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GEG (HOLDINGS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

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COMPANIES HOUSE

GEG (HOLDINGS) LIMITED

COMPANY INFORMATION



Directors

R J MacGregor
I R MacGregor
D A MacGregor
J D MacDonald
J A MacGregor
G J Farmer
T Wada
N Komaki (appointed 28 April 2020)
H Takani (appointed 28 April 2020)
M Murase (resigned 28 April 2020)
T Kobayashi (resigned 28 April 2020)
T Ezure (resigned 28 April 2020)

Company secretary

J D MacDonald

Registered number

SC415463

Registered office

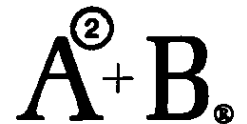
13 Henderson Road
Inverness
IV1 1SN

Independent auditor

Anderson Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

GEG (HOLDINGS) LIMITED

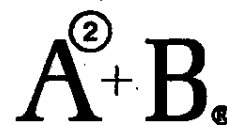
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GEG (HOLDINGS) LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2020**



Principal activities and review of the business

The Global Energy Group is an international service company creating value through a construction led approach to challenges in the oil and gas, renewable, nuclear, utilities and petrochemical sectors. The group combines a collection of niche offerings designed to reduce risks in early stage developments as well as enhancing performance in late-life assets.

The key financial and other performance indicators during the year were as follows:

	31 March 2020	31 March 2019	Change
	£m	£m	%
Turnover	245.0	205.7	19%
Profit after tax	6.6	7.1	-7%
EBITDA	22.7	20.8	9%
Shareholders' funds	89.2	84.7	5%
Average number of employees	1055	1005	5%

Following the groups' demerger in 2019 the groups' revenue increased by 19% compared to the previous year with a turnover of £245million (March 2019 – £206 million). Profit after tax for the financial year slightly decreased to £6.6m million, compared to £7.1 million in 2019. Positively the groups EBITDA also grew to £22.7m from £20.8m in the prior year on an unadjusted basis.

The increased revenue in the year came from acquisitive and organic growth, with the investments into the Rig Surveys Group and Apollo brands. This coupled with the recovery in both our offshore construction and fabrication businesses improved the top line performance of the group.

The group's core market "Oil and Gas" is still in a period of lower capital spend as confidence in the sector remains challenged with an increased societal pressure on climate change and the need for the sector to reduce its carbon footprint and develop carbon capture initiatives. GEG had seen some shoots of recovery during the year with an increase in marine, topside and subsea activity but does anticipate the market to remain more challenged in the short term with a reduction in commodity prices in March 2020 and off the backdrop of COVID19. Positively the group sees opportunity to deploy its skills in alternative markets.

The current oil price, reduced capital spend and uncertainty continues to be a catalyst for offshore asset owners to challenge conventional methods of maintaining their ageing infrastructure. The group experienced a positive response to its innovative, digitalisation and high performance methods of delivering critical repairs and maintenance and has benefited from operational spend in this space. Confidence remains high that the group can grow its market share in this space.

Encouragingly The Port of Nigg has now established itself as Scotland's offshore renewables hub as well as a multi energy user site with the completion of the Beatrice Offshore Wind Farm staging port project and commencement of Moray East Offshore Wind Farm staging port project. The port now provides a full service offering including logistics and fabrication services and supports both major renewables projects as well traditional Oil and Gas activities.

GEG manages its risks by diversifying across a number of highly regulated end markets. Sustaining revenues at £200 million reflects a robust diversification policy that covers non oil and gas infrastructure and a strong balance of operating expenditure/capital expenditure activities.

The balance sheet at 31 March 2020 notes net assets of £90m (2019 - £86m). The group's bank debt has remained consistent over the period with cash generated investment in strategic assets, overall leverage reduced at 31 March 2020 with an improvement to the groups trading EBITDA.

The balance sheet at 31 March 2020 notes net current assets of £1.3m which is line with the prior year balance of £1.6m. Both balances remain distorted with a significant capital commitment being refinanced after both year ends.

Principal risks and uncertainties

The Board and Directors remain confident that the current business model mitigates the group from major trading risks. In a typical year, 50% of the group will be linked to customer's operating expenditure budgets and 50% to a mixture of Brownfield and Greenfield capital expenditure budgets. Moreover, our risks are spread across different segments of the natural resources industry, and in different geographical communities. The directors have successfully built a portfolio of operations that are resilient to economic and political influences. Coupled with an organisational culture that can react fast to changing circumstances, we are confident in the continuing trading of the group.

COVID 19 Pandemic

The health, physical and mental wellbeing of our employees and subcontractors are of critical importance to us and all decisions made by board of directors reflect this.

The COVID-19 pandemic presents an unprecedented challenge for all and in our business, we seen an instant decrease in demand for our services due to the restrictive working conditions to comply with social distancing measures. Notwithstanding this several of our services offered were deemed critical to support the energy supply chain during the pandemic and allowed the group to operate safely at a reduced level.

It is difficult to assess the impact of the short and long term changes in demand for our services and the longer term impact to the business but the directors are well versed into the changing energy market demands and see opportunity to transition the business.

Financial Instrument risks

The group has established a risk and financial management framework whose primary objectives are to protect the group from events that hinder the achievement of the group's performance objectives.

Financial instrument risks can be sub divided as follows:

Liquidity risk

The group policy is to ensure that sufficient liquidity is available to meet the foreseeable needs and to invest cash assets safely and profitably. Liquidity is achieved by overdraft and other long-term bank facilities. The group places significant focus on working capital management.

Interest rate risk

The group finances its operations through bank borrowings at floating rates. The group policy is to borrow at the lowest rates for periods that do not carry excessive time premiums.

Credit risk

The group policy is to minimise exposure to losses of defaulting customers. Credit terms are only granted to customers who satisfy credit worthiness procedures and in certain market sectors where appropriate credit insurance can be obtained. Credit limits are reviewed by finance department staff on a regular basis in conjunction with the debt ageing and collection history.

