

Registered number: SC375963

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## SENERGY GROUP LIMITED

### DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

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**SENERGY GROUP LIMITED**



**COMPANY INFORMATION**

**DIRECTORS**

J G McCallum  
N M Campbell (resigned 30 September 2015)  
N McCollam  
A Buchanan (resigned 2 April 2015)  
D J Mitchell (appointed 4 March 2015)

**COMPANY SECRETARY**

HBJGW Secretarial Limited

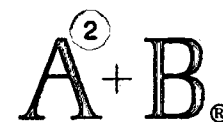
**REGISTERED NUMBER**

SC375963

**REGISTERED OFFICE**

7 Bon Accord Square  
Aberdeen  
Scotland  
AB11 6DJ

**SENERGY GROUP LIMITED**



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**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 30 JUNE 2015**

**INTRODUCTION**

The Group's activities principally comprise the provision of integrated project management services, technical consultancy services and software solutions to the international energy sector.

**BUSINESS REVIEW & FUTURE OUTLOOK**

The Group has had a challenging trading year in all its activities with activity and pricing being driven by its customers responding to the uncertainty associated with a declining oil price. During the year the Group undertook a review of its cost base and infrastructure given the challenging market conditions in the global oil and gas industry which has resulted in the Group being appropriately structured for its future activities.

Increasingly the Group operates in all major geo-markets as it reacts to the current market conditions.

The directors are confident that future prospects of the Group are good. The current challenging market conditions, which are as a consequence of the lower oil commodity price, are expected to continue until at least the end of 2016 after which the directors would expect the performance of the business to improve.

**PRINCIPAL RISKS AND UNCERTAINTIES**


The business faces risk due to the uncertainty associated with a sustained period of low oil prices. This risk is successfully managed through systematic and thorough analysis of market and opportunities, tracking of pipeline and business development activity, and active management of cost base.

**FINANCIAL KEY PERFORMANCE INDICATORS**

The directors consider the key financial indicators to be turnover, gross profit and profit after tax whilst it also monitors the utilisation of its personnel.

For the period ended 30 June 2015, the Group generated £20.8m (2014 - £39.7m) in gross profit on £90.6m (2014- £125.6m) of turnover. Loss on ordinary activities after taxation was £11.6m (2014 – loss £5.4m).

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

  
.....  
**D J Mitchell**  
Director

Date: 31/3/2016

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2015**

The directors present their report and the audited financial statements for the year ended 30 June 2015.

**DIVIDENDS**

No dividends have been paid or proposed during the current period (2014 - £nil)

**DIRECTORS**

The directors who served during the year were:

J G McCallum  
N M Campbell (resigned 30 September 2015)  
N McCollam  
A Buchanan (resigned 2 April 2015)  
D J Mitchell (appointed 4 March 2015)

**FUTURE DEVELOPMENTS**

The directors' view on future developments is set out in the Business Review and Future Outlook section of the Strategic Report.

**EMPLOYEES**

The attraction, retention and motivation of high calibre employees is a strategic imperative of the Group. To achieve this, the Group maintains appropriate remuneration structures as well as an environment in which employees are able to develop their skills in a way that can be applied to our clients' requirements.

Each of the businesses has the remit to put in place arrangements that meet their specific demands whilst working within the framework of overall group-wide structures and systems. Human resource professionals are employed throughout the Group to support the achievement of this objective.

**EQUAL OPPORTUNITIES**

The business provides equal opportunities for all its employees and potential employees regardless of their sex, sexual orientation, trans-gender status, religion or belief, marital status, civil partnership status, pregnancy, age, disability, race, colour, nationality, national or ethnic origins. The policy applies to the process of recruitment and selection, promotion, training and development, conditions of work, pay and benefits and to every other aspect of employment.

**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 and the Group'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 and the Group's auditors are aware of that information.

SENERGY GROUP LIMITED



**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2015**

**AUDITORS**

The auditors, Anderson Anderson and Brown, 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.

