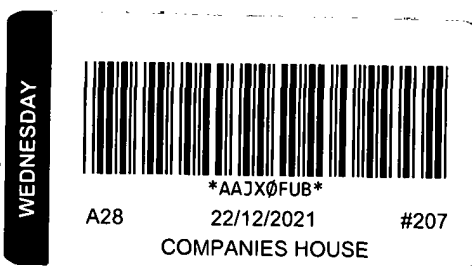


**Fugro Subsea Services Limited**  
**Report and Financial Statements**  
Registered number SC105684  
Year ended 31 December 2020



## Contents

Company Information	1
Strategic Report	2
Director's Report	3
Director's Responsibilities Statement	4
Independent Auditor's Report	5
Profit and loss account	8
Statement of comprehensive income	8
Balance Sheet	9
Statement of changes in equity	10
Notes	11

## **Company information**

<b>Director</b>	G M Kennedy
<b>Secretary</b>	G J Duncan
<b>Auditors</b>	Ernst & Young LLP 4th Floor, 2 Marischal Square, Broad Street, Aberdeen, AB10 1BL
<b>Bankers</b>	Barclays Bank PLC Level 28 1 Churchill Place Canary Wharf London E14 5RB United Kingdom,
<b>Registered office</b>	Fugro House Denmore Road Bridge of Don Aberdeen AB23 8JW United Kingdom

## Strategic Report

The director presents his Strategic Report for the year ended 31 December 2020.

### Principal activities

The activity of the company during the year was providing ROV services to the only one customer whose contract could not be immediately novated to Fugro GB (North) Marine Limited. All work under that remaining contract was subcontracted to Fugro GB (North) Marine Limited.

### Business review and results

The results for the year show's a revenue of £1,678,000 (2019: £4,627,000) with cost of sales of £1,669,000 (2019: £4,617,000) generating a profit after tax of £nil (2019: profit after tax of £nil).

### Principal risk and uncertainties

The company's principal risks and uncertainties are managed as part of the risk management procedures in place for the Fugro N.V. Group ('the Group'). Further details of the Group's principal risks and uncertainties and mitigation actions in place to address them are provided in the risk management section of the Group's 2020 Financial Statements, which can be obtained from the address in note 12 or [www.fugro.com](http://www.fugro.com)

### Going concern

It is the responsibility of the director to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business. Now the company has completed its remaining contract, the director has a reasonable expectation that the company will cease all operational existence and intend to place the company into voluntary liquidation in the near future. Accordingly, the director adopts a basis other than going concern in preparing the financial statements.

No adjustments were necessary to the amounts at which the net assets are included in these financial statements. The only balances remaining within the company are trade debtors, amounts owed by group undertakings, trade creditors, accruals and deferred income and equity where the valuation of the company's net assets are not materially different to the valuation under a going concern basis.

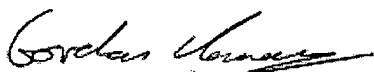
### Future developments

The work under the remaining contracts held by the company has come to an end in 2020, it is the director's intention to place the company into liquidation.

### Events since the balance sheet date

As a result of the contract coming to an end and work being completed during 2020, it is anticipated that the company will be wound up in the near future.

By order of the Board



G M Kennedy

Director

13<sup>th</sup> December 2021

## Director's Report

The director present his report for the year ended 31 December 2020.

### Proposed dividend

The director did not pay any dividends in the year (2019: £nil). No final dividend is proposed in the current or prior year.

### Directors

The directors who held office during the year and up to the date of this report were as follows:

G A Craigen (resigned 12 June 2020).  
G M Kennedy

### Disclosure of information to auditor

The director who held office at the date of approval of this Directors' report confirms that, so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and the director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

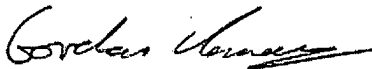
### Auditor

Pursuant of section 487 of the Companies Act 2006, a resolution to re-appoint Ernst & Young LLP as auditors will be proposed.

### Branches

The Company has one branch office in Congo.

By order of the Board



G M Kennedy  
Director  
13<sup>th</sup> December 2021

## **Directors' Responsibilities Statement**

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 101 Reduced Disclosure Framework.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

## **Independent Auditor's report to the members of Fugro Subsea Services Limited**

We have audited the financial statements of Fugro Subsea Services Limited for the year ended 31 December 2020 which comprise the Profit and loss account, the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 12 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2020 and of its result for the year 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

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter – financial statements prepared on a basis other than going concern**

We draw attention to Note 1 to the financial statements which explains that the directors intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

### **Other information**

The other information comprises the information included in the report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Report and Financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit;

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## **Independent auditor's report to the members of Fugro Subsea Services Limited (continued)**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Companies Act 2006, Bribery Act, and Anti-Money Laundering Regulations.
- We understood how the company is complying with those frameworks by making enquiries of management. We corroborated our enquiries through the performance of our substantive procedures and noted that there was no contradictory evidence.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by enquiring management, and from our understanding of the size and nature of the Company's operations, concluding whether the current level of control environment is sufficient to support the prevention, and detection and correction of material misstatements due to fraud or error.



