

Registration number: SC136216

WGD028 Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2019

FRIDAY



S9H8ZGBM

SCT

06/11/2020

#77

COMPANIES HOUSE

WGD028 Limited Contents

Strategic Report	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	4
Income Statement	5
Balance Sheet	6
Statement of Changes in Equity	7
Notes to the Unaudited Financial Statements	8 to 13

WGD028 Limited
Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019.

Principal activities

The principal activities of the company during the year was the provision of finance to fellow group undertakings.

Fair review of the business

The loss for the year, after taxation, amounted to £20,000 (2018: £3,000 profit) due to foreign exchange losses being incurred.

Principal risks and uncertainties

The company provides finance to fellow group undertakings. On this basis, the directors consider that the company does not have any principal risks and uncertainties requiring further disclosure.

Approved by the Board on 3 November 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'IA Jones', is written over a horizontal dotted line.

IA Jones
Company secretary

WGD028 Limited
Directors' Report for the Year Ended 31 December 2019

The directors present their report and the unaudited financial statements for the year ended 31 December 2019.

Directors

The directors, who held office during the year, were as follows:

WG Setter

AC Chatfield (resigned 9 December 2019)

AS McLean (appointed 9 December 2019)

Results and dividends

The loss for the year, after taxation, amounted to £20,000 (2018: £3,000 profit) due to foreign exchange losses being incurred.

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

Future developments

The directors do not anticipate any significant changes to the activities of the company in the medium to long term.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

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.

WGD028 Limited
Directors' Report for the Year Ended 31 December 2019 (continued)

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 Board on 3 November 2020 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'IA Jones', is written over a horizontal dotted line.

IA Jones
Company secretary

WGD028 Limited

Statement of Directors' Responsibilities

The directors acknowledge their for preparing the Strategic Report, the 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 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 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 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 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 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 them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

WGD028 Limited
Income Statement for the Year Ended 31 December 2019

	Note	2019 £ 000	2018 £ 000
Revenue		-	-
Other (expenses)/income		<u>(20)</u>	<u>3</u>
Operating (loss)/profit	4	<u>(20)</u>	<u>3</u>
(Loss)/profit before tax		(20)	3
Taxation	8	<u>-</u>	<u>-</u>
(Loss)/profit for the year		<u><u>(20)</u></u>	<u><u>3</u></u>

The above results were derived from continuing operations.

The notes on pages 8 to 13 form an integral part of these financial statements.

WGD028 Limited
(Registration number: SC136216)
Balance Sheet as at 31 December 2019

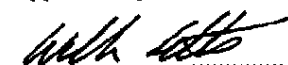
	Note	31 December 2019 £ 000	31 December 2018 £ 000
Assets			
Current assets			
Trade and other receivables	9	327	327
Cash and cash equivalents		721	750
		<u>1,048</u>	<u>1,077</u>
Equity and liabilities			
Equity			
Called up share capital	11	-	-
Profit and loss account		12	32
		12	32
Current liabilities			
Trade and other payables	10	1,036	1,045
Total equity and liabilities		<u>1,048</u>	<u>1,077</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.

Directors' 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 directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 3 November 2020 and signed on its behalf by:



WG Setter
Director

The notes on pages 8 to 13 form an integral part of these financial statements.

WGD028 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	-	32	32
Loss for the year	-	(20)	(20)
Total comprehensive income	-	(20)	(20)
At 31 December 2019	-	12	12
	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2018	-	29	29
Profit for the year	-	3	3
Total comprehensive income	-	3	3
At 31 December 2018	-	32	32

The notes on pages 8 to 13 form an integral part of these financial statements.

WGD028 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 Scotland.

The address of its registered office is:

15 Justice Mill Lane
Aberdeen
AB11 6EQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The company's significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

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 'Pounds Sterling' (£), 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

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

WGD028 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.

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.

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.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and other short-term bank deposits with original maturities of three months or less. Bank overdrafts are included within borrowings in current liabilities. The company presents balances that are part of a pooling arrangement on a gross basis in both cash and short-term borrowings.

WGD028 Limited
Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019
(continued)

2 Accounting policies (continued)

Trade and other receivables

Trade and other receivables comprise amounts due from group undertakings and are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

The company recognises loss allowances for Expected Credit Losses ('ECLs') on amounts due from group undertakings, measured at an amount equal to lifetime ECLs. ECLs are a profitability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes a customer being in significant financial difficulty or a breach of contract such as a default. The gross carrying amount of a financial asset is written off when the company has no reasonable expectation of recovering a financial asset in its entirety or a proportion thereof. For individual customers, the company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

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 Sterling Pound, 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)

	2019	2018
	£ 000	£ 000
Foreign exchange gains/(losses)	<u>20</u>	<u>(3)</u>

WGD028 Limited
Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019
(continued)

5 Staff costs

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

6 Directors' 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.

7 Auditors' remuneration

	2019 £ 000	2018 £ 000
Audit of the financial statements	-	4

8 Taxation

Tax charged/(credited) in the income statement

	2019 £ 000	2018 £ 000
Current taxation		
Tax expense/(receipt) in the income statement	-	-

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	(20)	3
Corporation tax at standard rate	(4)	1
Increase/(decrease) arising from group relief tax reconciliation	4	(1)
Total tax charge/(credit)	-	-

WGD028 Limited
Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019
(continued)

8 Taxation (continued)

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
Amounts due from group undertakings	<u>327</u>	<u>327</u>

Amounts due from group undertakings are made up of loans that are unsecured, interest free and repayable on demand.

10 Trade and other payables

	31 December 2019 £ 000	31 December 2018 £ 000
Amounts due to group undertakings	<u>1,036</u>	<u>1,045</u>

Amounts due to group undertakings are made up of loans that are unsecured, interest free and repayable on demand.

WGD028 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

	31 December 2019		31 December 2018	
	No. 000	£ 000	No. 000	£ 000
1 Ordinary share of £1	-	-	-	-

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.