Section 172(1) statement

In 2008 the Companies (Miscellaneous Reporting) Regulations introduced a requirement for large companies to publish a statement describing how the directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006.

Section 172 (1) (a) to (f) requires each director to act in a way he or she considers would be most likely to promote the success of the company for the benefit of its members as a whole with regard to the following matters;

(a) The likely consequences of any decision in the long-term

At the heart of the company values is its to be people and creating a sustainable business. The directors believe that a consistently profitable business, which invests in people, culture, assets, processes and systems will ensure the sustainability of the Global business and brand identity for years to come.

Any decisions made by the board have the long-term objectives in mind.

(b) The interests of the companies employees

The board considers its people its greatest asset and the interests of employees are always taken into consideration when decisions are to be made.

Our newly created People and Culture team plays a pivotal role in supporting the group by leading a progressive and innovative People Strategy. The aim of People and Culture is to create an environment that delivers outstanding experiences and better opportunities by acting as a trusted strategic partner across the group. In doing so, we search for every opportunity to deliver innovative solutions that attract, nurture and engage a diverse workforce; creating core value for our colleagues, customers and shareholders. The team offers a true business partnering approach across employee relations, learning and leadership development, talent management, employee engagement, D&I and CSR.

Led by our People and Culture Director, our employee forum encourages transparent communication and positions itself as a key communication tool, enabling access to the very top of the organisation on topics which are concerning employees.

(c) The need to foster the companies business relationships with suppliers customers and others

We are a group of businesses which is focused on serving our customers and their specific needs, accordingly we have a business development and relationship team which invests time in developing relationships with clients and helping them find solutions to the challenges they face.

Due to diverse nature of the group the supply chain is fundamental to the delivery of our services and products. We work closely with a number of key suppliers to build strong relationships and look to develop longer term agreements where possible.

In addition to our customers and suppliers we seek to build strong relationships with multiple stakeholder groups including local authorities, politicians, trade associations, schools and accreditation bodies.

Our directors and senior management team take an active interest in these connections and take an active role in building and sustaining these relationships.

(d) The impact of the company's operations in the community and environment

Corporate Social Responsibility (CSR), Diversity and Inclusion (D&I) and Wellbeing all form a critical part of our agenda here at Global Energy Group. We have created a team of change champions to increase focus in these important areas. The team is made up of individuals from across our different portfolios who are the real voices for change, the voices that come from within our organisation and are heard throughout our organisation.

Our goal is to encourage groupwide collaboration facilitated by an empowered team who have the space to share and discuss ideas, and work together to create a plan of engagement.

The board is fully committed to supporting our local communities and has demonstrated this commitment through the provision of paid volunteering days for our employees. On a quarterly basis, our People and Culture team coordinate events and invite individuals to nominate themselves to volunteer and 'give back' to their local communities.

This results in increased morale, teamwork and communication, and benefits the individual, the team and the community.

(e) The desirability of the company maintaining a reputation for high standards of business conduct

The board believe it is of great importance that we are trusted by all our stakeholders and as a result we seek to run the business with a high level of integrity.

As part of the groups operational certification the business management systems set out the conduct in which the business operates and ensures high standards are met and delivered.

The audit process internally considers a wide range of reporting, control and governance issues which provides a level of assurance to the board and other stakeholders.

Our employee handbook and other relevant policies are reviewed annually and updated accordingly. Policies on anti-bribery, whistle blowing, and code of conduct are all available on the groups internal and external websites. These policies set the standard for group behaviours and a respectful culture.

The board has little appetite for reputational risk and tries to ensure that decisions made are for business interest of all stakeholder where possible.

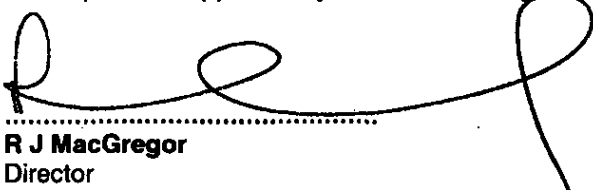
(f) The need to act fairly as between the members of the company

The board of directors is composed of several shareholders representatives from both the family and Mitsui Corporation, independent senior management executives and non-executive directors.

We believe the board dynamic ensures all shareholders are treated fairly and that all views are fully represented when making key decisions for the business.

A shareholder agreement sets out the rights of each shareholder and where decisions need specific consent at a board level.

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

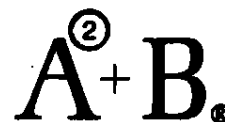


R J MacGregor
Director

Date: 22/12/20

GEG (HOLDINGS) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**



The directors present their report and the financial statements for the year ended 31 March 2020.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £6,621,000 (2019 - £9,793,000).

Refer to note 23 for details of dividends declared in the current and prior year.

Directors

The directors who served during the year were:

R J MacGregor
I R MacGregor
D A MacGregor
J D MacDonald
J A MacGregor
G J Farmer
T Wada
M Murase (resigned 28 April 2020)
T Kobayashi (resigned 28 April 2020)
T Ezure (resigned 28 April 2020)

Political contributions

The company did not make any political donations during the year.

Future developments

The directors forecast a period of lower capital and operational spend in the Oil and Gas market within the next 12-18 months. With a decrease in demand for Oil and Gas driven by COVID19 and increased societal focus on climate change and CO2 emissions, the directors are positioning the business to adapt to the fast changing energy marketplace. The directors have re-focused their strategy to grow market share, develop smarter technologies and processes and operate in a more efficient way which can help support the Energy market transition to a lower carbon future.

The directors plan to broaden the company revenue base in non-oil and gas markets such as, nuclear and renewables (particularly offshore and onshore wind) by transitioning its people and assets where possible without detriment to existing customers. The directors believe it is important to invest in its people during this time and to continue to provide solutions to clients' energy assets and projects. This strategy is designed to enable the group to service an ever-evolving energy landscape and to grow with sustainability in mind.

