

# AMENDING ACCOUNTS

Company Registration No. 05081024 (England and Wales)

**WHESOE OIL & GAS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

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# WHESOE OIL & GAS LIMITED

## COMPANY INFORMATION

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**Director** C J Droogan (Appointed 10 July 2017)

**Company number** 05081024

**Registered office** Cleveland House  
Yarm Road  
Darlington  
Co Durham  
DL1 4DE

**Auditor** Goodman Jones LLP  
29-30 Fitzroy Square  
London  
W1T 6LQ

**Bankers** Arab National Bank  
P O Box 2LB  
35 Curzon Street  
London  
W1J 7TT

HSBC Bank plc  
110 - 116 Grey Street  
Newcastle upon Tyne  
NE1 6JG

HSBC New Delhi Main Branch  
52/60 Mahatma Gandhi Road  
P.O. Box 631  
Mumbai 400 001  
India

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# WHESOE OIL & GAS LIMITED

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# WHESSOE OIL & GAS LIMITED

## DIRECTOR'S REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2017

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The director presents his report and financial statements for the year ended 31 December 2017.

#### Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of a final dividend.

#### Principal activities

The principal activity of the company continued to be that of engineering, procurement and construction supervision services in the oil and gas, and petrochemical industries.

#### Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Dr S I A Ismail

(Resigned 10 July 2017)

C J Droogan

(Appointed 10 July 2017)

#### Auditor

In accordance with the company's articles, a resolution proposing that Goodman Jones LLP be reappointed as auditor of the company will be put at a General Meeting.

#### Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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 director is 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. He is 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 of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 auditor is aware of that information.

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

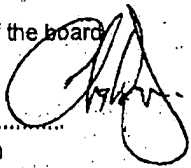
**WHESOE OIL & GAS LIMITED**

**DIRECTOR'S REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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On behalf of the board



C J Droogan

Director

Date: 27/9/18

# WHESSOE OIL & GAS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF WHESSOE OIL & GAS LIMITED

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#### Qualified opinion on financial statements

We have audited the financial statements of Whessoe Oil & Gas Limited (the 'company') for the year ended 31 December 2017 which comprise the Profit And Loss Account, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

#### Basis for qualified opinion

The company has taken a prudent approach to creditor balances shown in the financial statements; accruals and deferred income on contracts are shown with a carrying amount of £4,258k (2016 - £4,426k) in the closing balance sheet as at 31 December 2017. The audit evidence available to us was limited because the supporting documentation to allow us to review the stage of completion and outcome of long term contracts as at 31 December 2017 is not available. Owing to the nature of the company's records, we were unable to obtain sufficient audit evidence by using other audit procedures.

We were also unable to verify the trade creditors balance of £861k (2016 - £907k) in the closing balance sheet as at 31 December 2017. This was similarly due to lack of accounting records, as the entire balance, exclusive of revaluation adjustments, relates to transactions that pre-dates the current and prior period.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reasons set out in that note.

#### Other information

The director is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# WHESSOE OIL & GAS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF WHESSOE OIL & GAS LIMITED

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#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report.

In respect solely of the limitation on our work relating to accruals and deferred income on contracts described above:

- we have not received all the information and explanations we require for our audit; and
- we were unable to determine whether adequate accounting records had been maintained; and
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.

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:

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made.

#### Responsibilities of director

As explained more fully in the Director's Responsibilities Statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# WHESSOE OIL & GAS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF WHESSOE OIL & GAS LIMITED

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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.

