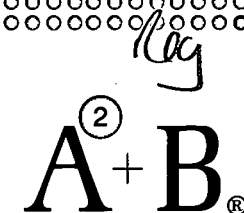


Registered number: SC350040



**SENERGY SURVEY
& GEOENGINEERING LIMITED**

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2014

TUESDAY



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COMPANIES HOUSE

COMPANY INFORMATION

DIRECTORS

N M Campbell
D Wallwork (resigned 26 June 2014)
J G McCallum
D J Mitchell (appointed 4 March 2015)

COMPANY SECRETARY

N M Campbell

REGISTERED NUMBER

SC350040

REGISTERED OFFICE

15 Bon Accord Crescent
Aberdeen
AB11 6DE

INDEPENDENT AUDITORS

Anderson Anderson & Brown LLP
9 Queens Road
Aberdeen
AB15 4YL



CONTENTS

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 17

**STRATEGIC REPORT
FOR THE PERIOD ENDED 30 JUNE 2014**

The directors present their strategic report for the period ended 30 June 2014.

BUSINESS REVIEW

Senergy Survey & Geoengineering Limited provides consultancy services in geohazards, geophysics, geotechnics and engineering, and specialises in project management of offshore surveys, site investigation and rig positioning. The company provides services to the global oil and gas, renewables and subsea mining sectors. The company is also the holding company for subsidiaries involved primarily in survey & geoengineering consultancy.

The company has had a successful trading period, however, its key performance indicators show a reduction in relation to the company's profitability in comparison with the prior period ended 31 May 2013. This is result of a reduction in vessels work throughout the period, which has directly impacted the company's activity.

From 2 September 2013 the directors recognise that LR Senergy Limited, a company registered in England, to be the ultimate holding company. This is due to a significant investment from Lloyds Register Group Limited to assist in the continued development and growth of the Senergy Group of Companies.

FUTURE OUTLOOK

The company continues to invest in all areas of its operations in the UK, through its subsidiaries, including the new office in Bath and is in the process of developing other markets both internationally and domestically. The company is also analysing other services that could be provided to the oil and gas companies as part of this process to improve its recoverability. The directors are confident for the future prospects of the company and the continued organic growth this entails.

PRINCIPAL RISKS AND UNCERTAINTIES


As the business grows it faces inherent risk in terms of people recruitment, retention and in the contractual terms and conditions it negotiates with customers. This risk is successfully managed through appropriate corporate governance, QHSE control and assessment procedures and staff development.

KEY PERFORMANCE INDICATORS

For the period ended 30 June 2014, the company generated £1,792,375 (2013 - £2,314,600) in gross profit, on £5,851,971 (2013 - £4,758,810) in turnover.

Profit on ordinary activities before taxation was £940,439 (2013 - £1,865,200) or 16.07% (2013 - 39.19%) of turnover in the period ended 30 June 2014.

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


.....
N M Campbell
Director

Date: 27/3/15

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 JUNE 2014**

The directors present their report and the financial statements for the period ended 30 June 2014.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £713,938 (2013 - £1,416,246).

No dividends were paid or proposed during the period (2013 - £nil).

DIRECTORS

The directors who served during the period were:

N M Campbell
D Wallwork (resigned 26 June 2014)
J G McCallum

EMPLOYEES

The business has been supported by its ultimate parent company and affiliates and growth through the recruitment of key employees. There is a continued focus on the development of our people to ensure that the company's reputation of delivering quality and performance in everything it does it maintained.

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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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, Anderson Anderson & Brown 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.


N M Campbell
Director

Date: 27/3/15

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2014**

The directors are responsible for preparing the Strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 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 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
SENERGY SURVEY & GEOENGINEERING LIMITED**

We have audited the financial statements of Senergy Survey & Geoengineering Limited for the period ended 30 June 2014, set out on pages 6 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its profit for the period 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.

EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion we have considered the net current liabilities. The accounts are prepared on a going concern basis and as detailed in Note 1, the parent company has confirmed its continuing support for the company and also that the loan balance will not be repaid in advance of other creditors. In view of the significance of this, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
SENERGY SURVEY & GEOENGINEERING LIMITED**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- 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.

Anderson Anderson & Brown LLP

Derek Mair (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown LLP

Statutory Auditor

9 Queens Road

Aberdeen

AB15 4YL

Date:

27 Mar 2015

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 30 JUNE 2014**

	Note	13 months ended 30 June 2014 £	Year ended 31 May 2013 £
TURNOVER	1,2	5,851,971	4,758,810
Cost of sales		(4,059,596)	(2,444,210)
GROSS PROFIT		1,792,375	2,314,600
Administrative expenses		(845,490)	(395,007)
OPERATING PROFIT	3	946,885	1,919,593
Interest payable and similar charges	7	(6,446)	(54,393)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		940,439	1,865,200
Tax on profit on ordinary activities	8	(226,501)	(448,954)
PROFIT FOR THE FINANCIAL PERIOD	15	713,938	1,416,246

All amounts relate to continuing operations.