A handwritten signature in black ink, appearing to read 'D J Mitchell', is written over a dotted line.

**D J Mitchell**  
Director

Date: 31/3/2016

**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2015**

The directors are responsible for preparing the Group 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 Group and the profit or loss of the group 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 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 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
SENERGY GROUP LIMITED**

We have audited the financial statements of Senergy Group Limited for the year ended 30 June 2015, set out on pages 8 to 34. 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 group's and the parent 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 Group 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 group's and the parent company's affairs as at 30 June 2015 and of the group's loss 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.



SENERGY GROUP LIMITED



**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
SENERGY GROUP LIMITED**

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion 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.

**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 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.

*Anderson Anderson & Brown LLP*

Derek Mair (Senior statutory auditor)

for and on behalf of  
**Anderson Anderson and Brown**

Statutory Auditor

9 Queens Road  
Aberdeen  
AB15 4YL

Date:

*31 March 2016*

**SENERGY GROUP LIMITED**



**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2015**

		Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
	Note		
<b>TURNOVER</b>	1,2	90,622	125,633
Cost of sales		(69,783)	(85,923)
<b>GROSS PROFIT</b>		20,839	39,710
Administrative expenses		(29,487)	(38,850)
Exceptional administrative expenses	4	(1,502)	(1,785)
Total administrative expenses		(30,989)	(40,635)
<b>OPERATING LOSS</b>	3	(10,150)	(925)
Interest receivable and similar income	8	75	121
Interest payable and similar charges	9	(207)	(853)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(10,282)	(1,657)
Tax on loss on ordinary activities	10	(1,325)	(3,721)
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		(11,607)	(5,378)
Minority interests		1,226	(480)
<b>LOSS FOR THE FINANCIAL YEAR</b>	22	(10,381)	(5,858)

All amounts relate to continuing operations.

The notes on pages 14 to 34 form part of these financial statements.

**SENERGY GROUP LIMITED**



**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 £000	2014 £000
<b>LOSS FOR THE FINANCIAL YEAR</b>		(10,381)	(5,858)
Other movements in profit and loss reserve		542	(224)
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<u>(9,839)</u>	<u>(6,082)</u>

The notes on pages 14 to 34 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET  
AS AT 30 JUNE 2015**


	Note	£000	2015 £000	£000	2014 £000
<b>FIXED ASSETS</b>					
Intangible assets	11		30,461		31,235
Tangible assets	14		3,272		4,120
			<u>33,733</u>		<u>35,355</u>
<b>CURRENT ASSETS</b>					
Stocks	15	393		269	
Debtors	16	19,645		37,896	
Cash at bank	17	2,612		8,699	
		<u>22,650</u>		<u>46,864</u>	
<b>CREDITORS: amounts falling due within one year</b>	18	(52,348)		(66,901)	
<b>NET CURRENT LIABILITIES</b>			<u>(29,698)</u>		<u>(20,037)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,035		15,318
<b>CREDITORS: amounts falling due after more than one year</b>	19		(849)		(113)
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	20		-		(6)
<b>NET ASSETS</b>			<u>3,186</u>		<u>15,199</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	21		1		1
Share premium account	22		19,537		19,537
Profit and loss account	22		(14,465)		(4,626)
<b>SHAREHOLDERS' FUNDS</b>	23		5,073		14,912
<b>MINORITY INTERESTS</b>			(1,887)		287
			<u>3,186</u>		<u>15,199</u>

SENERGY GROUP LIMITED



**CONSOLIDATED BALANCE SHEET (continued)**  
**AS AT 30 JUNE 2015**

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

  
.....  
D J Mitchell  
Director

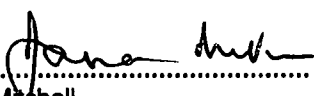
Date: 31/3/2016

The notes on pages 14 to 34 form part of these financial statements.

