

ADCE INTER - SERVICES LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2010



WILLIAMSON & DUNN
Chartered Accountants & Statutory Auditor
3 West Craibstone Street
Aberdeen
AB11 6YW

ADCE INTER - SERVICES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

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ADCE INTER - SERVICES LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2010

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2010.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is the provision of personnel to the oil industry.

The directors are satisfied with the results for the year and are endeavouring to continue to improve the results in the forthcoming year. The principal risk facing the company is the level of activity of the local oil industry.

Key performance indicators	2010	2009
	£000	£000
Gross Profit	383	426
Gross Profit percentage	17.8%	22.0%
Net Profit Before Taxation	139	117
Net Assets	567	469

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £98,601. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

Details of the company's financial risk management objectives and policies are included in note 13 to the accounts.

DIRECTORS

The directors who served the company during the year were as follows:

G W M Zonneveld - Stam
Miss J van den Akker

DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the company for that period. In preparing those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

ADCE INTER - SERVICES LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2010

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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office:
Thistle House
24-26 Thistle Street
Aberdeen
AB10 1XD

Signed on behalf of the directors



J Van Den Akker
Director

Approved by the directors on 11-1-11.....

ADCE INTER - SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADCE INTER - SERVICES LIMITED

YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of ADCE Inter - Services Limited for the year ended 31 December 2010. 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 shareholders, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 to 2, 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 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 (APB'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 directors; and the overall presentation of the financial statements.

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 31 December 2010 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ADCE INTER - SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ADCE INTER - SERVICES LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2010

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.

KENNETH TAIT CA (Senior Statutory Auditor)

For and on behalf of

WILLIAMSON & DUNN

Chartered Accountants & Statutory Auditor

3 West Craibstone Street

Aberdeen

AB11 6YW

11 January 2011

ADCE INTER - SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
TURNOVER	2	2,148,086	1,937,903
Cost of sales		<u>1,764,691</u>	<u>1,511,998</u>
GROSS PROFIT		383,395	425,905
Administrative expenses		<u>243,379</u>	<u>304,783</u>
OPERATING PROFIT	3	140,016	121,122
Interest receivable		150	313
Interest payable and similar charges	6	<u>(932)</u>	<u>(4,576)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>139,234</u>	<u>116,859</u>
Tax on profit on ordinary activities	7	<u>40,633</u>	<u>33,846</u>
PROFIT FOR THE FINANCIAL YEAR		<u>98,601</u>	<u>83,013</u>
Balance brought forward		<u>443,596</u>	<u>360,583</u>
Balance carried forward		<u>542,197</u>	<u>443,596</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 7 to 15 form part of these financial statements.

ADCE INTER - SERVICES LIMITED

BALANCE SHEET

31 DECEMBER 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Tangible assets	8	15,418	25,772
CURRENT ASSETS			
Debtors	9	263,169	230,657
Cash at bank and in hand		<u>425,994</u>	<u>406,242</u>
		689,163	636,899
CREDITORS: Amounts falling due within one year	10	<u>137,384</u>	<u>110,115</u>
NET CURRENT ASSETS		<u>551,779</u>	<u>526,784</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>567,197</u>	<u>552,556</u>
CREDITORS: Amounts falling due after more than one year	11	<u>—</u>	<u>83,960</u>
		<u>567,197</u>	<u>468,596</u>
CAPITAL AND RESERVES			
Called-up equity share capital	17	25,000	25,000
Profit and loss account		<u>542,197</u>	<u>443,596</u>
SHAREHOLDERS' FUNDS	18	<u>567,197</u>	<u>468,596</u>

These financial statements were approved by the directors and authorised for issue on 11 January 2011, and are signed on their behalf by:


J Van Den Akker
Director

Company Registration Number: SC120769

The notes on pages 7 to 15 form part of these financial statements.

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

In respect of contracts for on-going services and in accordance with UITF 40, turnover is recognised as the services are performed and is stated net of VAT.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, Fittings and Equipment -	20%-100% straight line
Tenants Improvements	- 10% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Trade and other debtors

Trade and other debtors are recognised and carried forward at invoiced amounts less provisions for any doubtful debts. Bad debts are written off when identified.

Cash and cash equivalents

Cash and cash equivalents are included in the balance sheet at cost. Cash and cash equivalents comprise cash at bank and in hand and short term deposits.

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1. ACCOUNTING POLICIES *(continued)*

Interest-bearing loans and borrowings

All loans and borrowings are recognised initially at cost, which is the fair value of the consideration received.

After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method. Gains or losses are recognised in the profit and loss account when liabilities are derecognised or impaired, as well as through the amortisation process.

2. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover is given below:

	2010 £	2009 £
United Kingdom	551,681	406,642
Overseas	1,596,405	1,531,261
	<u>2,148,086</u>	<u>1,937,903</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	2010 £	2009 £
Depreciation of owned fixed assets	10,354	10,767
Auditor's remuneration		
- as auditor	3,600	3,500
Net loss on foreign currency translation	<u>2,681</u>	<u>7,913</u>

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2010	2009
	No	No
Number of production staff	23	19
Number of administrative staff	5	6
Number of management staff	1	1
	<u>29</u>	<u>26</u>

The aggregate payroll costs of the above were:

	2010	2009
	£	£
Wages and salaries	1,271,839	1,099,503
Social security costs	120,530	106,959
Other pension costs	1,879	3,800
Director's pension costs	4,100	3,975
	<u>1,398,348</u>	<u>1,214,237</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2010	2009
	£	£
Remuneration receivable	29,817	54,140
Value of company pension contributions to money purchase schemes	4,100	3,975
	<u>33,917</u>	<u>58,115</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2010	2009
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Other similar charges payable	<u>932</u>	<u>4,576</u>

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax:		
UK Corporation tax based on the results for the year at 28% (2009 - 28%)	40,633	33,846
Total current tax	<u>40,633</u>	<u>33,846</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 - 28%).

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>139,234</u>	<u>116,859</u>
Profit on ordinary activities by rate of tax	38,985	32,721
Disallowed expenses	422	648
Excess/(deficit) of depreciation over capital allowances	<u>1,226</u>	<u>477</u>
Total current tax (note 7(a))	<u>40,633</u>	<u>33,846</u>

8. TANGIBLE FIXED ASSETS

	Fixtures, Fittings and Equipment £	Tenants Improvements £	Total £
COST			
At 1 January 2010 and 31 December 2010	<u>71,530</u>	<u>13,998</u>	<u>85,528</u>
DEPRECIATION			
At 1 January 2010	52,656	7,100	59,756
Charge for the year	<u>8,955</u>	<u>1,399</u>	<u>10,354</u>
At 31 December 2010	<u>61,611</u>	<u>8,499</u>	<u>70,110</u>
NET BOOK VALUE			
At 31 December 2010	<u>9,919</u>	<u>5,499</u>	<u>15,418</u>
At 31 December 2009	<u>18,874</u>	<u>6,898</u>	<u>25,772</u>

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

9. DEBTORS

	2010	2009
	£	£
Trade debtors	232,979	157,833
Amounts owed by group undertakings	15,023	48,565
Other debtors	—	1,258
Prepayments and accrued income	15,167	23,001
	<u>263,169</u>	<u>230,657</u>

10. CREDITORS: Amounts falling due within one year

	2010	2009
	£	£
Trade creditors	28,836	10,865
Amounts owed to group undertakings	—	8,062
Other creditors including taxation and social security:		
Corporation tax	40,633	16,846
PAYE and social security	17,539	32,090
VAT	12,066	3,689
	<u>70,238</u>	<u>52,625</u>
Accruals and deferred income	38,310	38,563
	<u>137,384</u>	<u>110,115</u>

11. CREDITORS: Amounts falling due after more than one year

	2010	2009
	£	£
Amounts owed to group undertakings	—	83,960

The loan from USG Energy BV was fully repaid in the year.

12. PENSIONS

The company operates a defined contribution pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary. The annual commitment under this scheme is for contributions of £5,979 (2009 - £7,775). There were no contributions prepaid or outstanding at the year end.

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

13. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party one or more of the financial risks described below.

Credit risk

The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

Liquidity risk

The company's aim is to maintain a balance between continuity of funding and flexibility through maintaining a sustainable level of external borrowings. Constant monitoring of the company's position allow the directors to anticipate if and when funds will be required.

Currency risk

The company's exposure to foreign currency risk is minimal as almost all its transactions are dealt with in UK currency. No financial instruments are in place to remove the effect of fluctuations in exchange rates on the company.

Fair values of financial assets and liabilities

Financial instruments included in the accounts have been reviewed and the carrying values per the accounts is the same as the fair value of these financial instruments.

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

14. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below.

	2010		2009	
	Land and buildings £	Other Items £	Land and buildings £	Other Items £
Operating leases which expire:				
Within 2 to 5 years	<u>23,580</u>	<u>1,625</u>	<u>23,580</u>	<u>1,625</u>

15. RELATED PARTY TRANSACTIONS

The company is owned by USG People NV, a Netherlands based listed company, which owns USG Energy BV, another Dutch company operating in the same business sector as ADCE Inter-Services Limited. The company had sales income from USG Energy BV of £474,866 (2009 - £572,388) and at the balance sheet date the amount due by USG Energy BV to the company was £15,023 (2009 - £48,565). In addition, USG People NV charged ADCE Inter-Services Limited a management fee for the year, amounting to £4,662 (2009 - £6,515).

All transactions were at arm's length and on normal commercial terms.

16. CONTROL

Throughout the previous and current financial years, the company was under the control of USG People NV, a Netherlands based listed company.

17. SHARE CAPITAL

Authorised share capital:

	2010 £	2009 £
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>

Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
25,000 Ordinary shares of £1 each	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>

ADCE INTER - SERVICES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010	2009
	£	£
Profit for the financial year	98,601	83,013
Opening shareholders' funds	<u>468,596</u>	<u>385,583</u>
Closing shareholders' funds	<u>567,197</u>	<u>468,596</u>

19. ULTIMATE PARENT COMPANY

The shares of the company are owned by USG People NV, a Netherlands based listed company.