

John Brown E & C Limited

Annual Report and Financial Statements

For year to 31 December 2014

Registered Number - 03712896

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COMPANIES HOUSE

John Brown E & C Limited

Directors

G Williams
B Middleton
W Setter

Company Secretary

R Brown

Registered office

Compass Point
79-87 Kingston Road
Staines
TW18 1DT

Bankers

HSBC PLC
2 Queens Road
Aberdeen
AB15 4ZT

Independent auditors

PricewaterhouseCoopers LLP
32 Albyn Place
Aberdeen
AB10 1YL

John Brown E & C Limited

**Annual report and financial statements
for the year ended 31 December 2014**

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John Brown E & C Limited
Strategic report
for the year ended 31 December 2014

The directors present their strategic report on the Company for the year ended 31 December 2014.

Principal activities

John Brown E & C Limited is a limited liability company incorporated and domiciled in England. The principal place of business is at Compass Point, 79-87 Kingston Road, Staines, TW18 1DT.

Results

The profit for the financial year amounted to \$3,155k (2013: loss of \$(42k), which has arisen from the write back of certain liabilities.

In 2012 the company accrued costs in relation to the closure of its Moscow office. Following a detailed assessment of the current position during 2014, the directors' believe that a liability no longer exists in relation to closure of the Moscow office. The accrued costs held in relation to the office closure of \$2,255K have therefore been released in the period and credited to the profit and loss account. In the event that an unforeseen liability arises from the closure, confirmation has been obtained that this will be borne by a fellow Group entity.

In addition to this, a payable to another Group entity of \$1,457 was waived during the year, resulting in a credit to the profit and loss account.

Review of business

The company did not trade during 2014 and no future activity is planned.

The financial position of the Company is shown on the balance sheet on page 9.

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 Wood Group Kenny Engineering division, which includes the Company, is discussed in the Group's annual report and financial statements (of which page 8 includes the divisional KPIs).

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. There is some exposure to financial risks as discussed in note 11. The principal risks and uncertainties impacting the company are discussed in the context of John Wood Group PLC ("The Group") as a whole in the Group's annual report and accounts. These risks are arranged on a Group basis.

On behalf of the Board



Bruce Middleton
Director
10 December 2015

John Brown E & C Limited
Directors' report
for the year ended 31 December 2014

The directors present their report and the audited financial statements for the year ended 31 December 2014.

Future developments

The company has ceased operations and the directors' do not anticipate any future trading activities at this time.

Dividends

The directors do not recommend the payment of a dividend (2013: 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:

G Williams
B Middleton
W Setter Appointed 28th February 2014

Going Concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company John Wood Group Plc. The directors have received confirmation that John Wood Group Plc intend to support the company for at least one year after these financial statements are signed.

John Brown E & C Limited
Directors' report (continued)
for the year ended 31 December 2014

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 the law the directors have prepared 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;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

Statement as to disclosure of information to auditors

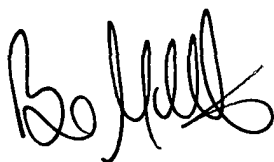
The directors who were members of the Board at the time of approving this report are listed on page 1. Having made enquiries of fellow directors, each of these directors confirms that:

- 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 auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed.

On behalf of the Board



Bruce Middleton
Director
10 December 2015

Independent auditors' report to the members of John Brown E & C Limited

Report on the financial statements

Our opinion

In our opinion, John Brown E & C Limited's financial statements (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 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.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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), including FRS 101 "Reduced Disclosure Framework".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out on page 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent 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.

What an audit of financial statements involves

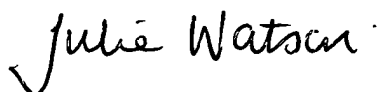
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.



Julie Watson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
10 December 2015

John Brown E & C Limited
Profit and loss account
for the year ended 31 December 2014

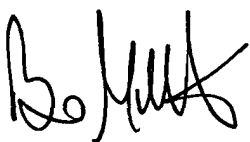
	Note	2014 \$000	2013 \$000
Administrative expenses		-	(9)
Operating exceptional items	4	3,712	-
Operating profit/(loss)		3,712	(9)
Interest payable and similar charges	5	(40)	(47)
Profit/(loss) on ordinary activities before taxation		3,672	(56)
Tax on profit/(loss) on ordinary activities	6	(517)	14
Profit/(loss) and total comprehensive income/expense for the financial year		3,155	(42)
Attributable to:			
Equity owners of the Company		3,155	(42)

The results have been derived wholly from discontinued operations.

John Brown E & C Limited
Balance sheet
As at 31 December 2014

	Note	2014 \$000	2013 \$000
Current assets			
Debtors	7	-	57
Cash at bank and in hand		-	24
		-	81
Creditors: amounts falling due within one year	8	(439)	(3,675)
Net current liabilities		(439)	(3,594)
Total assets less current liabilities		(439)	(3,594)
Net liabilities		(439)	(3,594)
Capital and reserves			
Called-up share capital	9	6,502	6,502
Profit and loss account - deficit		(6,941)	(10,096)
Total shareholders' deficit		(439)	(3,594)

The financial statements on pages 8 to 15 were approved by the Board of Directors on 10 December 2015 and were signed on its behalf by:



Bruce Middleton
Director

Registered number: 03712896

John Brown E & C Limited
Statement of changes in equity
for the year ended 31 December 2014

	Called-up share capital \$000	Profit and loss account \$000	Total Shareholders funds (deficit) \$000
At 1 January 2013	6,502	(10,054)	(3,552)
Loss and total comprehensive expense for the financial year	-	(42)	(42)
At 31 December 2013	6,502	(10,096)	(3,594)
Profit and total comprehensive income for the financial year	-	3,155	3,155
At 31 December 2014	6,502	(6,941)	(439)

John Brown E & C Limited
Notes to the financial statements (continued)
for the year ended 31 December 2014

1 General information

John Brown E & C Limited is a limited liability company incorporated and domiciled in England.