COMPANY BALANCE SHEET  
AS AT 30 JUNE 2015

	Note	£000	2015 £000	2014 £000
<b>FIXED ASSETS</b>				
Investments	12		31,860	31,741
<b>CURRENT ASSETS</b>				
Debtors	16	18,587	27,144	
Cash at bank		2	-	
		<u>18,589</u>	<u>27,144</u>	
<b>CREDITORS: amounts falling due within one year</b>	18	<u>(32,656)</u>	<u>(40,711)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(14,067)</u>	<u>(13,567)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>17,793</u>	<u>18,174</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	21		1	1
Share premium account	22		19,537	19,537
Profit and loss account	22		<u>(1,745)</u>	<u>(1,364)</u>
<b>SHAREHOLDERS' FUNDS</b>	23		<u>17,793</u>	<u>18,174</u>

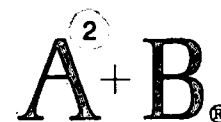
The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
.....  
D J Mitchell  
Director

Date: 31/3/2016

The notes on pages 14 to 34 form part of these financial statements.

**SENERGY GROUP LIMITED**



**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015 £000	2014 £000
Net cash flow from operating activities	24	655	2,003
Returns on investments and servicing of finance	25	(132)	(732)
Taxation	25	(1,670)	(2,383)
Capital expenditure and financial investment	25	(407)	(11,615)
Acquisitions and disposals	25	(2,330)	(1,280)
<b>CASH OUTFLOW BEFORE FINANCING</b>		<b>(3,884)</b>	<b>(14,007)</b>
Financing	25	(301)	18,408
<b>(DECREASE)/INCREASE IN CASH IN THE YEAR</b>		<b>(4,185)</b>	<b>4,401</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 30 JUNE 2015**

	2015 £000	2014 £000
(Decrease)/Increase in cash in the year	(4,185)	4,401
Cash outflow from decrease in debt and lease financing	51	15,630
	-	-
<b>MOVEMENT IN NET FUNDS/(DEBT) IN THE YEAR</b>	<b>(4,134)</b>	<b>20,031</b>
Net debt/funds at beginning of period	6,662	(13,369)
<b>NET FUNDS AT 30 JUNE 2015</b>	<b>2,528</b>	<b>6,662</b>

The notes on pages 14 to 34 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**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.

**1.2 Going concern**

The directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the Group has adequate working capital, together with long term contracts with a number of customers and suppliers, to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The financial position of the Group, its working capital and funding, including the Group's financial planning processes for managing its financial risk are described in the Directors' Report.

At 30 June 2015 the Group has net current liabilities of £29,698k (2014: £20,037k). Included within these liabilities are amounts due to the intermediate parent company of £32,508k (2014: £32,758k). The financial statements are prepared on a going concern basis, which assumes that the Group will continue to meet its liabilities as they fall due.

The intermediate parent company has confirmed it shall not seek repayment of amounts due to the detriment of other creditors

**1.3 Basis of consolidation**

The financial statements consolidate the accounts of Senergy Group Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The results of subsidiaries sold during the year are included up to the effective date of disposal.

**1.4 Turnover**

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

**1.5 Well operations**

Where the Group acts as an intermediary, and meets the relevant criteria, the financial statements disclose the flow through of gross sales and associated costs similar to an agency basis. This results in gross sales and costs being offset within the profit and loss account with only the management fee earned by the Group being recognised. Included within other debtors (Note 16), cash at bank and in hand (Note 17) and other creditors (Note 18) the Group has identified the gross values attributed to well operations.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.6 Intangible fixed assets and amortisation**

Trademarks are included at cost. Amortisation is provided on a straight line basis over 20 years.

Goodwill on acquisition represents the excess of the fair value of the consideration paid for a subsidiary, or business, over the fair value of its net assets at the date of acquisition. For acquisitions, goodwill (both positive and negative) is capitalised and amortised over its useful economic life. The useful economic life is separately determined on an acquisition by acquisition basis, however, it is generally not expected to exceed ten years.

