

**ERCL LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 JULY 2015**

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**ERCL LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**DIRECTORS**

W H Edwards  
C Irons (resigned 07.04.15)  
S R Lawrence (resigned 07.04.15)  
R Heath  
A Darbyshire (appointed 07.04.15)  
R Wolfson (appointed 07.04.15)

**SECRETARY**

A Darbyshire

**REGISTERED OFFICE**

Dragon Court  
15 Station Road  
Henley on Thames  
RG9 1AT

**COMPANY REGISTERED NUMBER**

08743541

**BANKERS**

HSBC, Barclays

**AUDITORS**

Grant Thornton UK LLP  
Chartered Accountants  
No.1 Whitehall Riverside  
Leeds  
LS1 4BN

**ERCL LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 JULY 2015**

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The following do not form part of the statutory financial statements:

17	Trading and Profit and Loss Account
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**ERCL LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE PERIOD ENDED 31 JULY 2015**

The directors present their report and the audited financial statements of the company for the period from 1 January 2015 to 31 July 2015.

**PRINCIPAL ACTIVITIES**

The principle activity of the company in the period continued to be that of a specialist upstream oil & gas consultancy. The profit and loss account is set out on page 8 and shows the profit for the year

**DIRECTORS**

The directors who served during the period were as follows:

W H Edwards	
C Irons	(resigned 7 April 2015)
S R Lawrence	(resigned 7 April 2015)
R Heath	
A Darbyshire	(appointed 7 April 2015)
R Wolfson	(appointed 7 April 2015)

**STATEMENT OF 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 these financial statements, the directors are required to:

- 1) select suitable accounting policies and then apply them consistently.
- 2) make judgements and accounting estimates that are reasonable and prudent.
- 3) 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 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.

**STATEMENT OF DISCLOSURE TO AUDITORS**

The directors of the company who held office on the date of approval of this annual report confirm that:

- a) so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ERCL LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**AUDITORS**

Under section 487(2) of the Companies Act 2006 , Grant Thornton UK LLP, are deemed to be reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 3 November 2015 and signed on their behalf.



Signed  
A Darbyshire,  
Company Secretary

**INDEPENDENT AUDITORS' REPORT**  
**TO THE SHAREHOLDERS OF**  
**ERCL LIMITED**  
**FOR THE PERIOD ENDED 31 JULY 2015**

We have audited the financial statements of ERCL Limited for the period ended 31 July 2015 which comprise the principal accounting policies, Profit and Loss Account, Balance Sheet, Reconciliation of Movements in Shareholders' Funds and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Finance Reporting Council's web-site at [www.frc.org.uk/auditscopeprivate.cfm](http://www.frc.org.uk/auditscopeprivate.cfm)

**Opinion on financial statements**

In our opinion the financial statements:

- 1) give a true and fair view of the state of the company's affairs as at 31 July 2015 and of its profit for the period then ended;
- 2) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 3) have been properly prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

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

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**  
**TO THE SHAREHOLDERS OF**  
**ERCL LIMITED**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**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:

- 1) adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- 2) the financial statements are not in agreement with the accounting records and returns; or
- 3) certain disclosures of directors' remuneration specified by law are not made; or
- 4) we have not received all the information and explanations we require for our audit.

*Grant Thornton UK LLP*

Andrew Wood (Senior Statutory Auditor)  
for and on behalf of Grant Thornton UK LLP,  
Statutory Auditor

No.1 Whitehall Riverside  
Leeds  
LS1 4BN

3 November 2015.

**ERCL LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD ENDED 31 JULY 2015**

	Note	7 month period ending 31 July 2015 £	14 month period ending 31 December 2014 £
<b>TURNOVER</b>	2		
Continuing operations		2,422,898	3,707,513
Cost of sales	3	176,443	1,236,504
<b>GROSS PROFIT</b>		2,246,455	2,471,009
Net operating expenses	3	1,176,880	1,248,275
<b>OPERATING PROFIT</b>	4		
Continuing operations		1,069,575	1,222,734
Interest receivable and similar income	6	69	95
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,069,644	1,222,829
Tax on ordinary activities	7	227,279	267,427
<b>PROFIT FOR THE FINANCIAL PERIOD</b>		£ 842,365	£ 955,402

All of the activities of the company are classed as continuing.  
The company has not recognised any gains or losses other than the results for the period as set out above.

The notes on pages 9-16 form part of these financial statements



**ERCL LIMITED**  
 Company registered number: 08743541  
**BALANCE SHEET AT 31 JULY 2015**

	Note	7 month period ending 31 July 2015 £	14 month period ending 31 December 2014 £
<b>FIXED ASSETS</b>			
Tangible assets	8	24,950	29,041
<b>CURRENT ASSETS</b>			
Work in progress	9	115,768	-
Debtors	10	1,510,739	1,212,753
Cash at bank and in hand		559,242	643,047
		<u>2,185,749</u>	<u>1,855,800</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	397,838	913,152
<b>NET CURRENT ASSETS</b>		<u>1,787,911</u>	<u>942,648</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,812,861	971,689
<b>PROVISIONS FOR LIABILITIES</b>	12	(5,094)	(6,287)
<b>NET ASSETS</b>		<u>£ 1,807,767</u>	<u>£ 965,402</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	10,000	10,000
Profit and loss account	14	1,797,767	955,402
<b>SHAREHOLDERS FUNDS</b>		<u>£ 1,807,767</u>	<u>£ 965,402</u>

The accounts were approved by the board of directors on 3 November 2015



W H Edwards, Director

The notes on pages 9-16 form part of these financial statements

**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**1. ACCOUNTING POLICIES**

**1a. Turnover**

Turnover

Turnover is measured by reference to the fair value of consideration received or receivable by the Company for goods and services provided, excluding VAT and comparable overseas taxes.

