

Rigex Limited

Annual Report and Financial Statements For the period ended 31 December 2019

Registration number: SC466107

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Rigex Limited

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Rigex Limited

Company Information

Directors	K N Franklin
	P Stonebanks
	P M M Sinclair
Registered office	Kirkhill Commercial Park Dyce Avenue Dyce Aberdeen AB21 0LQ
Auditor	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

Rigex Limited

Directors' Report

For the period ended 31 December 2019

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

Principal activity

The principal activity of the company is the selling of safety products.

Directors of the company

The directors who held office during the period were as follows:

K N Franklin

P Stonebanks

P M M Sinclair (appointed 14 November 2019)

Political contributions

The company made no political donations or incurred any political expenditure during the period (2018: £nil).

Dividends

No dividend was declared or paid during the year (2018: £nil).

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Going concern

After making enquiries and reviewing cash flow forecasts covering at least the next 12 months from the date of approving these accounts, the directors reasonably believe that the company has adequate resources to continue in operation for the foreseeable future. In addition Survivex Group Limited should continue to provide financial and other support for Rigex Limited, for the year of at least 12 months following the signing of the financial statements and thereafter for the foreseeable future to enable it to continue to trade. Accordingly, the directors continue to adopt the going concern basis in the preparation of these financial statements.

Rigex Limited

Directors' Report

For the period ended 31 December 2019 (Continued)

Post balance sheet events

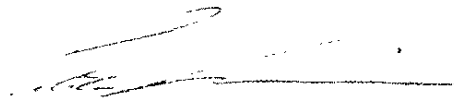
Since the balance sheet date the global disruption caused by COVID-19 has become ever more evident. The situation is fast changing and the scale of the impact on the global economy, on capital markets and on individual businesses remains uncertain.

The amounts stated in these financial statements reflect conditions existing as at the balance sheet date and no adjustments have been made as a result of COVID-19. The company has a strong balance sheet and significant liquid assets. The Directors' view on the company going concern has been disclosed in the strategic report and note 2 of the financial statements. The imminent roll out of a vaccination program is however, expected to deliver positive benefits.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 15 December 2020 and signed on its behalf by:



P Sinclair
Director

Rigex Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and 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;¹
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Directors have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

Rigex Limited

Balance Sheet

At 31 December 2019

	Note	31 December 2019 £	31 December 2018 £
Current assets			
Debtors	4	4,695	10,260
Cash at bank and in hand		20,481	630
		<u>25,176</u>	<u>10,890</u>
Creditors: Amounts falling due within one year	5	<u>(266,355)</u>	<u>(265,554)</u>
Net current liabilities		<u>(241,178)</u>	<u>(254,664)</u>
Total assets less current liabilities		<u>(241,178)</u>	<u>(254,664)</u>
Creditors: Amounts falling due after more than one year		<u>(521,502)</u>	<u>(521,502)</u>
Net liabilities		<u>(762,680)</u>	<u>(776,166)</u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		<u>(763,680)</u>	<u>(777,166)</u>
Shareholder's deficit		<u>(762,680)</u>	<u>(776,166)</u>

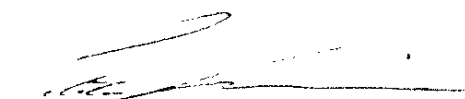
These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

For the year ended 31 December 2019 the Company was entitled to exemption from the audit under section 479A of the Companies Act 2006 relating to the subsidiary companies and the members have not required to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledged their responsibilities for complying with the requirements of the act with respect to the accounting records and the preparation of the financial statements.

The financial statements were approved by the board of Directors and authorised for issue on 15 December 2020.



P Sinclair

Director

Company Registration Number: SC466107

Rigex Limited

Notes to the Financial Statements

For the period ended 31 December 2019

1 General information

Rigex Limited ("the company") is a private company limited by share capital and incorporated and domiciled in UK.

The address of its registered office is:
Kirkhill Commercial Park
Dyce Avenue
Dyce
Aberdeen
AB21 0LQ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated below.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102"). The presentation currency of these financial statements is in Sterling.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the year;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Transforming Training with Technology Limited include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

Rigex Limited

Notes to the Financial Statements – continued

2 Accounting policies – continued

Summary of disclosure exemptions (continued)

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

Name of parent of group

These financial statements are consolidated in the financial statements of Transforming Training with Technology Limited.

The financial statements of Transforming Training with Technology Limited may be obtained from Hurn View House, 5 Aviation Park West, Bournemouth International Airport, Hurn, Christchurch, Dorset, BH23 6EW.

Going concern

The financial statements have been prepared on the going concern basis as the directors have prepared detailed budgets for a year of at least 12 months from the date of signing the accounts which show that the company is expected to be able to meet all its liabilities as they fall due. However, it is acknowledged that COVID-19 has had a profound impact on the global and UK economy and businesses.