Intellectual property is included at cost. Amortisation is charged over its useful economic life of 10 years.

**1.7 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:

Buildings	-	2% straight line
Fixtures & fittings	-	33% straight line
Computer equipment	-	33% straight line
Tenants Improvements	-	20% straight line

**1.8 Investments**

Investments in subsidiaries are valued at cost less provision for impairment.

**1.9 Leasing and hire purchase**

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 the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**1.10 Operating leases**

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

**1.11 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**1. ACCOUNTING POLICIES (continued)**

**1.12 Taxation**

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.

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.

**1.13 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.

**1.14 Pensions**

The company contributes to a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**1.15 Loan finance costs**

The costs of issue of loan finance are charged to the profit and loss account over the terms of the loans at constant rates relative to their carrying amount.

**2. TURNOVER**

The whole of the turnover is attributable to providing integrated project management services, technical consultancy services and software solutions to the international energy sector.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**3. OPERATING LOSS**

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

	Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
Amortisation - intangible fixed assets	2,812	2,573
Depreciation of tangible fixed assets:		
- owned by the group	730	1,498
Operating lease rentals:		
- plant and machinery	22	16
- other operating leases	2,032	2,125
Difference on foreign exchange	(250)	537
	<u>          </u>	<u>          </u>

**4. EXCEPTIONAL ITEMS**

The exceptional items are detailed below -

	Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
Provision for irrecoverable debtors	250	-
Loss on disposal of subsidiary	1,252	-
Bad debt provision	-	1,785
	<u>          </u>	<u>          </u>
	<u>1,502</u>	<u>1,785</u>

**Provision for irrecoverable debtors**

The provision is to reflect uncertainty over collection of a debtor.

**Loss on disposal of subsidiary**

The loss on disposal of subsidiary reflects the investment write off and intercompany write offs in relation to the disposal of Senergy A/S.

**Bad debt provision**

The bad debt provision in the prior year was to reflect the uncertainty over collection of an overseas debtor as a result of a tax dispute.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**5. AUDITORS' REMUNERATION**

	Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	20	20
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of associates of the company	230	278
All other services	179	147
	<u>409</u>	<u>445</u>

**6. STAFF COSTS**

Staff costs were as follows:

	Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
Wages and salaries	40,936	50,816
Social security costs	3,529	4,930
Other pension costs	2,889	3,462
	<u>47,354</u>	<u>59,208</u>

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

	Year ended 30 June 2015 No.	13 months ended 30 June 2014 No.
Technical	470	557
Administration	148	164
	<u>618</u>	<u>721</u>

**7. DIRECTORS' REMUNERATION**

The directors' remuneration paid by the group and other group companies to the directors totals £1,011,475 (2014 - £899,702). The value of contributions paid to defined contribution pension schemes in respect of these directors amounted to £57,173 (2014 - £39,313).

**SENERGY GROUP LIMITED**



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**8. INTEREST RECEIVABLE**

	Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
Bank interest receivable	75	121

**9. INTEREST PAYABLE**

	Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
Bank interest	59	736
Other interest payable	148	117
	207	853

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**10. TAXATION**

	Year ended 30 June 2015 £000	13 months ended 30 June 2014 £000
<b>Analysis of tax charge in the year/period</b>		
<b>Current tax (see note below)</b>		
UK corporation tax charge/(credit) on loss for the year/period	316	(86)
Adjustments in respect of prior periods	(139)	(1)
	<hr/>	<hr/>
	177	(87)
Foreign tax on income for the year/period	1,156	2,822
	<hr/>	<hr/>
<b>Total current tax</b>	<b>1,333</b>	<b>2,735</b>
	<hr/>	<hr/>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(8)	482
Released during the year	-	535
Adjustments in respect of prior periods	-	(31)
	<hr/>	<hr/>
<b>Total deferred tax (see note 20)</b>	<b>(8)</b>	<b>986</b>
	<hr/>	<hr/>
<b>Tax on loss on ordinary activities</b>	<b>1,325</b>	<b>3,721</b>
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**10. TAXATION (continued)**