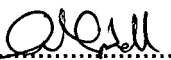
There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 8 to 17 form part of these financial statements.

**BALANCE SHEET
AS AT 30 JUNE 2014**

	Note	£	30 June 2014 £	£	31 May 2013 £
FIXED ASSETS					
Tangible assets	9		-		3,198
Investments	10		11,011,473		11,011,473
			<u>11,011,473</u>		<u>11,014,671</u>
CURRENT ASSETS					
Debtors	11	6,741,770		3,285,115	
Cash at bank		-		275,446	
		<u>6,741,770</u>		<u>3,560,561</u>	
CREDITORS: amounts falling due within one year	12	(14,561,282)		(12,097,209)	
NET CURRENT LIABILITIES			<u>(7,819,512)</u>		<u>(8,536,648)</u>
NET ASSETS			<u><u>3,191,961</u></u>		<u><u>2,478,023</u></u>
CAPITAL AND RESERVES					
Called up share capital	14		1		1
Other reserves	15		12,000		12,000
Profit and loss account	15		3,179,960		2,466,022
SHAREHOLDERS' FUNDS	16		<u><u>3,191,961</u></u>		<u><u>2,478,023</u></u>

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


.....
N M Campbell
Director

Date: 27/3/15

The notes on pages 8 to 17 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

At 30 June 2014 the company has net current liabilities of £7,819,512. Included within these liabilities are amounts due to the immediate parent company and fellow subsidiaries of £14,085,434. The financial statements are prepared on a going concern basis, which assumes that the company will continue to meet its liabilities as they fall due. The ultimate parent company and its subsidiaries have confirmed they shall not seek repayment of amounts due to the detriment of other creditors. Furthermore the ultimate parent company and its subsidiaries have confirmed they shall continue to support the company to facilitate its ability to continue trading as a going concern for the foreseeable future.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment - 5 years straight line

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.6 Operating leases

Rentals under operating leases are charged to the Profit and loss account 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 period until the date the rent is expected to be adjusted to the prevailing market rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014****1. ACCOUNTING POLICIES (continued)****1.7 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.8 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

1.9 Taxation

Current tax, including UK corporation tax and foreign tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

2. TURNOVER

No analysis of turnover by geographic region is provided, as the directors believe such an analysis would be prejudicial to the company's best interests.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014**
3. OPERATING PROFIT

The operating profit is stated after charging:

	13 months ended 30 June 2014 £	Year ended 31 May 2013 £
Depreciation of tangible fixed assets: - owned by the company	830	1,422
Difference on foreign exchange	10,382	10,237
	<u>11,212</u>	<u>11,659</u>

Auditors remuneration of £8,500 (2013 - £8,000) was borne by a fellow group company.

4. STAFF COSTS

All UK employees are employed by Senergy Resources Limited, a fellow subsidiary of Senergy Group Limited. The staff numbers, staff costs and directors' remuneration disclosed relates to recharges from Senergy Resources Limited. Additionally, also included within wages and salaries are further recharges of staff costs, where the company has utilised staff from other fellow subsidiaries of Senergy Group Limited. Where the company has utilised staff from overseas companies within the Senergy group, such costs are also included within wages and salaries.

Staff costs were as follows:

	13 months ended 30 June 2014 £	Year ended 31 May 2013 £
Wages and salaries	2,376,562	1,330,453
Social security costs	330,862	35,280
Other pension costs	236,746	23,771
	<u>2,944,170</u>	<u>1,389,504</u>

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

	13 months ended 30 June 2014 No.	Year ended 31 May 2013 No.
Technical	38	28
Management and Administration	2	10
Directors	3	3
	<u>43</u>	<u>41</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2014

5. DIRECTORS' REMUNERATION

The directors were paid by other group companies. The directors do not believe it is practical to apportion these amounts between their services as directors of this company and their services as directors of other group companies. Directors' remuneration paid by other group companies totals £686,281 (2013 - £442,982). The value of the group's contributions paid to defined contribution pension schemes in respect of the directors amounted to £26,768 (2013 - £15,750).