  
Graeme Bursack (Senior Statutory Auditor)  
for and on behalf of Goodman Jones LLP

Chartered Accountants  
Statutory Auditor

*28th September 2018*

29-30 Fitzroy Square  
London  
W1T 6LQ

# WHESOE OIL & GAS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £'000	2016 £'000
Turnover		60	228
Cost of sales		-	(2)
<b>Gross profit</b>		<u>60</u>	<u>226</u>
Administrative expenses		(61)	(239)
<b>Loss before taxation</b>		<u>(1)</u>	<u>(13)</u>
Tax on loss		-	-
<b>Loss for the financial year</b>		<u><u>(1)</u></u>	<u><u>(13)</u></u>

# WHESOE OIL & GAS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017		2016	
		£'000	£'000	£'000	£'000
<b>Current assets</b>					
Cash at bank and in hand		582		538	
Creditors: amounts falling due within one year	3	(7,232)		(7,187)	
<b>Net current liabilities</b>			(6,650)		(6,649)
<b>Capital and reserves</b>					
Called up share capital	4		835		835
Capital redemption reserve			47,706		47,706
Profit and loss reserves			(55,191)		(55,190)
<b>Total equity</b>			(6,650)		(6,649)

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

The financial statements were approved by the board of directors and authorised for issue on 27/9/18 and are signed on its behalf by:

C.J. Droogan

Director

Company Registration No. 05081024

# WHESOE OIL & GAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Company information

Whesoe Oil & Gas Limited is a private company limited by shares incorporated in England and Wales. The registered office is Cleveland House, Yarm Road, Darlington, Co Durham, DL1 4DE.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

Management intend that the company will cease to trade in the near future. As such the financial statements have not been prepared on a going concern basis. As a result, all assets and liabilities are classified as current in these financial statements.

#### 1.3 Turnover

Turnover represents the sales value of work done in the period and is net of VAT and trade discounts. Profit on contracts is calculated in accordance with relevant UK accounting standards and industry practice and may not relate to turnover.

The principle estimation technique used by the company in establishing attributable profit on long term contracts is on a contract by contract basis, focusing on costs to complete and evaluating the final outcome anticipated on that contract, once this can be foreseen with reasonable certainty.

Profit on short term contracts is recognised on completion.

Provision is made for losses incurred on contracts (or foreseen to be incurred) as soon as they become apparent.

#### 1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# WHESOE OIL & GAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

### 1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.7 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

### 2 Operating loss

	2017	2016
	£'000	£'000
Operating loss for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	9	10

# WHESOE OIL & GAS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 3 Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Trade creditors	861	907
Amounts due to group undertakings and undertakings in which the company has a participating interest	1,861	1,558
Other creditors	4,510	4,722
	<u>7,232</u>	<u>7,187</u>

Included within other creditors are contract accruals of £4,258k (2016: £4,426k). In the opinion of the director, these relate entirely to trade and contract balances that were not sold to a fellow group subsidiary in January 2013.

Other creditors includes deferred income of £233k (2016: £273k) relating to a government grant in respect of which the director believes there is no more than a remote risk of repayment being sought by the relevant Government agency at amounts greater than those provided in these financial statements.

Amounts due to group undertakings includes an outstanding loan of £1,119k (2016: £1,157k) due to the ultimate parent undertaking, which has no fixed repayment terms, no interest charge and is unsecured. Historically it was agreed that the loan would be repaid when the company returned to profit, it is classified as due in under one year as it is strictly repayable on demand.

### 4 Called up share capital

	2017 £'000	2016 £'000
Ordinary share capital Issued and fully paid 834,518 ordinary shares of £1 each	835	835

### 5 Financial commitments, guarantees and contingent liabilities

The outcome of ongoing litigation is uncertain therefore it is not possible to quantify any gain or loss arising from this.

### 6 Parent company

The Company's immediate parent is ARPIC LNG Investment Company Limited, a company incorporated in the British Virgin Islands.

The Company's ultimate parent undertaking, in the opinion of the director, is the Al Rushaid Petroleum Investment Company of Saudi Arabia, whose registered office is at PO Box 31685 - Al-Khobar 31952, Saudi Arabia.

The ultimate controlling party is Sheikh Abdullah Al Rushaid, who has a majority shareholding in the Al Rushaid Petroleum Investment Company of Saudi Arabia. The registered office for the company is at PO Box 31685, Al-Khobar 31952. Saudi Arabia.