Sturrock and Robson New Energy Limited (Formerly Reds Holdings Limited)

Registered number: 07268341

Directors' Report and Financial Statements

For the year ended 30 June 2019

Contents

Company Information

Directors	D G Mech A S Merrell
Registered number	07268341
Registered office	4 Fitzhardinge Street London W1H 6EG
Independent auditor	KPMG LLP 15 Canada Square Canary Wharf London E14 5GL

Directors' Report

The directors present their report and the financial statements for the year ended 30 June 2019.

Principal activity

The principal activity of the company is that of a holding company with an investment in Reach Engineering & Diving Services Limited ("REDS").

On 19 March 2019 the company changed its name from Reds Holdings Limited to Sturrock and Robson New Energy Limited.

Results and dividends

The loss for the year, after taxation, amounted to £134,000 (2018: £134,000).

No dividends were paid during the year (2018: £nil).

Director

The directors who served during the year were:

D G Mech
R Shamuyarira (resigned 12 October 2018)
A S Merrell (appointed 15 October 2018)

Going concern

Notwithstanding net current liabilities of £700,000 (2018: £566,000) and net liabilities of £2,157,000 as at 30 June 2019 (2018: £2,023,000), as well as a loss for the year then ended of £134,000 (2018: £134,000), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its parent company, Sturrock and Robson International B.V., to meets its liabilities as they fall due for that period.

Those forecasts are dependent on Sturrock and Robson International B.V. providing additional financial support during that period. Sturrock and Robson International B.V. has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Directors' Report

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditor

The auditors, KPMG LLP, will be proposed for reappointment in accordance with the section 485 of the Companies Act 2006.

Small companies note

In preparing the report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A S Merrell

Director

Date: 4-12-19

Statement of Directors' responsibilities in respect of the Directors' Report and financial statements

The directors are responsible for preparing the Director's 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework.*

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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STURROCK AND ROBSON NEW ENERGY LIMITED

Opinion

We have audited the financial statements of Sturrock and Robson New Energy Limited ("the company") for the year ended 30 June 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STURROCK AND ROBSON NEW ENERGY LIMITED *(continued)*

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STURROCK AND ROBSON NEW ENERGY LIMITED *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

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.

Richard Johnson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
15 Canada Square
London
E14 5GL

6 December 2019

Statement of Comprehensive Income

for the year ended 30 June 2019

	Note	2019 £000	2018 £000
Interest payable and similar expenses	6	(165)	(165)
Loss before tax		(165)	(165)
Tax on loss	7	31	31
Loss for the financial year		(134)	(134)
Total comprehensive income for the year		(134)	(134)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 12 to 23 form part of these financial statements.

Statement of Financial Position

As at 30 June 2019

	Note		2019		2018
			£000		£000
Fixed assets					
Investments	8		1,843		1,843
			1,843		1,843
Current assets					
Debtors: amounts falling due within one year	9	63		169	
		63		169	
Creditors: amounts falling due within one year	10	(763)		(735)	
Net current liabilities			(700)		(566)
Total assets less current liabilities			1,143		1,277
Creditors: amounts falling due after more than one year	11		(3,300)		(3,300)
Net liabilities			(2,157)		(2,023)
Capital and reserves					
Called up share capital	12		-		-
Profit and loss account			(2,157)		(2,023)
Total equity			(2,157)		(2,023)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A S Merrell
Director
Date: 4-12-19
Registered number: 07268341

The notes on pages 12 to 23 form part of these financial statements.

Statement of Changes in Equity

for the year ended 30 June 2019

	Profit and loss account	Total equity
	£000	£000
At 1 July 2017	(1,889)	(1,889)
Comprehensive income for the year		
Loss for the year	(134)	(134)
Total comprehensive income for the year	(134)	(134)
At 1 July 2018	(2,023)	(2,023)
Comprehensive income for the year		
Loss for the year	(134)	(134)
Total comprehensive income for the year	(134)	(134)
At 30 June 2019	(2,157)	(2,157)

The notes on pages 12 to 23 form part of these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2019

1. General information

Sturrock and Robson New Energy Limited (formerly Reds Holdings Limited) is a private company limited by shares, incorporated in England in the United Kingdom. Its registered office and principal place of activity is 4 Fitzhardinge Street, London, W1H 6EG.