The group has placed a significant focus on the development of the Port of Nigg to support future energy infrastructure projects as well as service existing customers. Plans to develop an Offshore Wind Manufacturing Plant and Hydrogen Plant on site highlights the groups' commitment to a sustainable energy business for the future.



Engagement with employees

Employee involvement continues to form a crucial part of our approach to employee engagement throughout the Group.

The voice of the employee plays an integral part in our decision making therefore we run an annual employee survey to take the pulse of the organisation to identify what is working well and areas for improvement. The impact of the survey is improved employee experiences, experiences that promote greater health and wellbeing, support faster growth and development and, in turn, motivate improved productivity and attendance.

In September 2019 we appointed a People and Culture Director to create and lead a progressive and innovative people strategy. The focus of the People and Culture team is to engage and develop employees at all levels of the organisation as well as attracting new talent to support our focus on our diverse and inclusive culture.

Disabled employees

The company, as part of its employment and ongoing practices has always and wishes to continue, to promote an environment of equality and fairness and therefore recognises and complies with the Disability Discrimination Act 1995 (DDA).

The Disability Discrimination Act defines 'disability' as a physical or mental impairment which has a substantial and long term adverse effect on a person's ability to carry out their normal day to day activities.

The Act makes it unlawful for employers to discriminate against current or prospective workers who have a disability or who have had a disability in the past. When an employer treats a person with a disability less favourably than he treats other people and this treatment cannot be justified then discrimination has taken place. The employer also has a duty to make a 'reasonable adjustment' in relation to the disabled person and failure to do so is again discrimination, if it cannot be justified.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020****Greenhouse gas emissions, energy consumption and energy efficiency action**

In 2018, Streamlined Energy & Carbon Reporting was introduced by the Department for Business, Energy and Industrial Strategy (BEIS) with the purpose of UK companies' publicising their UK energy use and carbon emissions.

Following the groups compliance with Energy Savings Opportunities Scheme (ESOS) and Carbon Reduction Commitment Energy Efficiency Scheme (CRC) the group was able to transition reporting to the new requirement.

Due to the diverse nature of the group and the number of operating units the Directors have chosen to report for those companies within the group which have a reporting obligation rather than a consolidated group at this stage. It is the directors view that they will report as a group for future periods.

Methodology / Reporting

The directors undertook the ESOS methodology of reporting in line with the Governments GHG reporting recommendations. The following gross emissions / intensity ratios are noted below;

	Energy Consumption (kWh)	CO ₂ Emissions (t CO ₂ e)	Intensity Ratios	
			t CO ₂ e per £1m turnover	t CO ₂ e per manhour
Global Energy Group Limited	15,759,628	3,743	22.28	1.19
Global Port Services (Scotland) Limited	4,751,320	1,184	27.73	3.48
Total	20,510,948	4,927		

Year on Year comparison data will be included in future reports.

Energy Efficiency Actions

The directors are aware of the environmental challenges of operating a group with a significant mobile workforce and operating heavy plant. We are committed to looking at opportunities to reduce the groups carbon footprint and have invested significantly in moving to digital platforms in an attempt to operate more efficiently.

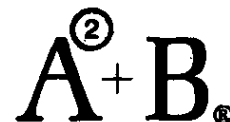
The directors acknowledge that we have a significant journey ahead in reducing our carbon footprint and are committed to looking for improvements in how we run the business day to day. The strategic direction of the group highlights the role the business plays in supporting the carbon footprint reduction in the energy market as well as an independent operating unit.

Disclosure 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 director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has 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 and the Group's auditor is aware of that information.

GEG (HOLDINGS) LIMITED



**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

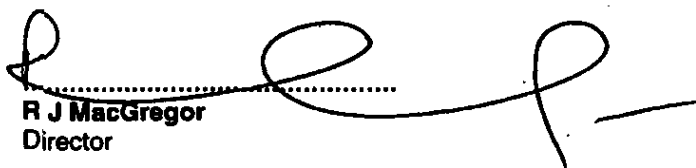
Post balance sheet events

Following the year end the group has been impacted by restrictions related to the covid-19 pandemic. Refer to note 2.3 for further detail on the directors assessment of the impact on the group.

Auditor

The auditor, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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


R J MacGregor
Director

Date: 22/12/20

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Company and the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of GEG (Holdings) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2020, which comprise the Group Profit and loss account, the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2020 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the 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 Group's or the parent 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.

Other information

The directors are 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

GEG (HOLDINGS) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GEG (HOLDINGS) LIMITED (CONTINUED)**



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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 9, the directors are 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 directors are responsible for assessing the Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

GEG (HOLDINGS) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
GEG (HOLDINGS) LIMITED (CONTINUED)**



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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members 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 for our audit work, for this report, or for the opinions we have formed.

Anderson Anderson & Brown Audit LLP

James Pirrie (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Statutory Auditor

Kingshill View

Prime Four Business Park

Kingswells

Aberdeen

AB15 8PU

Date:

22nd December 2020

GEG (HOLDINGS) LIMITED


**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Continuing operations 2020 £000	Discontin'd operations 2020 £000	Total 2020 £000	Continuing operations 2019 £000	Discontin'd operations 2019 £000	Total 2019 £000
Turnover	4	244,997	-	244,997	205,686	94,384	300,070
Cost of sales		(194,682)	-	(194,682)	(164,073)	(74,258)	(238,331)
Gross profit		50,315	-	50,315	41,613	20,126	61,739
Administrative expenses		(39,281)	-	(39,281)	(31,217)	(17,965)	(49,182)
Other operating income		-	-	-	40	-	40
Operating profit	5	11,034	-	11,034	10,436	2,161	12,597
Net profit on sale of tangible assets		342	-	342	104	21	125
Gain on disposal of investments		-	-	-	-	4,243	4,243
Profit on ordinary activities before interest		11,376	-	11,376	10,540	6,425	16,965
Interest receivable and similar income		-	-	-	-	23	23
Interest payable and similar expenses	9	(1,591)	-	(1,591)	(1,237)	(22)	(1,259)
Profit before tax		9,785	-	9,785	9,303	6,426	15,729
Tax on profit	10	(3,148)	-	(3,148)	(2,166)	(3,624)	(5,790)
Profit for the financial year		6,637	-	6,637	7,137	2,802	9,939
Profit for the year attributable to:							
Non-controlling interests		16	-	16	239	(93)	146
Owners of the parent		6,621	-	6,621	6,898	2,895	9,793
		6,637	-	6,637	7,137	2,802	9,939