**Independent auditor's report to the members of Fugro Subsea Services Limited (continued)**

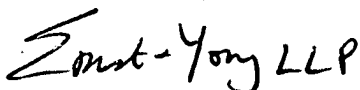
**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiry with management and considering whether any events or conditions during the audit might have indicated non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Kenneth MacLeod Hall (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Aberdeen

16, December 2021

## Profit and loss account

for the year ended 31 December 2020

	Note	2020 £000	2019 £000
<b>Turnover</b>	2	<b>1,678</b>	4,627
Cost of sales		(1,669)	(4,617)
<b>Gross profit</b>		<b>9</b>	10
Administrative expenses		(9)	(10)
<b>Operating loss</b>	3	-	-
<b>Loss on ordinary activities before taxation</b>		-	-
Tax on loss on ordinary activities	6	-	-
<b>Profit for the financial year</b>		-	-

All operations relate to discontinued activities.

## Statement of comprehensive income

for the year ended 31 December 2020

	2020 £000	2019 £000
<b>Profit for the financial year</b>	-	-
Other comprehensive income	-	-
<b>Total comprehensive income</b>	-	-

The notes on pages 11 to 15 form part of these financial statements.

## Balance sheet

as at 31 December 2020

	Note	2020 £000	2019 £000
<b>Current assets</b>			
Debtors	7	1,781	1,335
Cash at bank and in hand		140	77
		<hr/>	<hr/>
		1,921	1,412
<b>Creditors: amounts falling due within one year</b>	8	(664)	(155)
		<hr/>	<hr/>
<b>Net assets</b>		1,257	1,257
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	9	9	9
Share premium account		1,363	1,363
Profit and loss account		(115)	(115)
		<hr/>	<hr/>
<b>Shareholders' surplus</b>		1,257	1,257
		<hr/>	<hr/>

These financial statements were approved by the board of directors on the 13<sup>th</sup> December 2021 and were signed on its behalf by:



G M Kennedy  
Director

Company registered number: SC105684

**Statement of changes in equity**  
*for the year ended 31 December 2020*

	Share capital £000	Share premium account £000	Profit and loss account £000	Total shareholders' funds £000
As at 1 January 2019	9	1,363	(115)	1,257
Profit for year				
As at 31 December 2019	9	1,363	(115)	1,257
Profit for year	-	-	-	-
Other comprehensive income	-	-	-	-
As at 31 December 2020	9	1,363	(115)	1,257

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements, except as noted below.

#### **General Company Information**

Fugro Subsea Services Limited is a private limited company, limited by shares and incorporated and domiciled in Scotland. The registered office is Fugro House, Denmore Road, Bridge of Don, Aberdeen. AB23 8JW.

#### **Statement of compliance**

The financial statements of Fugro Subsea Services Limited (the "company") for the year ended 31 December 2020 were authorised for issue by the board of directors on 13<sup>th</sup> December 2021 and the balance sheet was signed on the board's behalf by G M Kennedy.

These financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with applicable accounting standards.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **Basis of preparation**

The company's financial statements are presented in Sterling, which is also the company's functional currency, and all values are rounded to the nearest thousand pound (£) except when otherwise indicated.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2020.

The company has taken advantage of the following disclosure exemptions under FRS 101

- a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- c) the requirements in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1; and
  - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
- d) the requirements of paragraphs 10(d) and 111, 16, 38A to 38D, and 134-136 of IAS 1 Presentation of Financial Statements;
- e) the requirements of IAS 7 Statement of Cash Flows;
- f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new standards and interpretations;
- g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member ; and
- i) the requirements of paragraph 45 (b) and 46 to 52 of IFRS 2, Share-based Payment

## 1 Accounting policies (*continued*)

### ***Going concern***

It is the responsibility of the director to prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the company will continue in business. Now the company has completed its remaining contract, the director has a reasonable expectation that the company will cease all operational existence and intend to place the company into voluntary liquidation in the near future. Accordingly, he adopts a basis other than going concern in preparing the Financial Statements.