The principal activity of the company is that of a holding company with an investment in Reach Engineering & Diving Services Limited ("REDS").

On 22 March 2019 the company changed its name from Reds Holdings Limited to Sturrock and Robson New Energy Limited.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest thousand.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework ("FRS 101").*

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

Notes to the Financial Statements

for the year ended 30 June 2019

2. Accounting policies (continued)

2.1 Basis of preparation of financial statements (continued)

As the consolidated financial statements of Sturrock and Robson International B.V. include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

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

2.2 Exemption from preparing consolidated financial statements

The company is subject to the small companies regime at the end of the financial year and is therefore exempt from the requirement to prepare consolidated financial statements under section 399 of the Companies Act 2006.

2.3 New standards, amendments and IFRIC interpretations

During the year, the company has adopted IFR 9 Financial Instruments as issued in July 2014. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018. There have been no changes to the classification of financial assets or liabilities under IFRS 9, however the impairment model under IFRS 9 reflects expected credit losses, rather than only incurred credit losses under IAS 39. The adoption of this standard has not had a material impact on the financial statements as at and for the year ended 30 June 2019.

2.4 Going concern

Notwithstanding net current liabilities of £700,000 (2018: £566,000) and net liabilities of £2,157,000 as at 30 June 2019 (2018: £2,023,000), as well as a loss for the year then ended of £134,000 (2018: £134,000), the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through its overdraft facility and, in downside cases, funding from its fellow subsidiary company, Sturrock and Robson (UK) Limited, to meet its liabilities as they fall due for that period.

Notes to the Financial Statements

for the year ended 30 June 2019

2. Accounting policies (continued)

2.4 Going concern (continued)

Those forecasts are dependent on Sturrock and Robson (UK) Limited not seeking repayment of the amounts currently due to the group, and providing additional financial support during that period. Sturrock and Robson (UK) Limited has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

2.5 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Nonmonetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'administration expenses'.

Notes to the Financial Statements

for the year ended 30 June 2019

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Taxation

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short term debtors and loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Financial instruments (from 1 July 2018)

(a) Financial assets

The company classifies all of its financial assets at amortised cost. The classification depends on the business model within which the financial asset is held and contractual cash flow characteristics of the financial asset. Management determines the classification of its financial assets at initial recognition.

Notes to the Financial Statements

for the year ended 30 June 2019

2. Accounting policies (continued)

2.10 Financial instruments (from 1 July 2018) (continued)

Financial assets at amortised cost

The company classifies its financial assets at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are soley payments of principal and interest.

The company holds all loans and receivables at amortised cost.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method.

(b) Financial liabilities

All financial liabilities are recognised initially at fair value, and are subsequently measured as liabilities at amortised cost.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses arising on those financial liabilities are recognised in profit or loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance expenses in profit or loss.

(c) Impairment of financial assets

The impairment loss of financial assets carried at amortised cost is measured based on twelve months expected credit loss. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss. Financial assets are written off when there is no reasonable expectation of recovery.

As at 30 June 2018 and 2019, management considered the credit risk of loans and receivables is low as counterparties have a strong capacity to meet their contractual obligations in the near term. The company has assessed that the expected credit losses for these other receivables were immaterial under the 12 months expected credit losses method. The loss allowance provision for these balances were close to zero and no provision was recognised.

Notes to the Financial Statements

for the year ended 30 June 2019

2. Accounting policies (continued)

2.11 Financial instruments (applicable before 1 July 2018)

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instrument transactions are explained below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

2.12 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

for the year ended 30 June 2019

2. Accounting policies (continued)

2.13 Impairment of non-financial assets

The carrying amounts of the company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the unit (group of units) on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Valuation of investments in subsidiaries

Impairment of investments is assessed when impairment indicators are present.

An impairment review of Reach Engineering & Diving Services Limited was carried out at the end of the financial year. The recoverable amount of this investment was based on fair value, estimated using discounted cash flows.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. The key assumptions used were a discount rate of 14% (2018: 14%) and a growth rate of 2.5% (2018: 2.5%).

