

**COMPETENTIA LIMITED**  
(Company Number: SC338257)

**DIRECTORS' REPORT AND ACCOUNTS**

**31 DECEMBER 2008**



**COMPETENTIA LIMITED  
DIRECTORS' REPORT**

**A<sup>2</sup>+B<sup>®</sup>**

Directors: J Smith appointed 21 February 2008  
O Kleveland appointed 21 February 2008  
R Hagen appointed 21 February 2008

Secretary: Mackinnons

Registered office: 14 Carden Place, Aberdeen

The directors submit their report and the audited accounts of the company for the period from incorporation on 21 February 2008 to 31 December 2008.

**RESULTS AND DIVIDENDS**

The profit for the period, amounting to £139,168, has been dealt with as shown in the profit and loss account. The directors do not propose the payment of a dividend.

**PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENTS**

The principal activity of the company is the provision of engineering services.

The directors consider the results for the period to be satisfactory.

**PROVISION OF INFORMATION TO AUDITORS**


As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

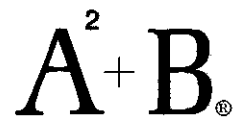
Anderson Anderson & Brown LLP were appointed auditors with effect from 21 February 2008 and have expressed their willingness to continue in office. A resolution proposing their re-appointment will be submitted at the annual general meeting.

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors

  
Director- John Smith  
30.3.2009 Date

**COMPETENTIA LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

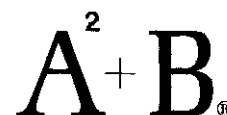


Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether or not applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and,
- (d) prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the accounts comply with the Companies Act 1985. 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
COMPETENTIA LIMITED**



We have audited the accounts of Competentia Limited for the period ended 31 December 2008 which comprise the Profit and Loss Account, the Company Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors**

As described on page 2 the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether or not the accounts give a true and fair view, are properly prepared in accordance with the Companies Act 1985 and the information given in the directors' report is consistent with the accounts. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion:-

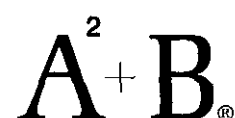
- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the period then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the directors' report is consistent with the accounts.

*Anderson Anderson & Brown LLP*

Anderson Anderson & Brown LLP  
Chartered Accountants  
Registered Auditors  
Aberdeen

*30<sup>th</sup> March 2009*

COMPETENTIA LIMITED  
 PROFIT AND LOSS ACCOUNT  
 FOR THE PERIOD FROM 21 FEBRUARY TO 31 DECEMBER 2008



	Note	2008 £
TURNOVER	2	3,770,936
Cost of sales		3,614,920
GROSS PROFIT		156,016
Administrative expenses		16,848
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	139,168
Taxation	5	32,000
PROFIT FOR THE FINANCIAL PERIOD		<u>£ 107,168</u>

The company has made no gains or losses other than as reported above.

Movements on reserves are as set out in Note 10.

COMPETENTIA LIMITED  
BALANCE SHEET - 31 DECEMBER 2008

A<sup>2</sup>+B<sup>®</sup>

	Note	2008 £
CURRENT ASSETS		
Debtors	6	227,509
Cash at bank and in hand		416,541
		<u>644,050</u>
CREDITORS: <i>amounts falling due within one year</i>	7	286,783
		<u>357,267</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		
CREDITORS: <i>amounts falling due after more than one year</i>	8	250,000
		<u>£ 107,267</u>
CAPITAL AND RESERVES		
Called up share capital	9	99
Profit and loss account	10	107,168
SHAREHOLDER'S FUNDS	10	<u>£ 107,267</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

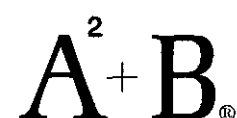
Signed on behalf of the board of directors

  
Director - John Smith

30.3.2009

Date

COMPETENTIA LIMITED  
CASH FLOW STATEMENT  
FOR THE PERIOD FROM 21 FEBRUARY TO 31 DECEMBER 2008



	Note	2008 £
Net cash inflow from operating activities	11	166,442
Taxation		-
		<hr/> 166,442
Financing - increase in debt	12	250,099
Increase in cash		<hr/> <hr/> £ 416,541

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	Note	2008 £
Increase in cash in the period		416,541
Cash movement from increase in debt		<hr/> (250,000)
Net debt at 31 December 2008	13	<hr/> <hr/> £ 166,541

1. ACCOUNTING POLICIES

(a) *Basis of accounts preparation*

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) *Taxation*

Current tax, including UK corporation tax and foreign tax 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 tax is recognised in respect of all timing differences that have been originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the accounts that arise from the inclusion of gains and losses in tax assessments in the period which are different from those recognised in the accounts. Deferred tax has been measured on a non-discounted basis.

