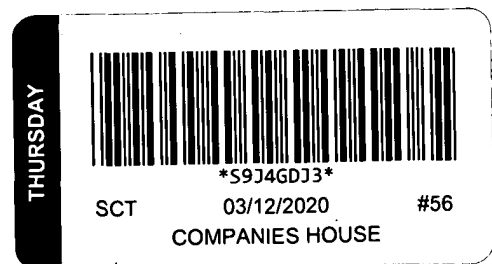


Registered number: SC219224

OCCMS Limited
Report and Financial Statements
For the Year Ended 31 December 2019



OCCMS Limited

Company Information

Directors	A Savage D Murray (resigned 1 February 2020)
Company secretary	D Munro
Registered number	SC219224
Registered office	Orion House Castle Heather Inverness IV2 6AA United Kingdom
Independent auditors	Ernst & Young LLP 2 St Peter's Square Manchester M2 3DF

OCCMS Limited

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**Directors' Report
For the Year Ended 31 December 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors

The directors who served during the year were:

A Savage

D Murray (resigned 1 February 2020)

Going concern

The financial statements have been prepared on the going concern basis, the validity of which is dependent on the continuation of adequate financial support from the Company's parent Company, Orion Engineering Services Limited. Orion Engineering Services Limited has provided an undertaking that it will continue to provide adequate financial support to the Company in order that it can meet its liabilities as and when they fall due.

The director has no reason to believe that this financial support will not continue for a period of at least 12 months from the date of approval of these financial statements, and therefore considers it appropriate to prepare the financial statements on a going concern basis.

The Group is actively monitoring the impact on operations of the COVID-19 pandemic and has taken a number of steps to mitigate the impact on the business.

The Group continues to closely monitor and manage its funding position throughout the year to ensure that it has access to sufficient funds to meet forecast cash requirements. The Group's solid equity base, low level of gearing and available headroom within its banking facilities provides it with the financial strength to deal with the impact of the pandemic on the Group's activities.

As a result, the director has a reasonable expectation that the Group will continue in operation for the foreseeable future and accordingly the director continues to adopt the going concern basis in preparing these financial statements.

COVID-19

During 2020 the global economy has been significantly impacted by the COVID-19 pandemic. The Group responded quickly by implementing a number of primary initiatives which included the use of remote working and other available technologies to protect the health, safety and welfare of its employees and ensure continuity of service to its clients.

In response to the pandemic a number of cost reduction measures have been implemented across the Group. Cost control remains a key focus of the directors as the Group continues to deal with the ongoing impact of the pandemic.

Whilst the Group acknowledges that the prolonged effect of COVID-19 pandemic has created a number of fundamental uncertainties in the wider economy, the Group's solid equity base and low level of gearing provides it with the financial strength to deal with the impact of the pandemic on the Group's activities.

Disclosure of Information to auditors

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's auditors are 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's auditors are aware of that information.

Auditors

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

Small companies note

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

The directors have also taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 not to prepare a Strategic Report.

This report was approved by the board and signed on its behalf on 9 November 2020.



A Savage
Director

**Directors' Responsibilities Statement
For the Year Ended 31 December 2019**

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

Company law requires the directors to prepare financial statements for each financial year. Under 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 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the financial statements of OCCMS Limited (the 'company') for the year ended 31 December 2019 which comprise Statement of comprehensive income, Statement of financial position, Statement of changes in equity and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Effects of COVID 19

We draw attention to note 1.3 of the financial statements, which describes the economic and social consequences of the group and the parent company are facing as a result of COVID-19 which may impact supply chains, consumer demand, commodity prices, and personnel available for work and being able to access offices. Our opinion is not modified in respect of this matter

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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 <https://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, 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.

Ernst & Young LLP

Jamie Dixon (Senior statutory auditor)
for and on behalf of **Ernst & Young LLP**, Statutory Auditor
Aberdeen
Date: 13 November 2020

OCCMS Limited

**Statement of Comprehensive Income
For the Year Ended 31 December 2019**

	Note	2019 £	2018 £
Turnover	2	1,069,447	1,046,513
Cost of sales		<u>(194,642)</u>	<u>(256,567)</u>
Gross profit		874,805	789,946
Administrative expenses		<u>(635,645)</u>	<u>(571,749)</u>
Operating profit	3	<u>239,160</u>	<u>218,197</u>
Profit before tax		239,160	218,197
Tax on profit	6	<u>(40,037)</u>	<u>(55,147)</u>
Profit for the financial year		<u><u>199,123</u></u>	<u><u>163,050</u></u>

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 10 to 18 form part of these financial statements.

