Directors' Report and

Financial Statements for the year ended 31 December 2019

for

Cybernetix S.R.I.S. Limited

Cybernetix S.R.I.S. Limited (Registered number: 5961602)
Company Information
For the year ended 31 December 2019

DIRECTORS:	F Topalian S Rocher
SECRETARY:	C McKerrow
INDEPENDENT AUDITORS:	PricewaterhouseCoopers LLP Atria One 144 Morrison Street Edinburgh EH3 8EB
BANKERS:	Barclays Bank 163 – 165 Union Street Aberdeen AB11 6SL
REGISTERED OFFICE:	One St Paul's Churchyard London EC4M 8AP

Cybernetix S.R.I.S. Limited (Registered number: 5961602)
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The directors present their report and the audited financial statements for the year ended 31st December 2019.

Results and dividends

The loss for the financial year amounted to £151,312 (2018: profit of £5,498,523). The directors do not recommend a dividend for the year (2018: nil).

Principal activities

The company's principal activity is the provision of inspection and integrity management services. The company also engages in the research and development activities relating to new pipeline inspection tools and techniques. The company is a private limited company limited by shares incorporated and domiciled in the UK and registered in England and Wales. The company is a wholly owned subsidiary of Genesis Oil & Gas Consultants Limited and the ultimate parent undertaking and controlling party is Technip Energies N.V. (effective from 16 February 2021), a company incorporated in the Netherlands. Please see details in note 13.

Going concern

The company has net assets of £133,293 (2018: £284,605). Subsequent to year end, the COVID 19 virus and the volatility in oil prices have also affected the regular economic activity but to date there has been some, but not a significant, impact on the operations and financial results of the Company.

The company has received a letter of support from the ultimate holding company Technip Energies N.V. confirming they will continue to provide such funds as are necessary to enable the Company to continue to trade and to meet its liabilities as they fall due and that the shareholders will not seek repayment of the amounts currently made available for a period of at least 12 months from the date of approval of the financial statements.

Based on the above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and a period of at least 12 months from date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Future developments

Cybernetix S.R.I.S. Limited has been working closely with Cybernetix SASU, based in France, over the past few years. This relationship is envisaged to continue for the foreseeable future with low levels of activity going through the company.

The company is monitoring the impact of the announcement that the United Kingdom has withdrawn from the European Union. At this time, the withdrawal has not had a material impact on operations, either from a supply chain cost perspective or on end customer ordering activity. The long-term impact of the withdrawal has not been factored materially into our forecasts, as we expect that our customer base will continue to require our products and services in the future.

Post balance sheet events

COVID-19 and its impact on the company

The COVID-19 outbreak has been and remains the cause of significant disturbance to the company in years 2020 and 2021. The consequences of this outbreak and its attendant restrictions upon operational and trading conditions are likely to be felt for at least the rest of the year. The directors of the company monitor very closely the effect of the pandemic on the company's operations. The priority remains the safety and wellbeing of our employees and the ongoing support to our clients.

Measures have been implemented during the 2020 and 2021 financial years, to mitigate the effect of COVID-19 upon the group's financial performance, including measures to reduce costs. The financial impact of the pandemic on our 2020 financials will not be material.

Spin-off of Technip Energies

On 16 February 2021, the ultimate holding company (TechnipFMC Plc) completed the spin-off to separate the Group's Onshore/Offshore segment and loading systems business into an independent, publicly traded company of Technip Energies N.V.

As a part of the spin off transaction, the company is now part of the Technip Energies Group.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

T Bille	(resigned 11 February 2021)
H Urquhart	(resigned 11 February 2021)
S Rocher	
F Topalian	(appointed 19 January 2021)

Director's indemnity

The company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the company.

Appropriate directors' and officers' liability insurance cover is in place in respect of the company's director.

Financial risks management

The company finances its activities with a combination of cash and loans from and to group undertakings to satisfy short-term cash flow needs.

