

# **WGD028 Limited**

## **Annual Report and Financial Statements**

**For the year ended 31 December 2017**

**Registered Number - SC 136216**



**WGD028 Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2017**

**Directors**

W Setter  
C Chatfield

**Company Secretary**

I Jones

**Registered office**

15 Justice Mill Lane  
Aberdeen  
AB11 6EQ

**Independent auditors**

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

**WGD028 Limited**  
**Annual report and financial statements**  
**for the year ended 31 December 2017**

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**WGD028 Limited**  
**Strategic report**  
**for the year ended 31 December 2017**

The directors present their strategic report on the Company for the year ended 31 December 2017.

**Principal activities**

WGD028 Limited is a limited liability company incorporated and domiciled in Scotland.

The Company's principal activity is the provision of financial services to other Group companies.

**Results**

The profit for the financial year amounted to £29k.

**Review of business**

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

**Key performance indicators**

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 Group, which includes the Company, is discussed in the Group's annual report and financial statements.

**Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks.

The principal risks and uncertainties impacting on the Company are discussed in the context of John Wood Group PLC "the Group", as a whole in the Group's annual report and financial statements. These risks are managed on a Group basis.

**On behalf of the Board**



W Setter  
Director  
21 September 2018

**WGD028 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 do not anticipate any significant changes to the activities of the Company in the next 12 months.

**Dividends**

There was no dividend paid during the year (2016: £nil).

**Directors**

The current directors of the Company are listed on page 1.

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

W Setter  
C Chatfield

**Directors' 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.

**WGD028 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 have been appointed as auditor for 2018.

**On behalf of the Board**



W Setter  
Director  
21 September 2018

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion, WGD028 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 WGD028 Limited (continued)**

### **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](http://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 WGD028 Limited (continued)**

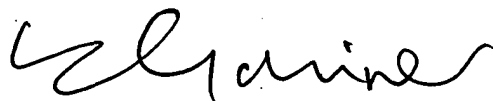
**Other required reporting**

**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.



Lindsay Gardiner (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Aberdeen  
21 September 2018

**WGD028 Limited**  
**Profit and loss account**  
**for the year ended 31 December 2017**

	<b>Note</b>	<b>2017</b> £000	<b>2016</b> £000
Other operating income		29	-
<b>Operating profit</b>		<b>29</b>	-
<b>Profit before tax</b>		<b>29</b>	-
Tax on profit	4	-	-
<b>Profit and total comprehensive expense for the year</b>		<b>29</b>	-
<b>Attributable to:</b>			
Equity owners of the Company		<b>29</b>	-

The results have been derived wholly from continuing operations.

**WGD028 Limited**  
**Balance Sheet**  
**As at 31 December 2017**

	<b>Note</b>	<b>2017</b> £000	<b>2016</b> £000
<b>Current assets</b>			
Debtors	5	22	-
Cash at bank and in hand		9	-
		<b>31</b>	-
<b>Creditors: amounts falling due within one year</b>	6	<b>(2)</b>	-
<b>Net current assets</b>		<b>29</b>	-
<b>Total assets less current liabilities</b>		<b>29</b>	-
<b>Net assets</b>		<b>29</b>	-
<b>Capital and reserves</b>			
Called-up share capital	7	-	-
Profit and loss account		29	-
<b>Total shareholders' equity</b>		<b>29</b>	-

The financial statements on pages 9 to 16 were approved by the Board of Directors on 21 September 2018 and were signed on its behalf by:



W Setter  
Director

Registered number: SC 136216

**WGD028 Limited**  
**Statement of changes in equity**  
**for the year ended 31 December 2017**

	<b>Called-up share capital</b> £000	<b>Share premium account</b> £000	<b>Profit and loss account</b> £000	<b>Total equity</b> £000
Profit and total comprehensive expense for the year	-	-	29	29
<b>At 31 December 2017</b>	<b>-</b>	<b>-</b>	<b>29</b>	<b>29</b>

**WGD028 Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2017**

**1 General information**

WGD028 Limited is a limited liability company incorporated and domiciled in Scotland. The principal activity of the Company is the provision of financial services to 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 10 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 analysis of fixed asset movements for the prior year;
- 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 Pounds Sterling (GBP) and all values are rounded to the nearest thousand Pounds Sterling (£000) except where otherwise indicated.

These financial statements have been prepared on the going concern basis.

**2.2 Functional and reporting currency**

The financial statements are presented in Pounds Sterling 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 10). 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 Foreign currency translation**

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account. Non-monetary items are translated using the exchange rates as at the date of the original transactions.

### **2.5 Trade debtors**

Trade debtors are recognised initially at fair value less an allowance for any amounts estimated to be uncollectible. An estimate for doubtful debts is made when there is objective evidence that the collection of the debt is no longer probable.

### **2.6 Interest-bearing loans and borrowings**

All interest-bearing loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. Borrowing costs are expensed through the profit and loss account.

### **2.7 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.

### **2.8 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 Summary of significant accounting policies - continued**

### **2.9 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.

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

## **3 Employee and other information**

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

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

The Company's audit fee of £5,000 (2016: nil) was borne by another group company.

#### **4 Taxation**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
<b>Current tax</b>	-	-
<b>Total tax charge</b>	-	-

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:

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Profit before tax of £29k (2016: profit of £-k) at average UK standard rate of corporation tax of 19.25% (2016: 20%)	6	-
Effects of group relief	(6)	-
<b>Tax charge for the year</b>	-	-

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.

#### **5 Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Loans to Group companies	22	-
	<b>22</b>	-

The loans to Group companies are repayable on demand and no interest is charged.

#### **6 Creditors: amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Loans from Group companies	2	-
	<b>2</b>	-

The loans from Group companies are repayable on demand and no interest is charged.



**WGD028 Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2017**

**7 Called-up share capital**

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Allotted and fully paid:		
1 (2016: 1) Ordinary shares of £1 each	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**8 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.

**9 Financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans from Group companies. The main purpose of these financial liabilities is to finance the Company's operations. The Company has financial assets including intercompany loans receivable which arise directly from its operations.

The main risks arising from the Company's financial instruments are (a) foreign currency risk, and (b) credit risk. The policies for managing each of these risks are summarised below, together with comments on liquidity risk.

(a) Foreign currency risk:

The Company is exposed to foreign currency risk on transactions in currencies other than the Company's functional currency. The Company strives to maintain intercompany loans in the functional currency of the Company, to eliminate the currency exposure wherever possible.

(b) Credit risk:

The Company's transactions are largely with other Wood Group companies. No provision for impairment has been recorded in respect of amounts due from Group companies.

(c) Liquidity risk:

The Company's liquidity relates to the funding provided by its intercompany loans receivable and payable.

**10 Ultimate parent undertaking**

The Company is a wholly owned subsidiary of John Wood Group PLC.

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.