

COMPANY REGISTRATION NUMBER SC279302

**ABLY RESOURCES LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2012**

WEDNESDAY



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**ABLY RESOURCES LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the members	4
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

**ABLY RESOURCES LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

<b>Directors</b>	C M Hartie (Resigned 27 September 2012) M J Lombardi M J Beveridge
<b>Secretary</b>	G A Hanson
<b>Registered office</b>	18 Woodside Crescent Glasgow G3 7UL
<b>Independent auditor</b>	Deloitte LLP Chartered Accountants and Statutory Auditor Glasgow United Kingdom

**ABLY RESOURCES LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31 DECEMBER 2012**

The directors submit their report and the financial statements of the company for the year ended 31 December 2012.

This directors' report has been prepared in accordance with the special provisions relating to small sized companies under section 415A of the Companies Act 2006.

**Principal activities and business review**

The principal activities of the company are the provision of specialist engineering and technical recruitment services.

**Results and dividends**

The loss for the year after taxation was £279,501 (2011 - loss of £397,873) however, as explained below, the directors believe it is appropriate to prepare the financial statements on the going concern basis.

The directors do not recommend a dividend for year ended 31 December 2012 (2011 - £Nil).

**Directors**

The directors who served the company during the year and to the date of this report are listed on page 1.

**Employment policies**

The company's employment policies are built around Fairness, Achievement, Integrity and Respect as set out in the Denholm Standard for employment.

**Directors' responsibilities statement**

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 year.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors, having considered the company's forecasts, cash resources, and group facilities, have concluded that the company has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future. Although the company has made a loss in the past 3 years, on the basis of the latest projections, the directors anticipate that the company will become profitable. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

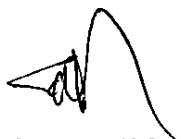
**ABLY RESOURCES LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 DECEMBER 2012**

**Directors' responsibilities statement** *(continued)*

The directors are responsible for keeping proper accounting records which 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.

As at the date of this report, as far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Each of the directors have taken such steps as they should have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the Board on 16 July 2013

A handwritten signature in black ink, appearing to be 'G A Hanson', written over a horizontal line.

G A HANSON  
Company Secretary

# **ABLY RESOURCES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABLY RESOURCES LIMITED**

**YEAR ENDED 31 DECEMBER 2012**

We have audited the financial statements of Ably Resources Limited, company registration number SC279302, for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 20. 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 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 members those matters we are required to state to them in an auditor's 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 auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements 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 financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**ABLY RESOURCES LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABLY  
RESOURCES LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2012**

**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 financial statements 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; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Colin Gibson CA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Glasgow  
United Kingdom

19 July 2013

**ABLY RESOURCES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
TURNOVER	2	7,939,267	6,948,220
Cost of sales		(7,472,268)	(6,719,942)
GROSS PROFIT		466,999	228,278
Administrative expenses		(778,234)	(703,821)
OPERATING LOSS	3	(311,235)	(475,543)
Interest receivable		885	231
Interest payable	6	(59,484)	(64,620)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(369,834)	(539,932)
Tax on loss on ordinary activities	7	90,333	142,059
LOSS FOR THE FINANCIAL YEAR	17	(279,501)	(397,873)

All of the activities of the company are classed as continuing.

**Statement of total recognised gains and losses**

There are no recognised gains or losses other than the loss of £279,501 attributable to the shareholders for the year ended 31 December 2012 (2011 - loss of £397,873). Accordingly, a statement of total recognised gains and losses is not presented.

The notes on pages 8 to 15 form part of these financial statements.



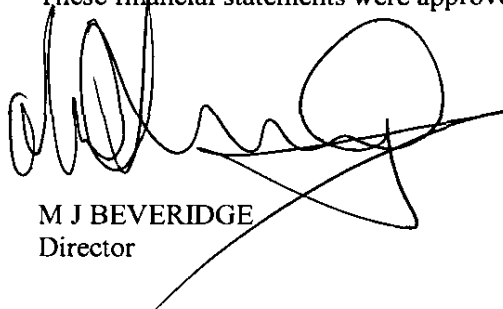
**ABLY RESOURCES LIMITED**

**BALANCE SHEET**

**31 DECEMBER 2012**

	Note	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	8	<u>22,553</u>	<u>62,698</u>
<b>CURRENT ASSETS</b>			
Debtors due within one year	9	2,075,482	1,738,442
Cash at bank and in hand		<u>212,659</u>	<u>237,811</u>
		<u>2,288,141</u>	<u>1,976,253</u>
CREDITORS: Amounts falling due within one year	11	<u>(707,194)</u>	<u>(155,950)</u>
<b>NET CURRENT ASSETS</b>		<u>1,580,947</u>	<u>1,820,303</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,603,500</u>	<u>1,883,001</u>
CREDITORS: Amounts falling due after more than one year	12	<u>(1,205,219)</u>	<u>(1,205,219)</u>
<b>NET ASSETS</b>		<u>398,281</u>	<u>677,782</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	16	100,000	100,000
Profit and loss account	17	<u>298,281</u>	<u>577,782</u>
<b>SHAREHOLDERS' FUNDS</b>	18	<u>398,281</u>	<u>677,782</u>

These financial statements were approved by the Board on 16 July 2013



M J BEVERIDGE  
Director

The notes on pages 8 to 15 form part of these financial statements.