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020



	2020 £000	2019 £000
Profit for the financial year	6,637	9,939
Exchange difference on retranslation of foreign subsidiary	73	442
Increase in controlling stake in subsidiary	(1,800)	-
Total comprehensive income for the year	4,910	10,381
Total comprehensive income attributable to:		
Non-controlling interest	(543)	146
Owners of the parent Company	5,453	10,235
	4,910	10,381

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED
REGISTERED NUMBER:SC415463

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2020



	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	11	50,506	51,088
Tangible assets	12	90,858	81,214
		<u>141,364</u>	<u>132,302</u>
Current assets			
Stocks	14	1,034	985
Debtors	15	55,051	51,967
Cash at bank and in hand	16	3,549	1,764
		<u>59,634</u>	<u>54,716</u>
Creditors: amounts falling due within one year	17	(58,380)	(53,159)
Net current assets		<u>1,254</u>	<u>1,557</u>
Total assets less current liabilities		<u>142,618</u>	<u>133,859</u>
Creditors: amounts falling due after more than one year	18	(43,412)	(38,929)
Provisions for liabilities			
Deferred taxation	21	(3,146)	(2,585)
		<u>(3,146)</u>	<u>(2,585)</u>
Deferred government grants	22	(6,192)	(6,387)
Net assets		<u>89,868</u>	<u>85,958</u>
Capital and reserves			
Called up share capital	28	316	316
Share premium account	29	69,570	69,570
Capital redemption reserve	29	39	39
Profit and loss account	29	19,234	14,781
Equity attributable to owners of the parent Company		<u>89,159</u>	<u>84,706</u>
Non-controlling interests		709	1,252
		<u>89,868</u>	<u>85,958</u>

GEG (HOLDINGS) LIMITED
REGISTERED NUMBER:SC415463



CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

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


.....
R J MacGregor
Director

Date: 22/12/20

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED
REGISTERED NUMBER:SC415463

**COMPANY BALANCE SHEET
AS AT 31 MARCH 2020**



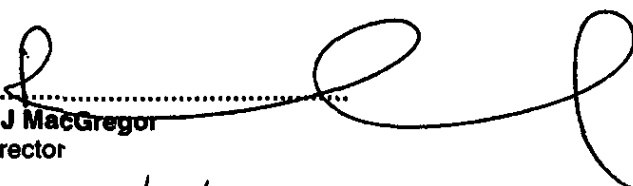
	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	12	196	194
Investments	13	88,511	88,511
		<u>88,707</u>	<u>88,705</u>
Current assets			
Debtors	15	43,968	44,650
		<u>43,968</u>	<u>44,650</u>
Creditors: amounts falling due within one year	17	(10,185)	(11,141)
		<u>33,783</u>	<u>33,509</u>
Net current assets		<u>33,783</u>	<u>33,509</u>
Total assets less current liabilities		<u>122,490</u>	<u>122,214</u>
Creditors: amounts falling due after more than one year	18	(24,200)	(23,549)
		<u>98,290</u>	<u>98,665</u>
Net assets		<u>98,290</u>	<u>98,665</u>
Capital and reserves			
Called up share capital	28	316	316
Share premium account	29	69,570	69,570
Capital redemption reserve	29	39	39
Profit and loss account brought forward		28,740	42,993
Profit for the year		625	17,323
Other changes in the profit and loss account		(1,000)	(31,576)
		<u>28,365</u>	<u>28,740</u>
Profit and loss account carried forward		<u>98,290</u>	<u>98,665</u>

GEG (HOLDINGS) LIMITED
REGISTERED NUMBER:SC415463



COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2020

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


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R J MacGregor
Director

Date: 22/12/20

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED

A²+B.CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£000	£000	£000	£000	£000	£000	£000
At 1 April 2018	430	69,570	-	48,351	118,351	1,033	119,384
Profit for the year	-	-	-	9,793	9,793	146	9,939
Currency translation differences	-	-	-	442	442	-	442
Other movements	-	-	-	-	-	73	73
Dividends: Equity capital	-	-	-	(43,805)	(43,805)	-	(43,805)
Purchase of own shares	-	-	39	-	39	-	39
Shares cancelled during the year	(114)	-	-	-	(114)	-	(114)
At 1 April 2019	316	69,570	39	14,781	84,706	1,252	85,958
Profit for the year	-	-	-	6,621	6,621	16	6,637
Currency translation differences	-	-	-	73	73	-	73
Increase in controlling stake in subsidiary	-	-	-	(1,241)	(1,241)	(559)	(1,800)
Dividends: Equity capital	-	-	-	(1,000)	(1,000)	-	(1,000)
At 31 March 2020	316	69,570	39	19,234	89,159	709	89,868

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED



**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
At 1 April 2018	430	69,570	-	42,993	112,993
Comprehensive income for the year					
Profit for the year	-	-	-	17,323	17,323
Dividends: Equity capital	-	-	-	(31,576)	(31,576)
Purchase of own shares	-	-	39	-	39
Shares cancelled during the year	(114)	-	-	-	(114)
At 1 April 2019	316	69,570	39	28,740	98,665
Profit for the year	-	-	-	625	625
Dividends: Equity capital	-	-	-	(1,000)	(1,000)
At 31 March 2020	316	69,570	39	28,365	98,290