Foreign currency risk

The company seeks to mitigate the effect of its foreign currency exposures by fixing exchange rates in advance for projects with a material foreign currency element. As a result, the company has minimal exposure to foreign currency risks as at the Balance Sheet date or the year then ended.

Interest rate risk

The company invests any surplus funds with group undertakings and, if necessary, borrows funds to support its activities from the same group undertakings. Interest rate risk is therefore not material.

Credit risk

The risk of financial loss could arise due to a counterparty's failure to honour its contracted obligations. Company policies are aimed at minimising such losses and require that customers satisfy creditworthiness procedures and provide acceptable payment terms, supported if necessary, by adequate payment security. Overdue debts are carefully monitored, and appropriate action is taken for their recovery.

Liquidity risk

The company mitigates this risk by managing cash balances, payments and collections and by ensuring adequate credit facilities are available in conjunction with other group undertakings.

Price risk

The company seeks to manage its exposure to changing market prices for services and materials by entering in to fixed price contracts and frame agreements with suppliers where it is appropriate.

Political

The Company has not made any political donations or incurred any political expenditure during the year.

Research and development

Research and development expenditures are written off as incurred. The research and development programme is focused on developing tools for pipeline inspection and integrity.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any 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 at the Annual General Meeting.

The directors' report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006. The directors' have also taken advantage of the exemption from presenting a strategic report in accordance with s414B of the Companies Act 2006.

On behalf of the board:

Franck Topalian

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F Topalian
Director

Date: 27 April 2021

Independent auditors' report to the members of Cybernetix S.R.I.S. Limited

Report on the audit of the financial statements

Opinion

In our opinion, Cybernetix S.R.I.S. Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 December 2019; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Richard Spilsbury (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
27 April 2021

Cybernetix S.R.I.S. Limited (Registered number: 5961602)
Statement of Comprehensive Income
For the year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Turnover	3	98	520
Cost of sales		(281)	(607)
Gross Loss		(183)	(87)
Administrative expenses		(34)	(107)
Other operating income	6	10	40
Impairment gains on financial liabilities due to group undertakings	11	-	5,632
(Loss)/Profit before income tax		(207)	5,478
Tax on (loss)/profit	8	56	21
(Loss)/Profit and total comprehensive (expense)/ income for the financial year		(151)	5,499

All operations are continuing.

The notes on the accompanying pages form part of these financial statements.

Cybernetix S.R.I.S Limited (Registered number: 5961602)
Statement of Financial position
As at 31 December 2019

	Note	2019 £'000	2018 £'000
Fixed Assets			
Tangible assets	9	-	13
Current assets			
Debtors	10	89	373
Cash at bank and in hand		104	881
		193	1,254
Current Liabilities			
Creditors: amounts falling due within one year	11	(59)	(982)
Net current assets		134	272
Net assets		134	285
Capital and reserves			
Called up share capital	12	-	-
Retained Earnings		134	285
Total shareholders' funds		134	285

The notes on the accompanying pages form part of these financial statements.

The financial statements on pages 11 to 23 of Cybernetix S.R.I.S. Limited were approved by the Board of Directors on 27 April 2021 and were signed on its behalf by:

Franck Topalian

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F Topalian
Director

Cybernetix S.R.I.S. Limited (Registered number: 5961602)
Statement of Changes in Equity
For the year ended 31 December 2019

	Called up Share Capital £'000	Profit and loss account £'000	Total shareholders' (deficit)/funds £'000
Balance as at 1 January 2018	-	(5,214)	(5,214)
Profit and total comprehensive income for the financial year	-	5,499	5,499
Balance as at 31 December 2018	-	285	285
Loss and total comprehensive expense for the financial year	-	**(151)**	**(151)**
Balance as at 31 December 2019	-	**134**	**134**

1. Accounting policies

1.1. Basis of preparation

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared in accordance with the Financial Reporting Standard 101, 'Reduce disclosure framework' (FRS 101). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The company is a qualifying entity for the purpose of FRS 101 which sets out a reduced framework for a "qualifying entity", as described in the Standard. The Standard addressed the financial reporting requirements and disclosure exemption in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards (IFRS). Note 13 gives details of the Company's ultimate parent and from where consolidated financial statements prepared in accordance with IFRS may be obtained.