**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards. They have been prepared on a going concern basis, as explained in the Directors' report.

The principal account policies are summarised below. They have been adopted consistently throughout the year and the preceding year.

**Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent company includes the company in its consolidated financial statements.

**Turnover**

The turnover shown in the profit and loss account represents amounts earned during the year and is stated net of Value Added Tax.

**Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation, and any provision for impairment. Depreciation is calculated on a straight line basis to write off the cost less estimated residual value of tangible fixed assets over their anticipated useful lives as follows:

Leasehold Property	- 4 years
Plant & Machinery	- 4 years
Fixtures & Fittings	- 4 years

**Leases**

Rentals in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**Pension costs**

Pension costs arising in respect of the defined contribution pension scheme are charged to the profit and loss account as incurred.

**Taxation**

Current tax, including overseas taxation, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised as an asset or liability if transactions have occurred at the balance sheet date that give rise to an obligation to pay more tax or a right to pay less tax in the future. An asset is not recognised unless it is more likely than not that the transfer of economic benefits will crystallise in the future. Deferred tax assets and liabilities are not discounted.

**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

1. ACCOUNTING POLICIES *(continued)*

**Foreign currencies**

Transactions in foreign currencies are recorded at the rates of exchange ruling at the date of the transaction. All monetary liabilities and assets are translated at the year end exchange rates or, if appropriate, at a forward contract rate. Exchange differences are taken into account in arriving at the operating result. There were no foreign exchange forward contracts outstanding at the current or prior year end.

2. TURNOVER

An analysis of turnover by destination is given below:

	2012 £	2011 £
United Kingdom	7,147,259	6,257,364
Overseas	792,008	690,856
	<u>7,939,267</u>	<u>6,948,220</u>

3. OPERATING LOSS

Operating loss is stated after charging:

	2012 £	2011 £
Depreciation of tangible fixed assets	40,457	42,603
Auditor's remuneration - audit fees	4,196	4,074
Loss on foreign exchange	23,012	9,623
Operating lease costs:		
Land and buildings	<u>66,700</u>	<u>61,025</u>

**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to:

	<b>2012</b>	<b>2011</b>
	<b>Number</b>	<b>Number</b>
Administrative staff	<b>5</b>	<b>5</b>
Management staff	<b>1</b>	<b>2</b>
Operational staff	<b>16</b>	<b>17</b>
	<u><b>22</b></u>	<u><b>24</b></u>

The aggregate payroll costs of the above were:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>669,203</b>	<b>719,986</b>
Social security costs	<b>68,138</b>	<b>76,948</b>
Other pension costs	<b>19,605</b>	<b>25,349</b>
	<u><b>756,946</b></u>	<u><b>822,283</b></u>

**5. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	<b>156,907</b>	<b>142,089</b>
Company pension contributions to money purchase schemes	<b>5,688</b>	<b>9,781</b>
	<u><b>162,595</b></u>	<u><b>151,870</b></u>

The number of directors who accrued benefits under company pension schemes was as follows:

	<b>2012</b>	<b>2011</b>
	<b>Number</b>	<b>Number</b>
Money purchase schemes	<u><b>1</b></u>	<u><b>1</b></u>

**6. INTEREST PAYABLE**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Interest payable on amounts due to group undertakings	<u><b>59,484</b></u>	<u><b>64,620</b></u>

**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**7. TAXATION ON ORDINARY ACTIVITIES**

**(a) Analysis of credit in the year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	<b>(76,589)</b>	(141,029)
Over provision in prior year	<b>(7,722)</b>	-
Total current tax	<b>(84,311)</b>	(141,029)
Deferred tax:		
Origination and reversal of timing differences	<b>(6,022)</b>	(1,030)
Tax on loss on ordinary activities	<b>(90,333)</b>	(142,059)

**(b) Factors affecting current tax credit for the period**

Total current tax for the year when expressed as a percentage of loss on ordinary activities before taxation is lower at 24% (2011 - lower at 26%) than the standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%).