Statement of Financial Position
As at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	7	17,246	17,994
Investments	8	<u>63</u>	<u>63</u>
		17,309	18,057
Current assets			
Debtors	9	130,370	205,663
Cash at bank		<u>1,820,932</u>	<u>1,607,083</u>
		1,951,302	1,812,746
Creditors: amounts falling due within one year	10	<u>(757,645)</u>	<u>(818,960)</u>
Net current assets		<u>1,193,657</u>	<u>993,786</u>
Net assets		<u><u>1,210,966</u></u>	<u><u>1,011,843</u></u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account		<u>1,210,866</u>	<u>1,011,743</u>
		<u><u>1,210,966</u></u>	<u><u>1,011,843</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 November 2020.


A Savage
Director

The notes on pages 10 to 18 form part of these financial statements.

OCCMS Limited

**Statement of Changes in Equity
For the Year Ended 31 December 2019**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	100	1,011,743	1,011,843
Comprehensive income for the year			
Profit for the year	-	199,123	199,123
Total comprehensive income for the year	-	199,123	199,123
At 31 December 2019	<u>100</u>	<u>1,210,866</u>	<u>1,210,966</u>

**Statement of Changes in Equity
For the Year Ended 31 December 2018**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	100	848,693	848,793
Comprehensive income for the year			
Profit for the year	-	163,050	163,050
Total comprehensive income for the year	-	163,050	163,050
At 31 December 2018	<u>100</u>	<u>1,011,743</u>	<u>1,011,843</u>

The notes on pages 10 to 18 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

OCCMS Limited is a private company limited by shares, and incorporated in Scotland, United Kingdom. The Registered Office is Orion House, Castle Heather, Inverness, IV2 6AA.

The Company provides licensing and support for Orbit; its proprietary structured control software used for project management and performance monitoring.

The financial statements of the Company 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 financial statements are prepared in sterling which is the functional and presentation currency of the Company.

No estimates or judgements were necessary in preparing these financial statements.

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

This information is included in the consolidated financial statements of Orion Engineering Services Limited as at 31 December 2019 and these financial statements may be obtained from Orion House, Castle Heather, Inverness, IV2 6AA.

1.3 Fundamental accounting concept – Going Concern

The financial statements have been prepared on the going concern basis, the validity of which is dependent on the continuation of adequate financial support from the Company's parent Company, Orion Engineering Services Limited. Orion Engineering Services Limited has provided an undertaking that it will continue to provide adequate financial support to the Company in order that it can meet its liabilities as and when they fall due.

The director has no reason to believe that this financial support will not continue for a period of at least 12 months from the date of approval of these financial statements, and therefore considers it appropriate to prepare the financial statements on a going concern basis.

The Group is actively monitoring the impact on operations of the COVID-19 pandemic and has taken a number of steps to mitigate the impact on the business.

The Group continues to closely monitor and manage its funding position throughout the year to ensure that it has access to sufficient funds to meet forecast cash requirements. The Group's solid equity base, low level of gearing and available headroom within its banking facilities provides it with the financial strength to deal with the impact of the pandemic on the Group's activities.

As a result, the director has a reasonable expectation that the Group will continue in operation for the foreseeable future and accordingly the director continues to adopt the going concern basis in preparing these financial statements.

1. Accounting policies (continued)**1.4 Turnover**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company 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.

1.4 Tangible fixed assets and depreciation

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, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	- 15%	Reducing balance
Computer equipment	- 30%	Reducing balance

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 the Statement of Comprehensive Income.

1.5 Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

1.6 Debtors

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

1.7 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.

1. Accounting policies (continued)

1.8 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.

1.9 Foreign currencies

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 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 'other operating income'.

1.10 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

1.11 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.

**Notes to the Financial Statements
For the Year Ended 31 December 2019**

2. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Services	<u>1,069,447</u>	<u>1,046,513</u>

Analysis of turnover by country of destination:

	2019 £	2018 £
United Kingdom	494,645	383,434
Rest of the world	<u>574,802</u>	<u>663,079</u>
	<u>1,069,447</u>	<u>1,046,513</u>

3. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets: - owned by the company	3,963	2,461
Exchange differences	(2,784)	4,874
Pension costs	<u>12,231</u>	<u>13,662</u>

The fee for statutory audit services is paid by the parent company, Orion Engineering Services Limited.