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**



	2020 £000	2019 £000
Cash flows from operating activities		
Profit for the financial year	6,637	9,939
Adjustments for:		
Amortisation of intangible assets	3,962	7,595
Depreciation of tangible assets	7,403	8,025
(Gain)/loss on disposal of tangible assets	(342)	(125)
Interest paid	1,591	1,259
Taxation charge	3,148	5,790
Decrease/(increase) in stocks	103	(246)
Increase in debtors	(2,299)	(19,475)
Increase in creditors	3,866	7,077
Corporation tax paid	(1,936)	(2,625)
Deferred government grant release	(195)	(273)
Other movements	73	395
Net cash generated from operating activities	22,011	17,336
Cash flows from investing activities		
Purchase of tangible fixed assets	(10,913)	(5,249)
Sale of tangible fixed assets	1,566	1,448
Repayment of related party debt	-	23,500
Purchase of subsidiary undertaking	(1,748)	(3,000)
Sale of subsidiary undertaking	-	13,933
HP interest paid	(427)	(349)
Net cash acquired with subsidiary undertaking	372	331
Acquisition of non-controlling interest	(650)	(3,682)
Net cash disposed with subsidiary undertaking	-	(14,289)
Payment of deferred consideration of subsidiaries acquired in prior periods	(650)	-
Net cash from investing activities	(12,450)	12,643
Cash flows from financing activities		
Net movement in short term borrowings	5,000	(2,450)
Repayment of bank loans	(5,100)	(9,000)
Repayment of finance leases	(5,511)	(3,196)
Dividends paid	(1,000)	(2,000)
Interest paid	(1,165)	(910)
Dividends paid to non controlling interests	-	(640)
Share buy back	-	(14,500)
Net cash used in financing activities	(7,776)	(32,696)
Net increase/(decrease) in cash and cash equivalents	1,785	(2,717)

GEG (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**



	2020 £000	2019 £000
Cash and cash equivalents at beginning of year	1,764	4,481
Cash and cash equivalents at the end of year	<u>3,549</u>	<u>1,764</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>3,549</u>	<u>1,764</u>

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2020



	At 1 April 2019 £000	Cash flows £000	Acquisition and disposal of subsidiaries £000	New finance leases £000	At 31 March 2020 £000
Cash at bank and in hand	1,764	1,413	372	-	3,549
Debt due after 1 year	(23,500)	(700)	-	-	(24,200)
Debt due within 1 year	(6,800)	800	-	-	(6,000)
Finance leases	(13,956)	5,511	-	(7,152)	(15,597)
	<u>(42,492)</u>	<u>7,024</u>	<u>372</u>	<u>(7,152)</u>	<u>(42,248)</u>

The notes on pages 24 to 51 form part of these financial statements.

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



1. General information

GEG (Holdings) Limited is a limited liability company incorporated in Scotland. The registered office is 13 Henderson Road, Inverness, IV1 1SN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and loss account in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

The directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Demand for the group's products and services as well as availability of external finance have been considered in this assessment, with due consideration given to the impact of covid-19 and related oil price.

Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Accounting policies (continued)

2.4 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. Non-monetary 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 profit or loss 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 Consolidated profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated profit and loss account in the same period as the related expenditure.

2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.11 Finance costs

Finance costs are charged to profit or loss 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. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

The group also contributes to personal plans for certain employees. The contributions are charged to profit or loss as they become payable in accordance with the rules of the scheme.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 balance sheet date.

2. Accounting policies (continued)

2.14 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.15 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Land & Buildings	- 4 - 25%
Plant and machinery	- 10 - 20%
Motor vehicles	- 25%
Fixtures, fittings & equipment	- 20 - 33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



2. Accounting policies (continued)

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.18 Debtors

Short term debtors are measured at transaction price, less any impairment. 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.

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.20 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.22 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing

2. Accounting policies (continued)

2.22 Financial instruments (continued)

transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.23 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

The preparation of financial statements, requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following are the company's key sources of estimation uncertainty:

Long term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonably certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year-end by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Turnover derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year which they are first foreseen.

Share options

The value of the share options creditor (note 18) is based on an estimate of the amounts payable to minority shareholders of subsidiary companies on exercise of the put and call options related to these shareholdings. The amounts payable are determined by the underlying legal agreements and are subject to the future performance of the subsidiary companies to which they relate. The Directors have prepared a projection of future performance of these subsidiaries taking into account the environment in which they operate and have based the expected obligation on these projections.

Goodwill

Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life. If a subsidiary, associate or business is subsequently sold or discontinued, any goodwill arising on acquisition that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale or discontinuance.

4. Turnover

The whole of the turnover is attributable to the groups principal activity as disclosed in the strategic report.

Analysis of turnover by country of destination:

	2020 £000	2019 £000
United Kingdom	220,253	267,706
Rest of Europe	17,539	19,142
Rest of the world	7,205	13,222
	<u>244,997</u>	<u>300,070</u>

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



5. Operating profit

The operating profit is stated after charging/(crediting):

	2020 £000	2019 £000
Amortisation of government grants	(195)	(273)
Depreciation of tangible fixed assets - owned by the company	4,768	5,813
Depreciation of tangible fixed assets - held under finance leases	2,635	2,212
Amortisation of goodwill	3,944	7,559
Amortisation of other intangible assets	18	36
Foreign exchange differences	437	55
Operating lease rentals	4,171	4,402
Research and development credit	(647)	-
	<u> </u>	<u> </u>

6. Auditor's remuneration

	2020 £000	2019 £000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	160	176
	<u> </u>	<u> </u>

Fees payable to the Group's auditor and its associates in respect of:

Taxation compliance services	17	-
All other services	44	15
	<u> </u>	<u> </u>

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £000	Group 2019 £000
Wages and salaries	55,909	78,527
Social security costs	6,571	8,061
Cost of defined contribution scheme	1,607	1,269
	<u>64,087</u>	<u>87,857</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Management and administration	320	608
Blue collar/technical	735	1,274
	<u>1,055</u>	<u>1,882</u>

8. Directors' remuneration

	2020 £000	2019 £000
Directors' emoluments	582	679
Company contributions to defined contribution pension schemes	26	33
	<u>608</u>	<u>712</u>

During the year retirement benefits were accruing to 1 director (2019 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £240,000 (2019 - £219,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £26,000 (2019 - £36,000).