In these financial statements 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 IFRS in full. The only such exemptions that the directors consider to be significant are:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and tangible fixed assets;
- disclosures in respect of related party transactions entered between two or more members of a group; and
- disclosures in respect of the compensation of key management personnel

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of certain disclosures required by IFRS 7 Financial Instruments.

The financial statements of the company are presented in Pounds sterling, which is also the company's functional currency. All values are rounded to the nearest thousands, except where otherwise indicated.

New and amended standards adopted by the company

The company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2019:

- IFRS 16, 'Leases';
- Prepayment Features with Negative Compensation – Amendments to IFRS 9;
- Long-term Interests in Associates and Joint Ventures – Amendments to IAS 28;
- Annual Improvements to IFRS Standards 2015 – 2017 Cycle;
- Plan Amendment, Curtailment or Settlement – Amendments to IAS 19; and
- Interpretation 23 'Uncertainty over Income Tax Treatments'.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the company. These standards are not expected to have a material impact on the entity in the current or future reporting periods an on foreseeable future transactions.

1.2. Going Concern

The company has net assets of £133,293 (2018: £284,605). Subsequent to year end, the COVID 19 virus and the volatility in oil prices have also affected the regular economic activity but to date there has been some, but not a significant, impact on the operations and financial results of the Company.

The company has received a letter of support from the ultimate holding company Technip Energies N.V confirming they will continue to provide such funds as are necessary to enable the Company to continue to trade and to meet its liabilities as they fall due and that the shareholders will not seek repayment of the amounts currently made available for a period of at least 12 months from the date of approval of the financial statements.

Based on the above, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, and a period of at least 12 months from date of approval of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.3. Research and development

Research and development expenditures are written off as incurred. The research and development programme is focused on developing tools for pipeline inspection and integrity.

1.4. Revenue

Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised when or as control over a good or service is transferred to a customer.

Project revenue - revenue recognised over time

Allocation of transaction price to performance obligations

A contract's transaction price is allocated to each distinct performance obligation and recognised as revenue, when, or as, the performance obligation is satisfied. To determine the proper revenue recognition method, we evaluate whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment; some of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For contracts with multiple performance obligations, we allocate the contract's transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct service in the contract.

Payment terms

Milestone payments and progress billings are generally issued upon completion of certain phases of the work as stipulated in the contract. Payment terms may either be fixed, lump-sum or driven by time (i.e., daily or hourly rates). Amounts billed and due from our customers are classified as receivables on the statement of financial position. Our standard credit terms are 30 days.

Revenue recognised over time

Our performance obligations are satisfied over time as work progresses or at a point in time when performance obligations are fulfilled and control transfers to the customer. Typically, revenue is recognised over time using an input measure (e.g., costs incurred to date relative to total estimated costs at completion) to measure progress.

Cost-to-cost method

For our long-term contracts, because of control transferring over time, revenue is recognised based on the extent of progress towards completion of the performance obligation. Upon adoption of the new standard we always use the cost-to-cost measure of progress for our contracts because it best depicts the transfer of control to the customer which occurs as we incur costs on our contracts. Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

Contract modifications

Contracts are sometimes modified to account for changes in contract specifications and requirements. We consider contract modifications to exist when the modification either creates new, or changes the existing, enforceable rights and obligations. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates is recognised as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

1.5. Foreign currencies

Monetary assets and liabilities in foreign currencies are expressed in sterling at the foreign exchange rates ruling at the balance sheet date. Transactions arising in foreign currency are translated at their spot rate and resultant exchange differences are recorded in the profit and loss account.