**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.75% (2014 - 22.54%). The differences are explained below:

	2015 £000	2014 £000
Loss on ordinary activities before tax	(10,282)	(1,657)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.75% (2014 - 22.54%)	(2,133)	(373)
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill	354	389
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	61
Depreciation in excess of capital allowances	89	95
Utilisation of tax losses	971	1,591
Adjustments to tax charge in respect of prior periods	(139)	(1)
Short term timing differences	(18)	(293)
Non-taxable income	-	(21)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(49)	(340)
Foreign tax differences	1,529	1,669
Other permanent timing differences	729	(42)
<b>Current tax charge for the year/period (see note above)</b>	<b>1,333</b>	<b>2,735</b>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**11. INTANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Intellectual Property £000</b>	<b>Trademarks £000</b>	<b>Goodwill £000</b>	<b>Total £000</b>
<b>Cost</b>				
At 1 July 2014	10,307	188	32,264	42,759
Additions	132	48	1,382	1,562
Foreign exchange movement	-	-	251	251
At 30 June 2015	10,439	236	33,897	44,572
<b>Amortisation</b>				
At 1 July 2014	836	31	10,657	11,524
Charge for the year	1,096	10	1,706	2,812
Foreign exchange movement	-	-	(225)	(225)
At 30 June 2015	1,932	41	12,138	14,111
<b>Net book value</b>				
At 30 June 2015	8,507	195	21,759	30,461
At 30 June 2014	9,471	157	21,607	31,235

The directors consider each intangible asset separately for the purposes of determining the amortisation that arises. Positive goodwill and other intangible assets are being amortised over their useful lives, which are explained in accounting policy 1.6.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**12. FIXED ASSET INVESTMENTS**

<b>Company</b>	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 July 2014	31,741
Additions	119
	<hr/>
At 30 June 2015	31,860
	<hr/>
<b>Net book value</b>	
At 30 June 2015	31,860
	<hr/>
At 30 June 2014	31,741
	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**12. FIXED ASSET INVESTMENTS (continued)**

The subsidiary undertakings at 30 June 2015 were:

Name	Holding	%	Nature of business
Senergy Holdings Limited	Ordinary shares	100	Intermediate holding company
Senergy Limited*	Ordinary shares	100	Company providing services to oil industry
Senergy Trustees Limited	Ordinary shares	100	Dormant
Senergy Aligned Services Limited	Ordinary shares	100	Investment company
Senergy Alternative Energy Limited	Ordinary shares	100	Provision of services to alternative energy sector
Reservoir Management (Holdings) Limited*	Ordinary shares	100	Dormant
Reservoir Management Limited*	Ordinary shares	100	Dormant
Senergy Wells Limited*	Ordinary shares	100	Provision of subsurface and wells engineering services
Senergy International Sdn Bhd (Malaysia)*	Ordinary shares	49	Supply of geo-science and petroleum engineering consultancy services
Senergy (GB) Limited*	Ordinary shares	100	Provision of subsurface expertise and specialist software
Senergy Development Solutions Limited *****	Ordinary shares	100	Provision of facilities engineering and total project delivery
Floyd and Associates Limited ***	Ordinary shares	100	Provision of geohazard assessment marine site surveys and rig positioning consultancy services
Isis Energy Limited ***	Ordinary shares	100	Provision of marine geo-share technology and engineering consultancy services
Interactive Petrophysics Limited*	Ordinary shares	100	Dormant
Ternan Limited*	Ordinary shares	100	Promotion of exploration ideas

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**12. FIXED ASSET INVESTMENTS (continued)**