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



9. Interest payable and similar expenses

	2020 £000	2019 £000
Bank interest payable	1,165	910
Finance leases and hire purchase contracts	426	349
	<u>1,591</u>	<u>1,259</u>

10. Taxation

	2020 £000	2019 £000
Corporation tax		
Current tax on profits for the year	2,516	3,375
Adjustments in respect of previous periods	174	(462)
	<u>2,690</u>	<u>2,913</u>
Foreign tax		
Foreign tax on income for the year	-	2,589
	<u>-</u>	<u>2,589</u>
Total current tax	<u>2,690</u>	<u>5,502</u>
Deferred tax		
Origination and reversal of timing differences	562	217
Adjustments in respect of prior years	(104)	71
	<u>458</u>	<u>288</u>
Taxation on profit on ordinary activities	<u>3,148</u>	<u>5,790</u>

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

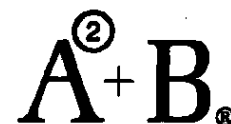


10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £000	2019 £000
Profit on ordinary activities before tax	9,785	15,729
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	1,859	2,989
Effects of:		
Expenses not deductible for tax purposes, including goodwill amortisation	987	538
Fixed asset differences	199	120
Investments written off	-	(427)
Other timing differences leading to an (decrease)/increase in taxation	(279)	508
Adjustments to tax charge in respect of prior periods	70	(391)
Foreign tax on disposals	-	2,487
Foreign tax credits expensed	-	(1)
Effect of rate change on deferred tax	279	(23)
Discontinued operations	-	(10)
Non-taxable income	(51)	-
Adjustment in research and development tax credit leading to an increase in the tax charge	84	-
Total tax charge for the year	3,148	5,790

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

11. Intangible assets

Group

	Lease premium £000	Goodwill £000	Total £000
Cost			
At 1 April 2019	1,115	75,161	76,276
Additions	-	3,380	3,380
At 31 March 2020	1,115	78,541	79,656
Amortisation			
At 1 April 2019	140	25,048	25,188
Charge for the year on owned assets	18	3,944	3,962
At 31 March 2020	158	28,992	29,150
Net book value			
At 31 March 2020	957	49,549	50,506
At 31 March 2019	975	50,113	51,088

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



12. Tangible fixed assets

Group

	Land and Buildings £000	Plant and machinery £000	Motor vehicles £000	Furniture, fittings and equipment £000	Total £000
Cost or valuation					
At 1 April 2019	57,280	46,359	771	1,654	106,064
Additions	1,613	15,238	738	464	18,053
Acquisition of subsidiary	-	110	49	59	218
Disposals	-	(2,304)	(260)	(4)	(2,568)
At 31 March 2020	58,893	59,403	1,298	2,173	121,767
Depreciation					
At 1 April 2019	8,922	14,342	229	1,357	24,850
Charge for the year on owned assets	1,732	2,380	356	301	4,769
Charge for the year on financed assets	-	2,635	-	-	2,635
Disposals	-	(1,141)	(203)	-	(1,344)
At 31 March 2020	10,654	18,216	382	1,658	30,910
Net book value					
At 31 March 2020	48,239	41,187	916	515	90,857
At 31 March 2019	48,358	32,017	542	297	81,214

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



12. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2020 £000	2019 £000
Freehold	19,553	19,631
Long leasehold	28,162	28,143
Short leasehold	523	584
	<u>48,238</u>	<u>48,358</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £000	2019 £000
Plant and machinery	25,552	16,118
	<u>25,552</u>	<u>16,118</u>

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



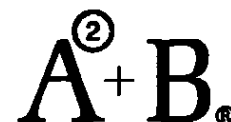
12. Tangible fixed assets (continued)

Company

	Freehold property £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 1 April 2019	258	124	199	581
Additions	-	-	103	103
Disposals	-	(80)	-	(80)
At 31 March 2020	258	44	302	604
Depreciation				
At 1 April 2019	184	45	158	387
Charge for the year on owned assets	25	15	23	63
Disposals	-	(42)	-	(42)
At 31 March 2020	209	18	181	408
Net book value				
At 31 March 2020	49	26	121	196
At 31 March 2019	74	79	41	194

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



13. Fixed asset investments

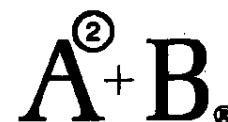
Company

	Investments in subsidiary companies £000
Cost or valuation	
At 1 April 2019	88,511
At 31 March 2020	88,511
Net book value	
At 31 March 2020	88,511
At 31 March 2019	88,511

For the year ended 31 March 2020, the following subsidiaries are entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies: Caledonian Towage Limited, MF Marine Operations Limited, GEG (Marine & Logistics) Limited, Global Energy Nigg Limited, Port of Nigg Limited, Nigg Energy Park Limited, Global Energy Fabrication Limited, Global Energy (Group) Limited, Global Energy (Engineering & Construction) Limited, Global Energy (Holdings) Limited, Global Energy Group (Access & Coatings) Limited, Reel Group Limited, Reel Limited, Global Port Services (Scotland) Limited, Global Logistics Services Limited, Global Energy Corporation Limited, Apollo Offshore Engineering Limited, Caledonian Petroleum Services Limited, A & B Welding Services Limited, Isleburn Limited, Global Resources (Project Recruitment) Limited, Vertech Integrity Services Limited, Global Power & Process Limited, Global Project (Services) Limited, Magma Products Limited, Rig Surveys Group Limited, Evolution Ropes Limited, Evolution Hose Limited and Rig Surveys Limited.