No adjustments were necessary to the amounts at which the net assets are included in these financial statements. The only balances remaining within the company are trade debtors, amounts owed by group undertakings, trade creditors, accruals and deferred income and equity where the valuation of the company's net assets are not materially different to the valuation under a going concern basis

### ***Financial assets and liabilities***

Financial assets within the scope of IFRS 9 are classified at amortised cost or (if applicable) as derivatives at fair value through profit and loss, as appropriate. The company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Financial assets and liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. Non-derivative financial instruments comprise debtors, cash, loans and borrowings and creditors.

Trade debtors and other debtors that have fixed or determinable payments that are not quoted in an active market are classified as financial assets at amortised costs. Other non-derivative financial assets are also classified and accounted at amortised cost using the Effective Interest Rate (EIR) method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The EIR amortisation is included in interest receivable in the profit and loss account. Losses arising from impairment are recognised in the profit and loss account in other operating expenses. Cash includes cash with banks.

Trade creditors are stated at cost. Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

### ***Impairment of financial assets***

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that it is impaired.

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. For certain categories of financial asset such as debtors, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of debtors could include the company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in national or local economic conditions that correlate with default on debtors.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of debtors where the carrying amount is reduced through the use of an allowance account. When a debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Provisions for liabilities***

A provision is recognised when the company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. Where discounting is used, the increase in the provision due to unwinding the discount is recognised as a finance cost.

#### ***Foreign currencies***

(i) Functional and presentation currency

The financial statements are presented in sterling, which is the company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into sterling using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### ***Taxation***

Income tax expense represents the sum of the corporation tax and deferred tax charges. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Profit or loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### ***Turnover and Revenue Recognition***

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers. Charter income is recognised to match the provision of the related goods or service.

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

#### ***Judgments and key sources of estimation uncertainty***

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the company's accounting policies, management has not made any significant judgements or estimates.

## 2 Analysis of turnover

### *By geographical market*

	2020 £000	2019 £000
Rest of the world	1,678	4,627
	<u>1,678</u>	<u>4,627</u>

All turnover and the operating loss is attributable to the company's principal activities. In the view of the directors, the company has only one class of business. All revenue is attributable to asset integrity business line.

## 3 Operating loss

*Operating loss is stated after charging (crediting):*

	2020 £000	2019 £000
<i>Auditors' remuneration</i>		
Audit of these financial statements	9	10
	<u>9</u>	<u>10</u>

## 4 Remuneration of directors

The director did not receive any remuneration for his services to the company for the year (2019: none).

## 5 Staff numbers and costs

During the year ended 31 December 2020 and 31 December 2019 the Company did not have any employees.

## 6 Taxation

There is no tax charge or credit on the results of either year.

## 7 Debtors

	2020 £000	2019 £000
Trade debtors	38	871
Amounts owed by group undertakings	1,743	464
	<u>1,781</u>	<u>1,335</u>

All amounts are due within one year. Intercompany receivables are repayable on demand and interest free.



**8 Creditors: amounts falling due within one year**

	2020 £000	2019 £000
Trade creditors	16	53
Accruals and deferred income	648	102
	<u>664</u>	<u>155</u>

Intercompany payables are repayable on demand and interest free.

**9 Called up share capital**

	2020 £000	2019 £000
<i>Allotted, called up and fully paid</i>		
491,919 Ordinary shares of 1p each	5	5
443,820 'A' Ordinary shares of 1p each	4	4
	<u>9</u>	<u>9</u>

'A' Ordinary shareholders are entitled to a dividend equal to a pre-defined percentage of profit after tax in the financial year. The holders of these shares are entitled to one vote for every £1 in nominal amount of shares held in the company.

In the event of a winding up, priority rights are as follows:

'A' Ordinary shares 75p per share together with any arrears or accruals of the dividends on the 'A' Ordinary shares calculated down to the day of return of the capital.

Ordinary shareholders receive the balance of assets. The share premium reserve records the amount above the nominal value received for shares issued.

**10 Related party transactions**

During the year the company entered into transactions, in the ordinary course of business, with other related parties. The company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with wholly owned subsidiaries. There are no other related party transactions which require disclosure.

**11 Events since the end of the year**

As a result of the contract coming to an end and work being completed during 2020, it is anticipated that the company will be wound up in the near future.

**12 Ultimate parent company**

The company is a subsidiary undertaking of Fugro Holdings Limited, which in turn is a subsidiary of Fugro N.V. incorporated in the Netherlands.

The only group in which the results of the company are consolidated is that headed by Fugro N.V. The consolidated accounts of this company are available to the public and a copy may be obtained from Fugro House, Hithercroft Road, Wallingford, Oxfordshire, OX10 9RB