(c) *Foreign currencies*

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions; monetary assets and liabilities at the balance sheet date are translated at the year-end rate of exchange. The resulting profits or losses are dealt with in the profit and loss account.

2. TURNOVER

Turnover represents amounts receivable for goods and services.

3. NET OPERATING PROFIT *is stated after charging:*

	2008 £
Auditors' remuneration - audit fees	7,000
- non-audit fees	4,988
	<hr/>



4. STAFF COSTS AND NUMBERS

	2008 £
Staff costs - wages and salaries	2,014,228
- social security	564,024
	<u>£ 2,578,252</u>

The average number of persons employed by the company during the period, including the directors, was as follows:

	2008 No
Engineering services	21
Management	3
	<u>24</u>

The directors' did not receive any remuneration during the period.

5. TAXATION *charge based on the profit for the period comprises:*

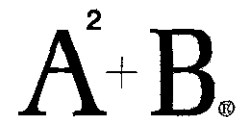
	2008
UK corporation tax payable	<u>£ 32,000</u>

The corporation tax charge for the period materially differs from the amount which would be anticipated by applying the company's tax rate of 28% to its profits as a result of marginal relief.

6. DEBTORS

	2008
Due from group undertaking	<u>£ 227,509</u>

COMPETENTIA LIMITED  
NOTES ON THE ACCOUNTS - 31 DECEMBER 2008



7. CREDITORS: amounts falling due within one year

	2008 £
Trade creditors	860
Taxation and social security	93,553
Accruals	160,370
Corporation tax	32,000
	<u>£ 286,783</u>

8. CREDITORS: amounts falling due after more than one year

	2008 £
Loan from parent undertaking	<u>£ 250,000</u>

9. CALLED UP SHARE CAPITAL

	2008 £
Authorised: 1,000,000 Ordinary shares of £1 each	<u>£1,000,000</u>
Allotted, called up and fully paid: 99 Ordinary shares of £1 each	<u>£ 99</u>

99 Ordinary £1 shares were issued during the period at par value.

10. RECONCILIATION OF SHAREHOLDER'S FUNDS  
AND MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	Total £
Issued during the period	99	-	99
Profit for the period	-	107,168	107,168
At 31 December 2008	<u>£ 99</u>	<u>£ 107,168</u>	<u>£ 107,267</u>

11. RECONCILIATION OF OPERATING PROFIT TO  
NET CASH INFLOW FROM OPERATING ACTIVITIES

	2008 £
Operating profit	139,168
Increase in debtors	(227,509)
Increase in creditors	254,783
Net cash inflow from operating activities	<u>£ 166,442</u>

12. ANALYSIS OF CASH FLOWS FOR HEADINGS  
NETTED IN THE CASH FLOW STATEMENT

2008  
£

**Financing**

Issue of ordinary share capital  
New loans received

99  
250,000

Net inflow from financing

£ 250,099

13. ANALYSIS OF CHANGES IN FINANCING DURING THE PERIOD

At  
31 December  
2008  
£

Cash in hand  
Debt due within 1 year

416,541  
(250,000)

£ 166,541

14. RELATED PARTY TRANSACTIONS

**Control**

Throughout the period the company was controlled by the directors. Details of the directors' interests in the share capital are set out in the directors' report.

**Transactions**

During the period the company had the following transactions with related parties:

Related party	Transaction	£	Balance at period end due to/(from) the company £
Orion Competentia AS	Loans	(250,000)	(250,000)
	Sales	272,491	272,491

15. IMMEDIATE AND ULTIMATE HOLDING COMPANY

The immediate and ultimate holding company of Competentia Limited is Orion Competentia AS, a company registered in Norway.

The results of Competentia Limited are included in the consolidated accounts for Orion Competentia AS.

16. CONTINGENT LIABILITY

Competentia Limited has employees working in Norway, and pays UK rather than Norwegian national insurance contributions on their salaries, in accordance with a claim made to HM Revenue & Customs. This claim is being contested and if the company is unsuccessful an additional sum of approximately £180,000 may be payable. However the ultimate parent company, Orion Competentia AS has confirmed that it would take responsibility for this liability and has included a provision of 1.8 million NOK in its accounts to 31 December 2008 in respect of this.