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 12 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 disclosure of "key management compensation" for key management other than the directors, and
- 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 US Dollars (USD) and all values are rounded to the nearest thousand US Dollars (\$000) except where otherwise indicated.

The company has net liabilities at the balance sheet date of \$439,000 (2013: \$3,594,000). However, the directors have obtained confirmation that it is the intention of the ultimate parent company to ensure adequate funds are made available to the company to meet its working capital requirements and its obligations in respect of its outstanding creditors for at least the next 12 months from the date of signing of the financial statements. Accordingly, these financial statements have been prepared on the going concern basis.

2 Summary of significant accounting policies - continued

2.2 Functional and reporting currency

The financial statements are presented in US Dollars which is the functional currency 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 12). Consequently the Company has taken advantage of the exemption available with FRS 101 from publishing a cash flow statement.

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 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.

2.6 Taxation

The tax expense in the profit and loss account represents the sum of taxes currently payable and deferred taxes. The tax currently payable 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.

John Brown E&C Limited
Notes to the financial statements (continued)
for the year ended 31 December 2014

3 Directors' remuneration

The directors neither received nor waived any emoluments during the year from the Company (2013: \$nil). Their remuneration is allocated to companies in the Group as part of an overall management charge and therefore it is not possible to determine the elements of directors' remuneration relevant to this Company in a practical manner.

4 Operating exceptional Items

	2014	2013
	\$000	\$000
Write back of accruals relating to entity closure	2,255	-
Write off of loans from Group companies	1,457	-
	3,712	-

In 2012 the company accrued costs in relation to the closure of its Moscow office. Following a detailed assessment of the current position during 2014, the directors believe that a liability no longer exists in relation to closure of the Moscow office. The accrued costs held in relation to the office closure of \$2,255K have therefore been released in the period and credited to the profit and loss account. In the event that an unforeseen liability arises from the closure, confirmation has been obtained that this will be borne by a fellow Group entity.

In addition to this, a payable to another Group entity of \$1,457 was waived during the year, resulting in a credit to the profit and loss account.

5 Interest payable and similar charges

	2014	2013
	\$000	\$000
Bank interest payable	40	47
	40	47

6 Tax on profit/(loss) on ordinary activities

	2014	2013
	\$000	\$000
Current tax		
UK corporation tax	466	(13)
Adjustments in respect of prior years	51	(1)
Total current income tax	517	(14)
Tax charge /(credit) for the year	517	(14)

The tax in the profit and loss account for the year was lower than average standard rate of corporation tax in the UK due to the following factors:

	2014	2013
	\$000	\$000
Accounting profit/(loss) of \$3,672k (2013: loss of \$56k) at average UK standard rate of corporation tax of 21.5% (2013: 23.25%)	789	(13)
Permanent differences	(323)	-
Adjustments in respect of prior years	51	(1)
Tax charge/(credit) for the year	517	(14)

John Brown E&C Limited
Notes to the financial statements (continued)
for the year ended 31 December 2014

6 Tax on profit/(loss) on ordinary activities (continued)

The standard Corporation Tax rate in the UK changed from 23% to 21% with effect from 1 April 2014. Accordingly, the Company's profits for 2014 are taxed at 21.5%.

In addition, a further reduction to 20% was enacted in the Finance Act 2013, with effect from 1 April 2015. This change has no significant impact on these financial statements.

7 Debtors

	2014	2013
	\$000	\$000
Group relief receivable	-	57
	-	57

8 Creditors: amounts falling due within one year

	2014	2013
	\$000	\$000
Loans from Group companies	-	1,308
Accrued expenses and deferred income	-	2,366
Corporation tax	-	1
Group relief payable	439	-
Total	439	3,675

9 Called-up share capital

	2014	2013
	\$000	\$000
Allotted and fully paid:		
4,205,126 (2013: 4,205,126) Ordinary shares of \$1 each	6,502	6,502
Total	6,502	6,502

10 Related party transactions

Transactions and balances with fellow Wood Group 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.

11 Financial risk management objectives and policies

11.1 General

The Company's principal financial liabilities, at 31 December 2013, comprised intercompany loans and accruals. The main purpose of these financial liabilities was to finance the Company's operations. These liabilities were cleared during the year.

The main risk arising from the Company's financial liabilities was cash flow interest rate risk.

In light of the fact that the Company's interest and charges were inter-Group, the directors decided not to hedge its interest rate exposures.

12 Ultimate parent undertaking

The Company is a wholly owned subsidiary of Wood Group Engineering Operations and Support Limited.

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 John Wood House, Greenwell Road, Aberdeen, AB12 3AX, Scotland.