Senergy Australia Pty Limited (Australia) *	Ordinary shares	100	Consultancy services to the oil and gas industry
Floyd and Associates Holdings Limited ***	Ordinary shares	100	Holding Company
Senergy Oil and Gas Limited	Ordinary shares	100	Holding company and provision of services on behalf of other group companies
Senergy Technology Limited	Ordinary shares	100	Dormant
Senergy Survey and Geoengineering Limited	Ordinary shares	100	Holding company and provision of marine consultancy services
Senergy Econnect Limited **	Ordinary shares	100	Provision of services to renewable energy industry
Senergy Oil and Gas (Ireland) Limited (Ireland) **	Ordinary shares	100	Provision of electrical consultancy services to renewable energy industry
Senergy Econnect Australia Pty Limited (Australia) **	Ordinary shares	100	Provision of consultancy services to electrical engineering industry
Senergy Resources Limited	Ordinary shares	100	Provision of employment services to the Senergy Group of companies
Leading Edge Advantage International Limited*	Ordinary shares	100	Project management of advanced drilling techniques in the oil and gas industry
Leading Edge Advantage (Underbalanced) Limited*	Ordinary shares	100	Dormant
Leading Edge Advantage (Sustainment) Limited*	Ordinary shares	100	Provision of specialist engineering consultancy services to the oilfield industry
Senergy LEA Limited*	Ordinary shares	100	Provision of specialist engineering consultancy services to the oilfield industry
Senergy France Limited*	Ordinary shares	100	Dormant
Senergy Software Limited****	Ordinary shares	100	Provision and maintenance of software products to the oil and gas industry

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**12. FIXED ASSET INVESTMENTS (continued)**

SAE Inc (USA)*****	Ordinary shares	100	Provision and maintenance of software products to the oil and gas industry
SGC LLC (USA)*****	Ordinary shares	100	Provision and maintenance of software products to the oil and gas industry
Senergy Oil & Gas (Singapore) PTE. Limited*	Ordinary shares	100	Consultancy services to the oil and gas industry

\* held by Senergy Oil & Gas Limited

\*\* held by Senergy Alternative Energy Limited

\*\*\* held by Senergy Survey & Geoengineering Limited

\*\*\*\* held by Senergy Technology Limited

\*\*\*\*\* held by Senergy Aligned Services Limited

All subsidiaries are incorporated in the UK unless otherwise stated.

**13. ACQUISITIONS AND DISPOSALS**

During the year the Group acquired the remaining 33% minority interest in SAE Inc for a cash consideration. This results in excess of fair value of £1,263k which is recognised as goodwill.

During the year the Company capitalised an additional cost of investment which results in excess of fair value of £119k which is recognised as goodwill.

During the year the Group disposed of its investment in Senergy A/S. This resulted in a loss of £1,252k which is detailed in note 4.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**14. TANGIBLE FIXED ASSETS**

Group	Buildings £000	Fixtures, fittings and computer equipment £000	Tenants Improv'ts £000	Total £000
<b>Cost</b>				
At 1 July 2014	1,952	8,771	987	11,710
Additions	-	227	-	227
Disposals	-	(332)	-	(332)
Foreign exchange movement	53	(19)	-	34
At 30 June 2015	2,005	8,647	987	11,639
<b>Depreciation</b>				
At 1 July 2014	328	6,466	796	7,590
Charge for the year	39	527	164	730
On disposals	-	(332)	-	(332)
Foreign exchange movement	-	379	-	379
At 30 June 2015	367	7,040	960	8,367
<b>Net book value</b>				
At 30 June 2015	1,638	1,607	27	3,272
At 30 June 2014	1,624	2,305	191	4,120

**15. STOCKS**

	<b>Group</b>		<b>Company</b>	
	2015 £000	2014 £000	2015 £000	2014 £000
Work in progress	393	269	-	-

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**16. DEBTORS**

	<u>Group</u>		<u>Company</u>	
	2015	2014	2015	2014
	£000	£000	£000	£000
Trade debtors	7,263	14,876	-	-
Amounts owed by group undertakings	-	-	17,158	26,193
VAT recoverable	-	44	-	-
Other debtors	3,339	5,899	1,401	951
Prepayments and accrued income	7,723	14,816	-	-
Tax recoverable	1,289	2,231	28	-
Deferred tax asset (see note 20)	31	30	-	-
	<u>19,645</u>	<u>37,896</u>	<u>18,587</u>	<u>27,144</u>

Included in Group other debtors is an amount of £2k (2014 - £1,100k) due from third parties in relation to well operations.