Notes to the Financial Statements

for the year ended 30 June 2019

4. Employees

The company has no employees other than the directors, who did not receive any remuneration (2018: £nil).

Directors' remuneration is borne by Sturrock and Robson Services Ltd.

No allocation of their remuneration can be specifically attributed to the company as it is considered trivial.

5 Auditor's remuneration

Audit fees of £11,000 (2018: £6,000) for the audit of these financial statements were borne by Sturrock and Robson Services Limited, a fellow subsidiary within the Sturrock and Robson International B.V. Group.

6 Interest payable and similar expenses

	2019	2018
	£000	£000
Loans from group undertakings	165	165
	165	165

Notes to the Financial Statements

for the year ended 30 June 2019

7 Taxation

	2019 £000	2018 £000
Group taxation relief	(31)	(31)
	(31)	(31)
Total current tax	(31)	(31)
Deferred tax	-	-
Taxation on loss	(31)	(31)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2018: the same as) the standard rate of corporation tax in the UK of 19% (2018: 19%) as set out below:

	2019 £000	2018 £000
Loss before tax	(165)	(165)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(31)	(31)
Total tax charge for the year	(31)	(31)

Factors that may affect future tax charges
A reduction in the UK corporation tax rate from 19% to 17% was substantively enacted in September 2016 and will take effect from 1 April 2020.

Notes to the Financial Statements

for the year ended 30 June 2019

8 Fixed asset investments

	Investments in subsidiary companies £000
Cost	
At 1 July 2018	1,843
At 30 June 2019	1,843
Net book value	
At 30 June 2019	1,843

Subsidiary

The following are subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Reach Engineering & Diving Services Limited ("REDS")	United Kingdom	Ordinary	100%	Provision of engineering solutions by specialist access techniques of diving services, rope access and confined space entry.

Name	Registered Office
Reach Engineering & Diving Services Limited ("REDS")	Cottage Leap, Rugby, Warwickshire, CV21 3XP

9 Debtors

	2019 £000	2018 £000
Tax recoverable - Group relief	63	169
	63	169

Notes to the Financial Statements

for the year ended 30 June 2019

10 Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Amounts owed to group undertakings	763	735
	763	735

Included within amounts owed to group undertakings is interest payable to Sturrock and Robson UK of £495,000 (2018: £330,000).

Amounts owed to group undertakings is unsecured, interest-free and repayable on demand.

11 Creditors: Amounts falling due after more than one

	2019	2018
	£000	£000
Amounts owed to group undertakings	3,300	3,300
	3,300	3,300

The above loan amount is owed to Sturrock and Robson (UK) Limited with annual interest charged at 5%. The repayment date for the loan is over five years.

12 Share capital

As at 30 June 2019 and 30 June 2018, the authorised capital comprised 1 ordinary share. The ordinary share has a par value of £1.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

Notes to the Financial Statements

for the year ended 30 June 2019

13. Commitments

A cross guarantee and debenture exists between the company and certain other members of the Sturrock and Robson International B.V. group. At 30 June 2019, the total contingent liability in relation to this is £2,432,000 (2018: £2,886,000). This may become payable should the other members fail to pay their facility commitments.

Under a group registration scheme, this company is jointly and severally liable for Value Added Tax by other group companies. At 30 June 2019 this contingent liability amounted to £16,000 (2018: £nil).

14. Related party transactions

The company has taken advantage of the exemption offered by FRS 101 from the requirements of paragraph 17 of IAS 24 Related Party Disclosures not to disclose key management personnel compensation and from the requirements in IAS 24 Related Party Disclosures not to disclose related party transactions entered in to between two or more members of a group.

15. Post balance sheet events

There have been no significant events affecting the company since the year end.

16. Controlling party

The company is a subsidiary undertaking of Sturrock and Robson International B.V., which is the ultimate parent company incorporated in The Netherlands. This company is also the ultimate controlling party.

The largest group in which the results of the Company are consolidated is that headed by Sturrock and Robson International B.V., incorporated in the Netherlands. The consolidated financial statements of this group are available to the public and may be obtained from Sturrock and Robson International B.V., Nassaulaan 2A, 2514 JS, The Hague, The Netherlands.