1.6. Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.7. Financial instruments

Financial Assets

Initial recognition and subsequent measurement

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through income or loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. From a review of the financial statements, the company has concluded the following classification change to have taken place as a result of IFRS 9 adoption:

- All financial instruments previously classified as loans and receivables under IAS 39 are classified and measured at amortised cost under IFRS 9.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All of the company's financial assets are held at amortised cost.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e., removed from the company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has

neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

IFRS 9 introduces a new expected credit loss model which broadens the information that an entity is required to consider when determining its expectations of impairment. Under this new model, expectations of future events must be taken into account and this could result in the earlier recognition of larger impairments.

The company has adopted the simplified expected credit loss model for its trade receivables and contract assets, in accordance with IFRS 9, paragraph 5.5.15. This simplified approach to measuring expected credit losses uses a lifetime expected loss allowance for all classes of financial assets.

Trade receivables are carried at cost less allowances for loss. The allowance loss measurement is then determined by applying a simplified approach equalling the lifetime expected credit losses. Under this approach the tracking of credit is not required but instead the base expected credit loss at all times is applied.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate ("EIR"). The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the Income Statement.

Financial Liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities and the adoption of IFRS 9 has therefore not had a significant effect on the Group's accounting policies related to financial liabilities nor derivative financial instruments.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through income or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in income or loss when the liabilities are derecognised as well as through the EIR amortisation process.

2. Critical accounting estimates

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

2.1 Revenue recognition – revenue recognised over time

For lumpsum projects, the percentage of completion is calculated according to the nature and the specific risk of each contract. The percentage of completion is usually based on technical milestones laid out in the agreement with the client or the ratio between the budgeted hours and the actual hours earned. Revenue is recognised based on the extent of progress towards completion of the performance obligation.

Under the cost-to-cost measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionally as costs are incurred.

Costs associated with specific risks are estimated by assessing the probability that conditions arising from these specific risks will affect our total cost to complete the project. After work on a project begins, assumptions that form the basis for our calculation of total project cost are examined on a regular basis and our estimates are updated to reflect the most current information and management's best judgement.

3. Turnover

The turnover for the year was attributable to the company's activity with clients in:

	2019	2018
	£'000	£'000
UK and Europe	**98**	520
	98	520

4. Operating loss

Operating loss is stated after charging auditor's remuneration for audit services of £5,000 (2018: £5,000). The company's audit fee of £Nil (2018: £5,000) is borne by the company's immediate parent undertaking company.

5. Directors' emoluments

There were no directors remunerated solely by the company in 2019 or 2018 consequently no directors received contributions towards money purchase pension schemes in 2019 or 2018. Some directors of the company are also directors of the ultimate parent company or fellow subsidiaries and receive remuneration directly from these companies. The directors do not believe that it is practicable to apportion their remuneration between their services as directors of the company and their services as directors of the holding and fellow companies.

6. Other income

Other income includes revaluation loss of £6,000 (2018: gain of £17,000), following revaluation of its accounts payable, accounts receivable and bank balances held in foreign currency. In 2019, there was also gain of £16,000 on payment of EURO invoices (2018: £23,000).

7. Staff costs

The company had no UK employees (2018: nil). Staff cost is nil as all personnel are employed under the parent entity. Staff are contracted from the parent company based on business necessity and charged through administrative expenses.

8. Tax on (loss)/profit

(a) The taxation credit is made up as follows:

	2019 £'000	2018 £'000
UK corporation tax expenses/ (credit)	**(50)**	(21)
Deferred tax expenses/ (credit)	**(6)**	-
Tax on (loss)/profit	**(56)**	(21)

(b) Factors affecting current tax credit

The tax assessed on the (loss)/profit for the year differs (2018: differs) from the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

	2019 £'000	2018 £'000
(Loss)/Profit before income tax	**(207)**	5,478
(Loss)/Profit before income tax multiplied by standard rate of corporation tax in the UK 19% (2018: 19%)	**(39)**	1,041
Effect of:		
Depreciation in excess of allowances	-	2
R&D tax adjustment	-	2
Non-taxable income	-	(1,070)
Prior year adjustment	**(17)**	4
Tax credit for the year	**(56)**	(21)