**17. CASH AT BANK**

Included within Group cash at bank is an amount of £1,300k (2014 - £4,200k) in relation to well operations which is held on behalf of third parties.

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

	<u>Group</u>		<u>Company</u>	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loans and overdrafts	-	1,903	-	-
Net obligations under finance leases and hire purchase contracts	49	21	-	-
Trade creditors	1,731	5,264	-	10
Amounts owed to group undertakings	32,508	32,758	32,180	40,513
Corporation tax	599	2,837	-	-
Other taxation and social security	1,811	3,871	-	-
Other creditors	5,613	11,480	476	178
Accruals and deferred income	10,037	8,767	-	10
	<u>52,348</u>	<u>66,901</u>	<u>32,656</u>	<u>40,711</u>

Included in Group creditors is an amount of £1,600k (2014 - £7,600k) due to third parties in relation to well operations and an amount of £259k (2014 - £301k) due to the defined contribution pension scheme.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**19. CREDITORS:  
Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£000	£000	£000	£000
Net obligations under finance leases and hire purchase contracts	35	113	-	-
Other creditors	814	-	-	-
	<u>849</u>	<u>113</u>	<u>-</u>	<u>-</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£000	£000	£000	£000
Between one and five years	35	113	-	-

**20. DEFERRED TAXATION**

	<b>Group</b>		<b>Company</b>	
	2015	2014	2015	2014
	£000	£000	£000	£000
At beginning of year/period	23	1,012	-	272
(Charge for)/released during the year	8	(989)	-	(272)
At end of year/period	<u>31</u>	<u>23</u>	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**20. DEFERRED TAXATION (continued)**

The deferred taxation balance is made up as follows:

	<b>Group</b>		<b>Company</b>	
	2015 £000	2014 £000	2015 £000	2014 £000
Accelerated capital allowances	25	13	-	-
Short term timing differences	6	7	-	-
Tax losses brought forward	-	3	-	-
	<u>31</u>	<u>23</u>	<u>-</u>	<u>-</u>
comprising:				
Asset - due within one year	31	30	-	-
Liability	-	(6)	-	-
	<u>31</u>	<u>24</u>	<u>-</u>	<u>-</u>

**21. SHARE CAPITAL**

	2015 £000	2014 £000
<b>Allotted, called up and fully paid</b>		
5,867,405 Ordinary shares of £0.0001 each	<u>1</u>	<u>1</u>

**22. RESERVES**

<b>Group</b>	Share premium account £000	Profit and loss account £000
At 1 July 2014	19,537	(4,626)
Loss for the financial year	-	(10,381)
Other movements	-	542
At 30 June 2015	<u>19,537</u>	<u>(14,465)</u>



**SENERGY GROUP LIMITED**



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**

**22. RESERVES (continued)**

<b>Company</b>	<b>Share premium account £000</b>	<b>Profit and loss account £000</b>
At 1 July 2014	19,537	(1,364)
Loss for the financial year	-	(381)
At 30 June 2015	<u>19,537</u>	<u>(1,745)</u>

**23. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

<b>Group</b>	<b>2015 £000</b>	<b>2014 £000</b>
Opening shareholders' funds	14,912	20,012
Prior year adjustments		(298)
Opening shareholders' funds (as restated)		<u>19,714</u>
Loss for the financial year/period	(10,381)	(5,858)
Share premium on shares issued (net of expenses)	-	1,280
Other recognised gains and losses during the year/period	542	(224)
Closing shareholders' funds	<u>5,073</u>	<u>14,912</u>