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



13. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Caledonian Towage Limited	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
MF Marine Operations Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
GEG (Marine & Logistics) Limited	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Global Energy Nigg Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	87.5%
Port of Nigg Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	87.5%
Nigg Energy Park Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	87.5%
Global Energy Fabrication Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Global Energy (Group) Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Global Energy (Engineering & Construction) Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	86%
Global Energy (Holdings) Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Global Energy Group (Access & Coatings) Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Reel Group Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Reel Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Reel Inspection & Rig Maintenance Pvt Limited*	H 62, Mahindra Park, LBS marg Ghatkopar West Mumbai 400086	Ordinary	100%
Global Port Services (Scotland) Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	97.5%
Global Logistics Services Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	97.5%
Global Energy Corporation Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Apollo Offshore Engineering Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	51%
Caledonian Petroleum Services Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
A & B Welding Services Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Isleburn Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Global Resources (Project Recruitment) Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Global Energy Group (West Africa) Limited	PO Box 197 Canoments- Accra, Ghana	Ordinary	80%
Vertech Integrity Services Limited	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



13. Fixed asset investments (continued)

Subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Global Power & Process Limited	13 Henderson Road, Inverness, IV1 1SN	Ordinary	100%
Global Project (Services) Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	80%
Global Project Services Norge*	Solheimsgaten 7E, 5058 Bergen, Norway	Ordinary	80%
Magma Products Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	86%
Rig Surveys Group Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	50.1%
Evolution Ropes Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	50.1%
Evolution Hose Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	50.1%
Rig Surveys Limited*	13 Henderson Road, Inverness, IV1 1SN	Ordinary	50.1%
Rig IRM Inc.*	13104 Wornington Court, Houston, TX 77077	Ordinary	50.1%
Rig Surveys AS*	Filipstad brygge 1, Oslo, 0252, Norge	Ordinary	50.1%

*Held by a subsidiary undertaking

14. Stocks

	Group 2020 £000	Group 2019 £000
Raw materials and consumables	1,034	985
	1,034	985

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



15. Debtors

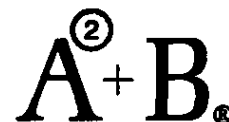
	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Trade debtors	35,581	30,553	627	329
Amounts owed by group undertakings	-	-	42,665	42,765
Other debtors	841	1,076	41	233
Prepayments and accrued income	4,268	9,336	502	514
Amounts recoverable on long term contracts	14,361	10,989	-	156
Tax recoverable	-	13	-	653
Deferred taxation	-	-	133	-
	<u>55,051</u>	<u>51,967</u>	<u>43,968</u>	<u>44,650</u>

16. Cash and cash equivalents

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Cash at bank and in hand	3,549	1,764	-	-
Less: bank overdrafts	-	-	(1,932)	-
	<u>3,549</u>	<u>1,764</u>	<u>(1,932)</u>	<u>-</u>

17. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Bank overdrafts	-	-	1,932	-
Bank loans	6,000	6,800	6,000	8,133
Trade creditors	23,947	15,069	187	205
Amounts owed to group undertakings	-	-	761	524
Corporation tax	638	-	64	-
Other taxation and social security	2,824	2,733	189	122
Obligations under finance lease and hire purchase contracts	3,639	3,467	-	-
Other creditors	2,179	3,548	102	817
Accruals and deferred income	19,153	21,542	950	1,340
	<u>58,380</u>	<u>53,159</u>	<u>10,185</u>	<u>11,141</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

18. Creditors: Amounts falling due after more than one year

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Bank loans	24,200	23,500	24,200	23,500
Net obligations under finance leases and hire purchase contracts	11,958	10,489	-	49
Other creditors	7,254	4,940	-	-
	<u>43,412</u>	<u>38,929</u>	<u>24,200</u>	<u>23,549</u>

The other creditors balance includes amounts payable to acquire the minority shareholdings of subsidiary companies. The amounts are subject to put and call option agreements that were in place at the balance sheet date, and as such the exercise of such options are potentially outside the control of the group. Given the circumstances set out and that the future exercise of the options are considered to be highly likely, the directors consider it appropriate to recognise the expected obligation at the balance sheet date.

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



19. Loans

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Amounts falling due within one year				
Bank loans	6,000	6,800	6,000	8,133
	<u>6,000</u>	<u>6,800</u>	<u>6,000</u>	<u>8,133</u>
Amounts falling due 1-2 years				
Bank loans	20,450	6,000	20,450	6,000
	<u>20,450</u>	<u>6,000</u>	<u>20,450</u>	<u>6,000</u>
Amounts falling due 2-5 years				
Bank loans	3,750	17,500	3,750	17,500
	<u>3,750</u>	<u>17,500</u>	<u>3,750</u>	<u>17,500</u>
	<u>30,200</u>	<u>30,300</u>	<u>30,200</u>	<u>31,633</u>

As at 31 March 2020 the Group and Company had 3 outstanding loan facilities.

A term loan of £12,500,000 repayable in quarterly installments of £1,250,000, and a final installment of £3,750,000 in June 2022. Interest is payable on the loan at $\text{libor} + \text{a margin}$ set by the terms of the loan agreement.

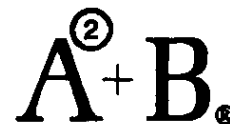
A revolving credit of £15,000,000 repayable on its final maturity date on 31 January 2022. Interest is payable on the loan at $\text{libor} + \text{a margin}$ set by the terms of the loan agreement.

An asset finance loan of £2,700,000 repayable in quarterly installments of £450,000 with the final installment falling due in June 2021.