The directors have produced a detailed going concern stress test for the company. The conclusion of our stress test for the company is that the business could comfortably sustain the loss of more than 33% of turnover versus our previous projections over the course of the 12 months following the date of the financial statements, without breaching covenants related to the 3T group's current banking facilities. In the event that such a loss of turnover materialises, the group may need to secure waivers to certain covenants. The company and the group may also require further funds to finance the group's activities going forward should the COVID-19 pandemic and consequential lockdown affect operations or impact market demand for a prolonged period in excess of 6 months.

Accounting estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made are noted below:

Bad debt provision - The directors have completed a review of the trade debtor balances to determine which balances are unlikely to be received and a provision has been accounted for where necessary.

Revenue recognition - Where additional costs are expected to be incurred, a proportion of the revenue and costs of sales are recognised in the profit and loss account based on the level of costs to date compared to estimated total costs.

Rigex Limited

Notes to the Financial Statements – continued

2 Accounting policies – continued

Accounting estimates and judgements – continued

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts.

For goods sold, turnover is recognised when the goods are physically delivered to the customer and for services provided turnover is recognised to the extent and when there is a right to the consideration.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Tax

The tax expense for the period comprises current tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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 taxable income.

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred corporation tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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.

Rigex Limited

Notes to the Financial Statements – continued

2 Accounting policies – continued

Investments

Investments in subsidiary undertakings are stated at cost less provision for impairment in value arising from an annual review.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price less attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the company's net investment in the lease.

Rigex Limited

Notes to the Financial Statements – continued

2 Accounting policies – continued

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price plus attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The company typically provides a product warranty to customers as part of the sales contract. A provision is made at the balance sheet date to cover costs expected to be incurred under such product warranty claims. Historic warranty costs have been very low and the directors anticipate that this is likely to continue.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Rigex Limited

Notes to the Financial Statements – continued

2 Accounting policies – continued

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared and approved.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Rigex Limited

Notes to the Financial Statements – continued

2 Accounting policies – continued

Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss recognised for goodwill is not reversed. Impairment losses recognised for other assets is reversed only if the reasons for the impairment have ceased to apply. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Rigex Limited

Notes to the Financial Statements – continued

2 Staff costs

The average number of persons employed by the company (including directors) during the year was nil (2019 – Nil).

3 Directors' remuneration

The directors received no remuneration from the company during the period and are paid by other group undertakings. The directors did not receive remuneration for their services to the company as the services provided to the company are incidental to their wider role in the group.

Directors' remuneration for the current and previous period was paid by Transforming Training with Technology Limited.

4 Debtors

	31 December 2019 £	31 December 2018 £
Trade Debtors	4,695	-
Accrued income	-	10,260
	<u>4,695</u>	<u>10,260</u>

5 Creditors

	31 December 2019 £	31 December 2018 £
Note		
Due within one year		
Amounts due to group undertakings	264,304	263,884
Trade creditors	2,051	420
Accruals and deferred income	-	1,250
	<u>266,355</u>	<u>265,554</u>

Rigex Limited

Notes to the Financial Statements – continued

6 Called up share capital

Allotted, called up and fully paid shares

	31 December 2019		31 December 2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

Rights, preferences and restrictions

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

7 Related party transactions

The company has taken advantage of the exemptions in FRS 102 from disclosing transactions with other members of the group.

8 Parent and ultimate parent undertaking

The company's controlling shareholders were G Green and M Green until 31 October 2018. From 31 October 2018 the company's controlling shareholder is Drilling Systems Guernsey Limited, incorporated in Guernsey, Channel Islands. The registered address for Drilling Systems Guernsey Limited is PO Box 656, East Wing, Trafalgar Court, Les Banques, St Peter Port, Guernsey.

Drilling Systems Guernsey Limited is owned by Blue Water Energy Fund I L.P and Blue Water Energy Fund I-A L.P. These funds are ultimately controlled by BWE General Partner Limited, incorporated in Guernsey, Channel Islands. The registered address for BWE General Partner Limited is PO Box 656, East Wing, Trafalgar Court, Les Banques, St Peter Port, Guernsey.

The company's immediate parent company is Survivex Group Limited, incorporated in England and Wales. The registered address for Drilling Systems Limited is Hurn View House, 5 Aviation Park West, Bournemouth International Airport, Christchurch, Dorset, BH23 6EW.

The most senior parent entity producing publicly available financial statements is 3T Energy Group Limited. The registered address for 3T Energy Group Limited is Hurn View House, 5 Aviation Park West, Bournemouth International Airport, Christchurch, Dorset, BH23 6EW.