<b>Company</b>	<b>2015 £000</b>	<b>2014 £000</b>
Opening shareholders' funds	18,174	17,184
Loss for the financial year/period	(381)	(290)
Share premium on shares issued (net of expenses)	-	1,280
Closing shareholders' funds	<u>17,793</u>	<u>18,174</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The loss for the year/period dealt with in the accounts of the Company was £381k (2014 - £290k).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**24. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2015 £000	2014 £000
Operating loss	(10,150)	(925)
Amortisation of intangible fixed assets	2,812	2,573
Depreciation of tangible fixed assets	730	1,498
Decrease/(increase) in work in progress	(124)	381
Decrease in debtors	17,331	3,420
Decrease in creditors	(7,454)	(6,530)
Non cash movements	410	336
Increase/(decrease) in cash held on behalf of third parties	(2,900)	1,250
<b>Net cash inflow from operating activities</b>	<b>655</b>	<b>2,003</b>

**25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2015 £000	2014 £000
<b>Returns on investments and servicing of finance</b>		
Interest received	75	121
Interest paid	(207)	(853)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(132)</b>	<b>(732)</b>

	2015 £000	2014 £000
<b>Taxation</b>		
Corporation tax	(1,670)	(2,383)

	2015 £000	2014 £000
<b>Capital expenditure and financial investment</b>		
Purchase of intangible fixed assets	(180)	(10,335)
Purchase of tangible fixed assets	(227)	(2,028)
Sale of tangible fixed assets	-	748
<b>Net cash outflow from capital expenditure</b>	<b>(407)</b>	<b>(11,615)</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)**

	2015 £000	2014 £000
<b>Acquisitions and disposals</b>		
Payment to acquire subsidiary minority interest	(823)	(1,280)
Non cash movement on minority interest	(1,507)	-
<b>Net cash outflow from acquisitions and disposals</b>	<b>(2,330)</b>	<b>(1,280)</b>
	2015 £000	2014 £000
<b>Financing</b>		
Premium on issue of ordinary shares	-	1,280
Repayment of loans	-	(5,432)
Repayment of other loans	-	(9,597)
Repayment of finance leases	(51)	(601)
Repayment / receipt of funding from parent company	(250)	32,758
<b>Net cash (outflow)/inflow from financing</b>	<b>(301)</b>	<b>18,408</b>

**26. ANALYSIS OF CHANGES IN NET FUNDS**

	1 July 2014 £000	Cash flow £000	Other non-cash changes £000	30 June 2015 £000
Cash at bank and in hand	8,699	(6,087)	-	2,612
Bank overdraft	(1,902)	1,902	-	-
	<b>6,797</b>	<b>(4,185)</b>	<b>-</b>	<b>2,612</b>
<b>Debt:</b>				
Debts due within one year	(22)	(27)	-	(49)
Debts falling due after more than one year	(113)	78	-	(35)
<b>Net (debt)/funds</b>	<b>6,662</b>	<b>(4,134)</b>	<b>-</b>	<b>2,528</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2015**
**27. OPERATING LEASE COMMITMENTS**

At 30 June 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015 £000	2014 £000
<b>Group</b>		
<b>Expiry date:</b>		
Within 1 year	82	294
Between 2 and 5 years	1,457	948
After more than 5 years	-	61
	<u>          </u>	<u>          </u>

**28. RELATED PARTY TRANSACTIONS**
**Control**

Throughout the year the group was controlled by the directors.

**Transactions**

The company has taken advantage of the exemption given by paragraph 3(c) of Financial Reporting Standard Number 8 which allows exemption from disclosure of related party transactions with other wholly owned group companies.

Related party	Transaction	Balance at year end	
		£	£
Senergy International Sdn Bhd, a subsidiary company	Loan	-	85,725

**29. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent company is LR Senergy Limited, a company registered in England.

The ultimate parent company is Lloyd's Register Foundation, a company registered in England. The largest group in which the results of the company are consolidated is that headed by Lloyd's Register Foundation. The financial statements are available from its registered office at 71 Fenchurch Street, London.