

Company Registration No. 02704357 (England and Wales)

**RUST RESOURCES LIMITED**

**REPORT AND  
FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
31 DECEMBER 2014**

WEDNESDAY



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# **RUST RESOURCES LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D E Spencer G Lennox R Fielding L M Guiliano
<b>Company number</b>	02704357
<b>Registered office</b>	Locke King House 2 Balfour Road Weybridge Surrey KT13 8HD
<b>Auditors</b>	Baker Tilly UK Audit LLP Chartered Accountants Suite A, 7th Floor City Gate East Tollhouse Hill Nottingham NG1 5FS
<b>Business address</b>	Locke King House 2 Balfour Road Weybridge Surrey KT13 8HD

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# **RUST RESOURCES LIMITED**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2014**

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The directors present their report and financial statements for the 15 month period ended 31 December 2014.

### **Principal activities**

The principal activity of the company is that of a contractor to the engineering industry in the UK and overseas.

### **Directors**

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

D E Spencer

G Lennox

R Fielding

D C Edwards

(Resigned 30 September 2014)

L M Guiliano

(Appointed 31 March 2014)

### **Auditors**

Baker Tilly UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



D E Spencer

**Director**

28 September 2015

# **RUST RESOURCES LIMITED**

## **DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014**

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The directors are responsible for preparing 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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;
- 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.

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

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We have audited the financial statements on pages 4 to 10. 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 more fully explained in the Directors' Responsibilities Statement set out on page 2, 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

### 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 profit for the period 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 period for which the financial statements are prepared is consistent with the financial statements.

### 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

*Baker Tilly UK Audit LLP*

Neil Stephenson (Senior Statutory Auditor)  
for and on behalf of Baker Tilly UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Suite A, 7th Floor  
City Gate East  
Tollhouse Hill  
Nottingham  
NG1 5FS  
28 September 2015

**RUST RESOURCES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED 31 DECEMBER 2014**

		<b>15 Month Period ended 31 December 2014 £</b>	<b>Year ended 30 September 2013 £</b>
	<b>Notes</b>		
<b>Turnover</b>	<b>2</b>	2,974,605	2,327,237
Cost of sales		(2,821,652)	(2,201,722)
<b>Gross profit</b>		152,953	125,515
Administrative expenses		(774,029)	(625,168)
Other operating income		626,782	378,240
<b>Operating profit/(loss)</b>		5,706	(121,413)
Interest receivable and similar income		312	9
Interest payable and similar charges	<b>3</b>	-	(6,180)
<b>Profit/(loss) on ordinary activities before taxation</b>	<b>4</b>	6,018	(127,584)
Tax on profit/(loss) on ordinary activities	<b>6</b>	-	-
<b>Profit/(loss) for the financial period</b>	<b>11</b>	6,018	(127,584)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

**RUST RESOURCES LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2014**

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	7		7,642		7,851
<b>Current assets</b>					
Debtors	8	1,647,037		1,515,284	
Cash at bank and in hand		226,594		406,551	
		1,873,631		1,921,835	
<b>Creditors: amounts falling due within one year</b>	9	(1,333,094)		(1,387,525)	
<b>Net current assets</b>			540,537		534,310
<b>Total assets less current liabilities</b>			548,179		542,161
<b>Capital and reserves</b>					
Called up share capital	10		100		100
Profit and loss account	11		548,079		542,061
<b>Shareholders' funds</b>	12		548,179		542,161

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 4 to 10 were approved by the board of directors and authorised for issue on 28 September 2015 and are signed on its behalf by:

*David Spencer*  
D E Spencer

Director

# **RUST RESOURCES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 31 DECEMBER 2014**

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#### **1 Accounting policies**

##### **Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

During the period, the company generated a profit before tax of £6,018 (2013: loss of £127,584) and at the balance sheet date it had net assets of £548,179 (2013: £542,161).

The company relies on the shareholders of its parent company, Rust Resources Holdco Limited for financial support. These shareholders have undertaken to maintain the existing financial support to enable the company to meet its debts as they fall due. Accordingly, the financial statements have been prepared on a going concern basis. Rust Resources Holdco Limited has agreed to support this company and to not recall any debts until the company is able to afford repayment.

##### **Turnover**

Turnover represents amounts receivable in the year, exclusive of Value Added Tax, in relation to services performed during the accounting period.

##### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and office equipment	25% straight line
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##### **Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

##### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have 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 financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

##### **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

##### **Financial instruments**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.



# RUST RESOURCES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2014

### 2 Turnover

In the period to 31 December 2014 29% (2013 - 44%) of the company's turnover was to markets outside the United Kingdom.

<b>3 Interest payable and similar charges</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	-	6,180
	<u>          </u>	<u>          </u>
 <b>4 Profit/(loss) on ordinary activities before taxation</b>	 <b>2014</b>	 <b>2013</b>
	<b>£</b>	<b>£</b>
Profit/(loss) on ordinary activities before taxation is stated after charging/ (crediting):		
Depreciation of tangible fixed assets		
- owned	3,625	3,784
Operating lease rentals	16,687	13,038
Auditor's remuneration for statutory audit	8,125	12,500
	<u>          </u>	<u>          </u>
 <b>5 Directors' remuneration</b>	 <b>2014</b>	 <b>2013</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	41,000	24,000
	<u>          </u>	<u>          </u>
	41,000	24,000
	<u>          </u>	<u>          </u>
 <b>6 Tax on profit/(loss) on ordinary activities</b>	 <b>2014</b>	 <b>2013</b>
	<b>£</b>	<b>£</b>
Total current tax	-	-
	<u>          </u>	<u>          </u>

# RUST RESOURCES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2014

### 6 Tax on profit/(loss) on ordinary activities (Continued)

#### Factors affecting the tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax of 21.80% (2013 - 23.00%). The differences are explained below:

Profit/(loss) on ordinary activities before taxation	6,018	(127,584)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.80% (2013 - 23.00%)	1,312	(29,344)
Effects of:		
Expenses not deductible for tax purposes	744	692
Capital allowances	(918)	(2,170)
Utilisation of tax losses	(1,138)	30,822
	(1,312)	29,344
Current tax charge for the period	-	-

### 7 Tangible fixed assets

#### Fixtures, fittings and office equipment

	£
<b>Cost</b>	
At 1 October 2013	29,547
Additions	3,416
At 31 December 2014	32,963
<b>Depreciation</b>	
At 1 October 2013	21,696
Charge for the period	3,625
At 31 December 2014	25,321
<b>Net book value</b>	
At 31 December 2014	7,642
At 30 September 2013	7,851

# RUST RESOURCES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2014

<b>8</b>	<b>Debtors</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Trade debtors	247,676	235,795
	Amounts owed by group undertakings	1,153,403	957,927
	Other debtors	245,958	321,562
		<u>1,647,037</u>	<u>1,515,284</u>
<b>9</b>	<b>Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Trade creditors	185,799	238,343
	Amounts owed to group undertakings	1,105,083	1,084,838
	Taxes and social security costs	26,941	17,922
	Other creditors	15,271	46,422
		<u>1,333,094</u>	<u>1,387,525</u>
<b>10</b>	<b>Share capital</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Allotted, called up and fully paid</b>		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>11</b>	<b>Profit and loss account</b>		<b>Profit and loss account</b>
			<b>£</b>
	Balance at 1 October 2013		542,061
	Profit for the period		<u>6,018</u>
	Balance at 31 December 2014		<u>548,079</u>
<b>12</b>	<b>Reconciliation of movements in shareholders' funds</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Profit/(Loss) for the financial period	6,018	(127,584)
	Opening shareholders' funds	<u>542,161</u>	<u>669,745</u>
	Closing shareholders' funds	<u>548,179</u>	<u>542,161</u>

# RUST RESOURCES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2014

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### 13 Commitments under operating leases

At 31 December 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2015:

	Land and buildings	
	2014	2013
	£	£
Operating leases which expire:		
Within one year	12,000	12,000
	<u>12,000</u>	<u>12,000</u>

### 14 Retirement Benefits

#### Defined contribution scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund during the year as shown below. There were no pension contributions outstanding at the year end (2013: £nil).

	2014	2013
	£	£
Contributions payable by the company for the period	4,258	3,895
	<u>4,258</u>	<u>3,895</u>

### 15 Related party relationships and transactions

With administrative expenses are consultancy fees of £220,331 (2013: £185,856) payable to certain directors for their services.

Within trade debtors at 31 December 2014 is an amount of £1,457 due from Falkland Islands Oil Services Limited, a company for which D E Spencer is a director and Rust Resources Holdco Limited holds 49% of the share capital.

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

### 16 Control

The ultimate parent undertaking is Rust Resources Holdco Limited, a company registered in England and Wales.

The Directors do not consider there to be one ultimate controlling party of Rust Resources Holdco Limited.