(c) Factors affecting current and future tax charges

A change to the future UK corporation tax rate was announced in the March 2020 Budget. The rate will no longer drop to 17% with effect from 1 April 2020 but will remain at the previous rate of 19%. This change had not been substantively enacted at the balance sheet date and therefore is not recognised in these financial statements. The effect of this change, if it applied to the deferred tax balance at 31 December 2019, would be to increase the deferred tax asset by £684.

(d) Movement in deferred tax asset

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

The deferred tax asset arises entirely from Accelerated capital allowances:

	2019
Movements in the year:	**£**
Asset at 1 January 2019	-
Credit to profit or loss	6
Asset at 31 December 2019	**6**

9. Tangible assets

	Office Equipment £'000	Total £'000
Cost:		
At 1st January 2019	57	57
Additions	-	-
At 31 December 2019	**57**	**57**
Accumulated Depreciation:		
At 1st January 2019	44	44
Charge for the year	13	13
At 31 December 2019	57	**57**
Net Book Value:		
At 31 December 2019	-	-
At 31 December 2018	**13**	**13**

10. Debtors

	2019 £'000	2018 £'000
Trade debtors	**-**	55
Corporation tax	**65**	132
Deferred taxation (Refer Note 8)	**6**	-
Accrued revenue	**14**	186
VAT	**4**	-
	89	373

During the year, an invoice amounting £165,008 was issued which resulted in a significant reduction in accrued revenue. Based on management's assessment of the credit risk of the debtors' balance, the IFRS 9 expected credit loss impact was highly immaterial and therefore no adjustment has been made.

11. Creditors: amounts falling due within one year

	2019	2018
	£'000	£'000
Trade creditors	**-**	23
Amounts owed to group undertakings	**12**	930
Accruals	**47**	29
	59	982

Amounts owed to group undertakings are unsecured, interest-free and repayable on demand. In 2018, the company derecognised financial liabilities of £Nil (2018: £5,632,482) relating to amounts owed to a group undertaking.

12. Called up share capital

		Authorised
	2019	2018
	No.	**No.**
Ordinary shares of £1 each	1	1

	Allotted and fully paid	
	2019	2018
	£'000	£'000
1 (2018:1) ordinary share of £1	-	-

One ordinary share was issued for cash on incorporation.

13. Ultimate parent undertaking

The company's immediate parent undertaking is Genesis Oil & Gas Consultants Limited.

The ultimate parent undertaking and controlling party till 15 February 2021 was TechnipFMC Plc, a company incorporated in the United Kingdom, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The consolidated financial statements of TechnipFMC plc are available for inspection at TechnipFMC Plc's website (investors.technipfmc.com).

From, 16 February 2021, the company's Ultimate parent undertaking is Technip Energies N.V, as an entity incorporated in the Netherlands.

14. Subsequent events

COVID-19 and its impact on the company

The COVID-19 outbreak has been and remains the cause of significant disturbance to the company in 2020 and 2021. The consequences of this outbreak and its attendant restrictions upon operational and trading conditions are likely to be felt for at least the rest of the year. The directors of the company monitor very closely the effect of the pandemic on the company's operations. The priority remains the safety and wellbeing of our employees and the ongoing support to our clients.

Measures have been implemented during the 2020 and 2021 financial year, to mitigate the effect of COVID-19 upon the group's financial performance, including measures to reduce costs. The financial impact of the pandemic on our 2020 financials will not be material.

Spin-off of Technip Energies

On 16 February 2021, the ultimate holding company (TechnipFMC Plc) completed the spin-off to separate the Group's Onshore/Offshore segment and loading systems business into an independent, publicly traded company of Technip Energies N.V.

As a part of the spin off transaction, the Company is now part of the Technip Energies Group.