	<b>2012</b>	<b>2011</b>
	<b>%</b>	<b>%</b>
Standard rate of corporation tax in the UK	<b>25</b>	27
Capital allowances in excess of accounting depreciation	<b>1</b>	(2)
Sundry tax adjusting items	<b>(2)</b>	1
	<b><u>24</u></b>	<u>26</u>

**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

8. TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
Cost				
At 1 January 2012	36,652	129,162	31,784	197,598
Additions	–	312	–	312
At 31 December 2012	<u>36,652</u>	<u>129,474</u>	<u>31,784</u>	<u>197,910</u>
Depreciation				
At 1 January 2012	25,908	87,037	21,955	134,900
Charge for the year	9,156	23,373	7,928	40,457
At 31 December 2012	<u>35,064</u>	<u>110,410</u>	<u>29,883</u>	<u>175,357</u>
Net Book Value				
At 31 December 2012	<u>1,588</u>	<u>19,064</u>	<u>1,901</u>	<u>22,553</u>
At 31 December 2011	<u>10,744</u>	<u>42,125</u>	<u>9,829</u>	<u>62,698</u>

The leasehold property above relates to a lease with less than 50 years unexpired.

9. DEBTORS

	2012 £	2011 £
Amounts falling due within one year:		
Trade debtors	1,625,279	1,248,306
Amounts owed by group undertakings	56,441	40,714
Group relief receivable	76,589	141,030
Other debtors	116,873	129,254
Prepayments and accrued income	191,873	176,733
Deferred taxation (note 10)	8,427	2,405
	<u>2,075,482</u>	<u>1,738,442</u>

**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**10. DEFERRED TAXATION**

The deferred tax included in the balance sheet is as follows:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Included in debtors (note 9)	<b><u>8,427</u></b>	<b><u>2,405</u></b>

The movement in the deferred taxation account during the year was:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Balance brought forward	<b>2,405</b>	<b>1,375</b>
Profit and loss account movement arising during the year (note 7)	<b><u>6,022</u></b>	<b><u>1,030</u></b>
Balance carried forward	<b><u>8,427</u></b>	<b><u>2,405</u></b>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Excess of taxation allowances over depreciation on fixed assets	<b><u>8,427</u></b>	<b><u>2,405</u></b>

**11. CREDITORS: Amounts falling due within one year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>28,854</b>	<b>81,006</b>
Amounts owed to group undertakings	<b>550,000</b>	<b>—</b>
Other creditors	<b>97,132</b>	<b>61,376</b>
Accruals and deferred income	<b><u>31,208</u></b>	<b><u>13,568</u></b>
	<b><u>707,194</u></b>	<b><u>155,950</u></b>

The amounts owed to group undertakings bears interest at a fixed rate of 4% and is repayable on demand.

**12. CREDITORS: Amounts falling due after more than one year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	<b><u>1,205,219</u></b>	<b><u>1,205,219</u></b>

The amounts owed to group undertakings after one year bears interest at a fixed rate of 4% and is repayable by 31 May 2014.

**13. PENSIONS**

The company contributes to a defined contribution scheme for which the pension charge for the year amounted to £19,605 (2011 - £25,349).

**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

**14. COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as set out below.

	<b>Land and buildings</b>	
	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within 2 to 5 years	<u><b>60,030</b></u>	<u><b>61,025</b></u>

**15. RELATED PARTY TRANSACTIONS**

Transactions with entities in which the J. & J. Denholm Limited group of companies has 100% of the voting rights are not disclosed as permitted by Financial Reporting Standard No. 8 - "Related Party Disclosures".

**16. SHARE CAPITAL**

Allotted, called up and fully paid:

	<b>2012</b>		<b>2011</b>	
	<b>Number</b>	<b>£</b>	<b>Number</b>	<b>£</b>
Ordinary shares of £1 each	<u><b>100,000</b></u>	<u><b>100,000</b></u>	<u><b>100,000</b></u>	<u><b>100,000</b></u>

**17. PROFIT AND LOSS ACCOUNT**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Balance brought forward	<b>577,782</b>	(174,345)
Loss for the financial year	<b>(279,501)</b>	(397,873)
Capital contribution - loan waiver	<b>—</b>	1,150,000
Balance carried forward	<u><b>298,281</b></u>	<u><b>577,782</b></u>

**18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	<b>(279,501)</b>	(397,873)
Capital contribution - loan waiver	<b>—</b>	1,150,000
Net (decrease)/increase to shareholders' funds	<b>(279,501)</b>	752,127
Opening shareholders' funds/(deficit)	<u><b>677,782</b></u>	<u><b>(74,345)</b></u>
Closing shareholders' funds	<u><b>398,281</b></u>	<u><b>677,782</b></u>

**19. POST BALANCE SHEET EVENTS**

On 1 January 2013 ownership of the entire share capital of the company was transferred to Denholm Oilfield Services Limited, another company within the Denholm group.



**ABLY RESOURCES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2012**

20. ULTIMATE PARENT COMPANY

The ultimate parent undertaking is J. & J. Denholm Limited, a company registered in England. Copies of the financial statements of J. & J. Denholm Limited, the largest and smallest group undertaking which consolidates the financial statements of the company, may be obtained from the Registrar of Companies, Crown Way, Cardiff, CF14 3UZ.