

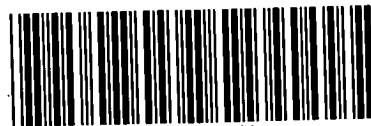
COMPANY REGISTRATION NUMBER SC279302

ABLY RESOURCES LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2014

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ABLY RESOURCES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

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ABLY RESOURCES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

Directors	M J Beveridge M J Lombardi
Secretary	G A Hanson
Registered office	18 Woodside Crescent Glasgow G3 7UL
Independent auditor	Deloitte LLP Chartered Accountants and Statutory Auditor Glasgow United Kingdom

ABLY RESOURCES LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2014

The directors submit their report and the financial statements of the company for the year ended 31 December 2014.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. In addition, as a result of taking this exemption, no strategic report has been prepared.

Principal activities

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 £391,881 (2013 - loss of £159,322) 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 2014 (2013 - £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 5 years, on the basis of the latest projection, the directors anticipate that the company will become profitable. The directors have been notified that the parent company, Denholm Oilfield Services Limited will provide continuing financial support to the company. Accordingly, the directors continue to adopt the going concern basis in preparing the Annual Report and financial statements.

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.

ABLY RESOURCES LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 DECEMBER 2014

Directors' responsibilities statement *(continued)*

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 21 September 2015

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 2014

We have audited the financial statements of Ably Resources Limited, company registration number SC279302, for the year ended 31 December 2014 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 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 2014

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 from preparing a Strategic Report or 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

25 September 2015

ABLY RESOURCES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2014

	Note	2014 £	2013 £
TURNOVER	2	3,302,266	6,562,179
Cost of sales		(3,145,807)	(6,189,168)
GROSS PROFIT		156,459	373,011
Administrative expenses		(620,863)	(526,783)
OPERATING LOSS	3	(464,404)	(153,772)
Interest receivable	6	432	1,605
Interest payable	7	(34,276)	(52,339)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(498,248)	(204,506)
Tax on loss on ordinary activities	8	106,367	45,184
LOSS FOR THE FINANCIAL YEAR	18	(391,881)	(159,322)

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 £391,881 attributable to the shareholders for the year ended 31 December 2014 (2013 - loss of £159,322). 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.

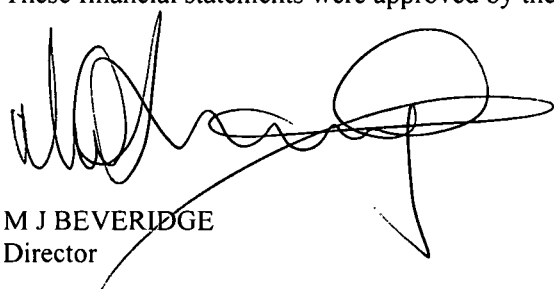
ABLY RESOURCES LIMITED

BALANCE SHEET

31 DECEMBER 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Tangible assets	9	<u>11,545</u>	<u>4,218</u>
CURRENT ASSETS			
Debtors due within one year	10	<u>845,684</u>	<u>1,495,941</u>
Cash at bank and in hand		<u>85,135</u>	<u>77,812</u>
		<u>930,819</u>	<u>1,573,753</u>
CREDITORS: Amounts falling due within one year	12	<u>(95,286)</u>	<u>(339,012)</u>
NET CURRENT ASSETS		<u>835,533</u>	<u>1,234,741</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>847,078</u>	<u>1,238,959</u>
CREDITORS: Amounts falling due after more than one year	13	<u>(1,000,000)</u>	<u>(1,000,000)</u>
NET (LIABILITIES)/ASSETS		<u>(152,922)</u>	<u>238,959</u>
CAPITAL AND RESERVES			
Called-up share capital	17	<u>100,000</u>	<u>100,000</u>
Profit and loss account	18	<u>(252,922)</u>	<u>138,959</u>
SHAREHOLDERS' (DEFICIT)/FUNDS	19	<u>(152,922)</u>	<u>238,959</u>

These financial statements were approved by the Board on 21 September 2015



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 2014

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.

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 5 years, on the basis of the latest projection, the directors anticipate that the company will become profitable. The directors have been notified that the parent company, Denholm Oilfield Services Limited will provide continuing financial support to the company. Accordingly, the directors continue to adopt the going concern basis in preparing the Annual Report and financial statements.

The principal accounting policies are summarised below. They have all 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 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

Operating 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 2014

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:

	2014 £	2013 £
United Kingdom	2,727,683	6,115,595
Overseas	574,583	446,584
	<u>3,302,266</u>	<u>6,562,179</u>

3 OPERATING LOSS

Operating loss is stated after charging/(crediting):

	2014 £	2013 £
Depreciation of tangible fixed assets	3,883	20,884
Auditor's remuneration - audit fees	4,000	4,000
Loss/(gain) on foreign exchange	5,742	(8,739)
Operating lease costs:		
Land and buildings	65,168	65,513
	<u>65,168</u>	<u>65,513</u>

ABLY RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

4 PARTICULARS OF EMPLOYEES

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

	2014	2013
	Number	Number
Administrative staff	6	6
Management staff	1	1
Operational staff	20	19
	<u>27</u>	<u>26</u>

The aggregate payroll costs of the above were:

	2014	2013
	£	£
Wages and salaries	695,979	641,610
Social security costs	66,220	63,635
Other pension costs	29,332	14,521
	<u>791,531</u>	<u>719,766</u>

5 DIRECTORS' REMUNERATION

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

	2014	2013
	£	£
Remuneration receivable	113,250	108,250

6 INTEREST RECEIVABLE

	2014	2013
	£	£
Bank interest receivable	432	848
Other interest receivable	-	757
	<u>432</u>	<u>1,605</u>

7 INTEREST PAYABLE

	2014	2013
	£	£
Interest payable on amounts due to group undertakings	34,276	52,339

ABLY RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

8 TAXATION ON LOSS ON ORDINARY ACTIVITIES

(a) Analysis of credit in the year

	2014	2013
	£	£
Current tax:		
In respect of the year:		
UK Corporation tax based on the results for the year	(107,797)	(44,176)
Over provision in prior year	(171)	(1)
Total current tax	(107,968)	(44,177)
Deferred tax:		
Origination and reversal of timing differences	1,601	(1,007)
Tax on loss on ordinary activities	(106,367)	(45,184)

b) Factors affecting current tax credit for the year

Total current tax for the year when expressed as a percentage of loss on ordinary activities before taxation is the same at 22% (2013 - lower at 22%) as the standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%).

	2014	2013
	%	%
Standard rate of corporation tax in the UK	22	23
Sundry tax adjusting items	-	(1)
	22	22

Finance Act 2013, which was substantively enacted on 17 July 2013, reduced the main rate of corporation tax to 21% for the financial year commencing 1 April 2014. This rate was further reduced to 20% for the financial year commencing 1 April 2015.

The above rate changes will reduce any future UK corporation tax liabilities of the company but will not have a material effect on the tax balances recognised at 31 December 2014.

The tax rate used for tax on profit on ordinary activities is the effective standard rate for UK corporation tax for the year ended 31 December 2014.

ABLY RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

9 TANGIBLE FIXED ASSETS

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Total £
Cost				
At 1 January 2014	36,992	131,683	31,784	200,459
Additions	-	11,210	-	11,210
At 31 December 2014	<u>36,992</u>	<u>142,893</u>	<u>31,784</u>	<u>211,669</u>
Depreciation				
At 1 January 2014	36,694	127,972	31,575	196,241
Charge for the year	84	3,598	201	3,883
At 31 December 2014	<u>36,778</u>	<u>131,570</u>	<u>31,776</u>	<u>200,124</u>
Net Book Value				
At 31 December 2014	<u>214</u>	<u>11,323</u>	<u>8</u>	<u>11,545</u>
At 31 December 2013	<u>298</u>	<u>3,711</u>	<u>209</u>	<u>4,218</u>

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

10 DEBTORS

	2014 £	2013 £
Amounts falling due within one year		
Trade debtors	267,307	1,162,248
Amounts owed by group undertakings	372,858	120,004
Group relief receivable	107,797	44,176
Other debtors	36,980	36,575
Prepayments and accrued income	52,909	123,504
Deferred taxation (note 11)	7,833	9,434
	<u>845,684</u>	<u>1,495,941</u>

ABLY RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

11 DEFERRED TAXATION

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

	2014	2013
	£	£
Included in debtors (note 10)	7,833	9,434

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

	2014	2013
	£	£
Balance brought forward	9,434	8,427
Profit and loss account movement arising during the year (note 8)	(1,601)	1,007
Balance carried forward	7,833	9,434

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

	2014	2013
	£	£
Excess of taxation allowances over depreciation on fixed assets	7,833	9,434

12 CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	27,051	59,102
Amounts owed to group undertakings	-	225,000
Other creditors	36,695	36,693
Accruals and deferred income	31,540	18,217
	95,286	339,012

13 CREDITORS: Amounts falling due after more than one year

	2014	2013
	£	£
Amounts owed to group undertakings	1,000,000	1,000,000

The amounts owed to group undertakings after one year bears interest at a fixed rate of 4% and is repayable by 31 March 2016.

ABLY RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

14 PENSIONS

The company contributes to a defined contribution scheme for which the pension charge for the year amounted to £29,332 (2013 - £14,521).

15 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
Within 2 to 5 years	60,030	56,430

16 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".

17 SHARE CAPITAL

Allotted, called up and fully paid:

	2014		2013	
	Number	£	Number	£
	100,000	100,000	100,000	100,000
Ordinary shares of £1 each				

18 PROFIT AND LOSS ACCOUNT

	2014	2013
	£	£
Balance brought forward	138,959	298,281
Loss for the financial year	(391,881)	(159,322)
Balance carried forward	(252,922)	138,959

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' (DEFICIT)/FUNDS

	2014	2013
	£	£
Loss for the financial year	(391,881)	(159,322)
Net decrease to shareholders' funds	(391,881)	(159,322)
Opening shareholders' funds	238,959	398,281
Closing shareholders' (deficit)/funds	(152,922)	238,959

ABLY RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

20 ULTIMATE PARENT COMPANY

The immediate parent undertaking is Denholm Oilfield Services Group Limited, a company registered in England. The ultimate parent undertaking is J. & J. Denholm Limited. Copies of the accounts of J. & J. Denholm Limited may be obtained from the Registrar of Companies, Crown Way, Cardiff, CF14 3UZ.