6. OPERATING LEASE COMMITMENTS

At 30 June 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	30 June 2014	31 May 2013
	£	£
Expiry date:		
After more than 5 years	45,000	-

7. INTEREST PAYABLE

	13 months ended 30 June 2014	Year ended 31 May 2013
	£	£
Bank loans	6,446	54,393

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014**

8. TAXATION

	13 months ended 30 June 2014 £	Year ended 31 May 2013 £
Analysis of tax charge in the period/year		
Current tax (see note below)		
Group taxation relief	213,697	423,120
	<hr/>	<hr/>
	213,697	423,120
	<hr/>	<hr/>
Foreign tax on income for the period/year	18,069	25,834
Group relief in respect of prior periods	(10)	-
	<hr/>	<hr/>
Total current tax	231,756	448,954
	<hr/>	<hr/>
Deferred tax		
Origination and reversal of timing differences	(3,322)	-
Accelerated capital allowances	(1,933)	-
	<hr/>	<hr/>
Total deferred tax (see note 13)	(5,255)	-
	<hr/>	<hr/>
Tax credit on loss on ordinary activities	226,501	448,954
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014**
8. TAXATION (continued)
Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 22.54% (2013 - 24%). The differences are explained below:

	13 months ended 30 June 2014 £	Year ended 31 May 2013 £
Profit on ordinary activities before tax	940,439	1,865,200
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.54% (2013 - 24%)	211,968	444,531
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	867	-
Capital allowances for period/year in excess of depreciation	1,184	1,064
Higher rate taxes on overseas earnings	(10)	-
Short term timing difference leading to an increase in taxation	3,744	-
Additional deduction for R&D expenditure	-	(16,321)
Other permanent differences	(4,072)	(6,155)
Group relief	7	-
Foreign tax credits	18,069	25,834
Unexplained difference	(1)	1
Current tax charge for the period/year (see note above)	231,756	448,954

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014**
9. TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 1 June 2013	7,110
Disposals	(7,110)
At 30 June 2014	
Depreciation	
At 1 June 2013	3,912
Charge for the period	830
On disposals	(4,742)
At 30 June 2014	
Net book value	
At 30 June 2014	
At 31 May 2013	3,198

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2013 and 30 June 2014	11,011,473
Net book value	
At 30 June 2014	11,011,473
At 31 May 2013	11,011,473

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Floyd and Associates Holdings Limited	Ordinary	100%
Floyd and Associates Limited*	Ordinary	100%
ISIS Energy Limited	Ordinary	100%

*held by Floyds and Associates Holdings Limited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014**

11. DEBTORS

	30 June 2014 £	31 May 2013 £
Trade debtors	651,785	475,420
Amounts owed by group undertakings	5,518,027	2,398,433
Prepayments and accrued income	566,703	411,262
Deferred tax asset (see note 13)	5,255	-
	<u>6,741,770</u>	<u>3,285,115</u>

**12. CREDITORS:
Amounts falling due within one year**

	30 June 2014 £	31 May 2013 £
Bank loans and overdrafts	52,235	511,916
Trade creditors	288,702	96,836
Amounts owed to group undertakings	14,085,434	11,156,737
Corporation tax	-	2,069
Other taxation and social security	-	33,808
Other creditors	3,119	-
Accruals and deferred income	131,792	295,843
	<u>14,561,282</u>	<u>12,097,209</u>

13. DEFERRED TAXATION

	30 June 2014 £	31 May 2013 £
At beginning of period/year	-	-
Released during period/year (P&L)	5,255	-
	<u>5,255</u>	<u>-</u>
At end of period/year		

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014**
13. DEFERRED TAXATION (continued)

The deferred taxation balance is made up as follows:

	30 June 2014 £	31 May 2013 £
Accelerated capital allowances	(1,933)	-
Short term timing differences	(3,322)	-
	<u>(5,255)</u>	<u>-</u>

14. SHARE CAPITAL

	30 June 2014 £	31 May 2013 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

15. RESERVES

	Capital contribution reserve £	Profit and loss account £
At 1 June 2013	12,000	2,466,022
Profit for the financial period		713,938
	<u>12,000</u>	<u>3,179,960</u>
At 30 June 2014		

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	30 June 2014 £	31 May 2013 £
Opening shareholders' funds	2,478,023	1,049,777
Profit for the financial period/year	713,938	1,416,246
Movement on capital contribution reserve	-	12,000
	<u>3,191,961</u>	<u>2,478,023</u>
Closing shareholders' funds		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014

17. RELATED PARTY TRANSACTIONS

Control

Throughout the period the company was controlled by the directors.

Transactions

As the company is a wholly owned subsidiary of Senergy Group Limited, it has taken advantage of the exception set out in paragraph 3(c) of Financial Reporting Standard 8 which allows exemption from disclosure of related party transactions with other group companies.

18. ULTIMATE PARENT COMPANY

The immediate parent company is Senergy Holdings Limited, a company registered in Scotland.

With effect from 2 September 2013, the company's ultimate parent company was Lloyd's Register Foundation, a company registered in England. Prior to that date the ultimate holding company was Senergy Group Limited, a company registered in Scotland.

The largest group in which the results of the company are consolidated is that headed by Lloyd's Register Foundation. The smallest group in which the results of the company are consolidated is that headed by Senergy Group Limited. The financial statements of Senergy Group Limited are available from its registered office at 15 Bon Accord Crescent, Aberdeen.