</u>	<u>41,638,730</u>

11 Share Capital

Allotted, called up and fully paid

	2018 £	2017 £
270,000 Ordinary share of £1 each	270,000	270,000
	<u>270,000</u>	<u>270,000</u>

12 Ultimate parent company and parent company of larger group

The directors consider LOC Group Limited, a company registered in England and Wales to be the company's immediate parent undertaking. The address of the parent of Longitude Consulting Holdings Limited is registered at IBEX House, 42-47 Minories, London EC3N 1DY.

The ultimate parent undertaking is LOC Group Holdings Limited. The consolidated financial statements of LOC Group Holdings Limited are available to the public and may be obtained from: The Company Secretary, IBEX House, 42-47 Minories, London, EC3N 1DY.

There is no ultimate controlling party.