

**EVOLUTION ROPES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH THE REGISTRAR**

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EVOLUTION ROPES LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	31.12.2022	31.12.2021
		£	£
Fixed assets			
Tangible assets	3	7,522	0
		7,522	0
Current assets			
Stocks	4	34,929	39,534
Debtors	5	2,399,605	1,791,796
Cash at bank and in hand		838,240	9,294
		3,272,774	1,840,624
Creditors: amounts falling due within one year	6	(1,604,914)	(713,158)
Net current assets		1,667,860	1,127,466
Total assets less current liabilities		1,675,382	1,127,466
Provision for liabilities	7	(530)	0
Net assets		1,674,852	1,127,466
Capital and reserves			
Called-up share capital	8	100	100
Profit and loss account		1,674,752	1,127,366
Total shareholder's funds		1,674,852	1,127,466

For the financial year ending 31 December 2022 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The member has not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Profit and Loss Account has not been delivered.

The financial statements of Evolution Ropes Limited (registered number: SC459171) were approved and authorised for issue by the Director on 16 November 2023. They were signed on its behalf by:

Russell John Ritchie
Director

EVOLUTION ROPES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial period, unless otherwise stated.

General information and basis of accounting

Evolution Ropes Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in Scotland. The address of the Company's registered office is Evolution View Wellheads Crescent, Wellheads Industrial Estate, Dyce, AB21 7GA, Scotland, United Kingdom.

The financial statements have been prepared under the historical cost convention, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

In accordance with Section 390 of the Companies Act 2006, these financial statements cover the period from 1 January 2022 to 31 December 2022.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

Going concern

The directors have assessed the Balance Sheet and likely future cash flows at the date of approving these financial statements. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and to meet its financial obligations as they fall due for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Reporting period length

The financial period is prepared for a period of 12 months (2021 - 9 months) so the periods may not be entirely comparable.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Profit and Loss Account in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover is recognised when the significant risks and rewards are considered to have been transferred to the customer.

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Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Plant and machinery etc.	2 years straight line
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Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

Non-financial assets

At each balance sheet date, the company reviews its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Financial assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account.

Stocks

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

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

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Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial assets

Basic financial assets, which include debtors and bank balances, are initially measured at transaction price including transaction costs.

Financial assets are derecognised when and only when the contractual rights to the cash flows from the financial asset expire or are settled, or the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

2. Employees

	Year ended 31.12.2022	Period from 01.04.2021 to 31.12.2021
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	4	4

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3. Tangible assets

	Plant and machinery etc.	Total
	£	£
Cost		
At 01 January 2022	247,598	247,598
Additions	15,044	15,044
At 31 December 2022	262,642	262,642
Accumulated depreciation		
At 01 January 2022	247,598	247,598
Charge for the financial year	7,522	7,522
At 31 December 2022	255,120	255,120
Net book value		
At 31 December 2022	7,522	7,522
At 31 December 2021	0	0

4. Stocks

	31.12.2022	31.12.2021
	£	£
Stocks	0	11,315
Work in progress	34,929	28,219
	34,929	39,534

5. Debtors

	31.12.2022	31.12.2021
	£	£
Trade debtors	497,533	544,664
Amounts owed by Parent undertakings	270,000	0
Amounts owed by connected companies	100,000	0
Amounts owed by related parties	1,528,459	1,245,485
Deferred tax asset	0	1,647
Other taxation and social security	1,434	0
Other debtors	2,179	0
	2,399,605	1,791,796

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6. Creditors: amounts falling due within one year

	31.12.2022	31.12.2021
	£	£
Trade creditors	1,112,444	264,651
Amounts owed to Parent undertakings	0	130,000
Taxation and social security	414,026	263,625
Other creditors	78,444	54,882
	1,604,914	713,158

7. Provision for liabilities

	31.12.2022	31.12.2021
	£	£
Deferred tax	530	0

8. Called-up share capital

	31.12.2022	31.12.2021
	£	£
Allotted, called-up and fully-paid		
90 C Ordinary shares of £ 1.00 each	90	90
10 P Ordinary shares of £ 1.00 each	10	10
	100	100

9. Ultimate controlling party

Parent Company:

Rig Surveys Group Limited

The company's immediate parent undertaking was Rig Surveys Group Limited, a company registered in Scotland.

The ultimate parent undertaking and controlling party also transferred to Challenger Energy Limited, a company registered in Scotland.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.