The loan and overdraft facilities are secured by a bond and floating charge over the assets of each group company and a group composite guarantee.

Post year end the group entered discussions with existing lenders to drawdown a CBILS revolving credit facility for £12,000,000 as part of its banking renewal. The facility will be fully repayable within 36 months of drawdown.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



20. Obligations under leases and hire purchase contracts

The group and company use finance leases and hire purchase contracts to acquire plant and machinery. These leases have terms of renewal but no purchase options and escalation clauses. Renewals are at the option of the lessee.

Minimum lease payments under hire purchase fall due as follows:

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Within one year	3,639	3,467	-	49
Between 1-5 years	11,958	10,489	-	-
	<u>15,597</u>	<u>13,956</u>	<u>-</u>	<u>49</u>

The hire purchase creditors are secured on the assets to which they relate.

21. Deferred taxation

Group

	2020 £000
At beginning of year	(2,585)
Charged to profit or loss	(458)
Arising on business combinations	(103)
At end of year	<u>(3,146)</u>

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



21. Deferred taxation (continued)

Company

	2020 £000
Charged to profit or loss	133
At end of year	<u>133</u>

The provision for deferred taxation is made up as follows:

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Fixed asset timing differences	(3,212)	(2,585)	129	-
Short term timing differences	66	-	4	-
	<u>(3,146)</u>	<u>(2,585)</u>	<u>133</u>	<u>-</u>

22. Deferred government grants

The movement in deferred government grants in the year is as follows:

	Group £000
At 31 March 2019	6,387
Released in year	(195)
At 31 March 2020	<u>6,192</u>

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



23. Dividends and other appropriations

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Ordinary Shares				
Equity dividends on ordinary shares	<u>1,000</u>	<u>43,805</u>	<u>1,000</u>	<u>31,576</u>

During the prior year, the group disposed of a number of companies as part of a restructuring exercise. The group partition exercise involved a reorganisation of share capital, company repurchase of shares and share exchange. The main element of the transaction are noted below:

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Dividend in specie	-	27,305	-	15,076
Share buyback	-	14,500	-	14,500
Ordinary dividend	<u>1,000</u>	<u>2,000</u>	<u>1,000</u>	<u>2,000</u>
	<u>1,000</u>	<u>43,805</u>	<u>1,000</u>	<u>31,576</u>

24. Financial instruments

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Financial assets				
Financial assets measured at fair value through profit or loss	3,549	1,764	-	-
Financial assets measured at amortised cost	50,783	42,618	43,333	43,483
	<u>54,332</u>	<u>44,382</u>	<u>43,333</u>	<u>43,483</u>
Financial liabilities				
Financial liabilities measured at fair value through profit or loss	30,200	30,300	32,132	31,633
Financial liabilities measured at amortised cost	68,130	59,055	2,000	2,935
	<u>98,330</u>	<u>89,355</u>	<u>34,132</u>	<u>34,568</u>

GEG (HOLDINGS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**



25. Capital commitments

At 31 March 2020 the Group and Company had capital commitments as follows:

	Group 2020 £000	Group 2019 £000
Contracted for but not provided in these financial statements	175	-
	<u>175</u>	<u>-</u>

26. Pension commitments

The Group contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,607,000 (2019 - £1,269,000). Contributions totaling £319,000 (2019 - £195,000) were payable to the fund at the reporting date.

27. Commitments under operating leases

At 31 March 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £000	Group 2019 £000	Company 2020 £000	Company 2019 £000
Not later than 1 year	3,317	3,399	190	120
Later than 1 year and not later than 5 years	9,455	8,821	282	-
Later than 5 years	19,231	19,534	494	-
	<u>32,003</u>	<u>31,754</u>	<u>966</u>	<u>120</u>

28. Share capital

	2020 £000	2019 £000
Allotted, called up and fully paid		
1,058 (2019 - 1,058) B Ordinary shares of £298.74 each	316	316

29. Reserves

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital redemption reserve

This reserve records the nominal value for the redemption of the Company's shares.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

30. Business combinations

During the year the group entered into 2 key acquisition transactions:

In June - August 2019 in a series of transactions through a newly incorporated entity, Rig Surveys Group Limited, the Group acquired a controlling interest in Evolution Hose Limited, Evolutions Ropes Limited, Rig Surveys Limited, Rig IRM Inc and Rig Surveys AS (together 'The Rig Surveys Group').

In March 2020, the group acquired Magma Products Limited.

The following table summarises these transactions for the year ended 31 March 2020:

Acquired entity	The Rig Surveys Group £'000	Magma Products Limited £'000	Total £'000
Cash consideration	1,500	248	1,748
Deferred consideration	2,446	211	2,657
Deemed investment value	3,946	459	4,405
Net assets acquired	1,000	25	1,025
Goodwill on transaction	2,946	434	3,380

31. Related party transactions

During the year the group entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 March 2020 are as follows:

	Sales £000	Purchases £000	Year end balance £000
Entities under common control	-	(16,926)	(50)
Entities under the control of a close family member of a controlling party	675	(1,471)	(131)
Entities with a common shareholder	209	(1,120)	88
	<u>884</u>	<u>(19,517)</u>	<u>(93)</u>

Terms and conditions of transactions with related parties

Sales and purchases between related parties are made at normal market prices. Outstanding balances with entities are unsecured, interest free and cash settlement is expected within 60 days of invoice. The group has not provided or benefited from any guarantees for any related party receivables or payables. During the year ended 31 March 2020, the group has not made any provision for doubtful debts relating to amounts owed by related parties (2019: £Nil).

Key management personnel

All individuals who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration, which includes amounts disclosed in note 8, in respect of these individuals is £977,000 (2019: £1,071,000).

32. Ultimate parent undertaking and controlling party

The ultimate parent entity is GEG Capital Limited, a company owned and controlled by RJ MacGregor.