4. Employees

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

	2019 No.	2018 No.
Administration	<u>5</u>	<u>4</u>

5. Director's remuneration

The directors did not receive any remuneration in the current or prior period.

During the year retirement benefits were accruing to no directors (2018: £Nil) in respect of defined contribution pension schemes.

Notes to the Financial Statements
For the Year Ended 31 December 2019

6. Taxation

	2019 £	2018 £
Corporation tax		
Current tax on profits for the year	43,302	41,471
Adjustments in respect of previous periods	(9,471)	(1,867)
Foreign tax and withholding tax	6,206	15,543
Total current tax	40,037	55,147

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 – 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	239,160	218,197
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 – 19%)	45,440	41,457
Effects of:		
Adjustments to tax charge in respect of prior periods	(9,471)	(1,867)
Other adjustments leading to an increase / (decrease) in taxation	(2,138)	14
Foreign tax and withholding tax	6,206	15,543
Total tax charge for the year	40,037	55,147

Factors that may affect future tax charges

Reductions announced in the budget of 8 July 2015 reduced the standard rate of Corporation Tax in the UK from 20% to 19% from 1 April 2017 and 18% from 1 April 2020. At Budget 2016, the government announced a further reduction to the Corporation Tax main rate, for the year starting 1 April 2020, setting the rate at 17%. At Budget 2020, the government announced that the Corporation Tax main rate (for all profits except ring fence profits) for the years starting 1 April 2020 and 2021 would remain at 19%.

7. Tangible fixed assets

	Other fixed assets £
Cost	
At 1 January 2019	36,007
Additions	<u>3,215</u>
At 31 December 2019	<u><u>39,222</u></u>
Depreciation	
At 1 January 2019	18,013
Charge for the year on owned assets	<u>3,963</u>
At 31 December 2019	<u><u>21,976</u></u>
Net book value	
At 31 December 2019	<u><u>17,246</u></u>
At 31 December 2018	<u><u>17,994</u></u>

8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019 and 31 December 2019	<u>63</u>
Net book value	
At 31 December 2019	<u><u>63</u></u>
At 31 December 2018	<u><u>63</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding
OCCMS LLC	USA	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2019 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
OCCMS LLC	<u>(117,900)</u>	<u>(1,556)</u>
	<u><u>(117,900)</u></u>	<u><u>(1,556)</u></u>

9. Debtors

	2019 £	2018 £
Trade debtors	75,327	157,067
Prepayments and accrued income	51,913	48,596
Other debtors	<u>3,130</u>	<u>-</u>
	<u><u>130,370</u></u>	<u><u>205,663</u></u>

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	407,186	381,918
Other taxation and social security	6,614	18,850
Other creditors	23,808	38,736
Accruals & deferred income	<u>320,037</u>	<u>379,456</u>
	<u>757,645</u>	<u>818,960</u>

11. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

12. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £12,231 (2018 - £13,662). Contributions totalling £3,167 (2018 - £960) were payable to the fund at the balance sheet date and are included in creditors.

13. Related party transactions

During the year Orion Engineering Services Ltd, the company's ultimate parent company, charged £120,000 (2018: £120,229) to the company for services provided. Services totalling £nil (2018: £nil) were charged to Orion Engineering Services Ltd during the year. The amount owed to Orion Engineering Services Ltd by the company as at the balance sheet date was £154,183 (2018: £134,332).

14. Ultimate parent undertaking and controlling party

The ultimate parent company is Orion Engineering Services Limited, a company registered in Scotland. The largest and smallest group for which consolidated financial statements are prepared which include OCCMS Limited is that of Orion Engineering Services Limited. Copies of the group accounts can be obtained from Orion Engineering Services Limited, Orion House, Castle Heather, Inverness IV2 6AA.

The ultimate controlling party of Orion Engineering Services Limited is Mr A Savage, director.

15. Non adjusting events after the financial period

The current COVID-19 crisis is a non-adjusting post balance sheet event. This has been considered within the company's going concern statement as outlined in Note 1.3 of the financial statements.