Consultancy

Consultancy fees are recognised as revenue in the accounting period in which the revenue becomes receivable.

Multi-client studies

For sales of data and completed project studies, revenue is recognised when the transfer of risk and reward is made to the customer, on dispatch unless otherwise agreed.

**1b. Basis of accounting**

The financial statements have been prepared under the historical cost convention in accordance with the applicable United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Practice)..

**1c. Fixed assets**

Fixed assets are shown at historical cost.

Depreciation is provided, after taking account of any grants receivable, at the following annual rates in order to write off the cost of each asset less residual value of each asset over its expected useful life.

Office equipment	25% per annum on cost
Software	33% per annum on cost

**1d. Work in progress**

Amounts included in work in progress are stated at cost, including absorption of relevant overheads, after provision has been made for any foreseeable losses and the deduction of any applicable payments on account.

**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**1. ACCOUNTING POLICIES (CONTINUED)**

**1e. Taxation**

Corporation tax payable is provided on taxable profits at the current rate.

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, 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 taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**1f. Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in the period.

**1g. Foreign currency**

Transactions denominated in foreign currencies are recorded in the functional currency at the mid month exchange rates prevailing at the dates of the transactions. Financial assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period.

**1h. Cash flow statement**

The company has not prepared a cash flow statement as it is exempt under Financial Reporting Standard No.1, on the basis that it is included in the publically available consolidated accounts of Getech Group Plc.

**1i. Going concern**

The Directors have instituted regular reviews of trading and cash flow forecasts and have considered the sensitivity of these forecasts to different assumptions about future income and costs. With the existing cash levels and continued prospects for profitable trading, the Directors are fully satisfied that the Company is a going concern and will be able to continue trading for the foreseeable future.

**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**2. TURNOVER**

Turnover and profit on ordinary activities before taxation are attributable to specialist international upstream oil & gas consultancy.  
 Turnover to geographical markets outside the United Kingdom amount to 99.5%, of which 0.5% were within the EC.

**3. COST OF SALES AND NET OPERATING EXPENSES**

	<b>2015</b>	<b>2014</b>
	£	£
Cost of sales	£ 176,443	£ 1,236,504
Net operating expenses:		
Selling & marketing costs	141,970	150,482
Administrative expenses	1,027,592	1,085,587
Depreciation	7,318	12,206
	<u>£ 1,176,880</u>	<u>£ 1,248,275</u>

**4. OPERATING PROFIT**

	<b>2015</b>	<b>2014</b>
	£	£
Profit on ordinary activities is stated after charging:		
Auditors' remuneration		
Audit services	5,000	-
Depreciation and amortisation		
Assets: owned	7,318	12,206
Pension costs	19,337	9,329
Foreign exchange differences	16,192	(2,265)
Operating leases- land and buildings	67,375	83,625
Accountancy services	13,593	11,703
	<u>                    </u>	<u>                    </u>

**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**5. DIRECTORS AND EMPLOYEES**

Staff costs (including directors) consist of:

Employee costs during the period amounted to:	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	709,296	730,890
Social security costs	77,347	80,238
Other pension costs	19,337	9,329
	<u>£ 805,980</u>	<u>£ 820,457</u>

The average weekly number of employees during the period were as follows:

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
Technical staff	23	19
Administration staff	3	3
	<u>26</u>	<u>22</u>

Directors' remuneration:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Remuneration	137,083	68,211
Company contributions to money purchase pension schemes	1,983	1,313
	<u>139,066</u>	<u>69,524</u>
Payments to third parties for directors services	130,755	695,872
	<u>£ 269,821</u>	<u>£ 765,396</u>

The total amount payable to the highest paid director in respect to emoluments was

£ 70,574	£ 463,389
<u>£ 70,574</u>	<u>£ 463,389</u>

There was 1 director in the company's defined contribution pension scheme (2014 - 1)

**6. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Other interest receivable	69	95
	<u>£ 69</u>	<u>£ 95</u>

**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
UK Corporation tax	228,472	261,140
Deferred taxation	(1,193)	6,287
	<u>£ 227,279</u>	<u>£ 267,427</u>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	<u>1,069,644</u>	<u>1,222,829</u>
Profit on ordinary activities multiplied by the standard rate of 20.42% (2014 - 21.67%)	218,421	264,987
Effects of:		
Non deductible expenses	9,165	3,759
Depreciation add back	1,494	2,645
Capital allowances	(659)	(8,938)
Other tax adjustments	51	(1,313)
	<u>228,472</u>	<u>261,140</u>

**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**8. FIXED ASSETS**

	Computer Software £	Fixtures & Fittings £	Total £
<b>Cost</b>			
At 1 January 2015	22,735	18,512	41,247
Additions	-	3,227	3,227
At 31 July 2015	<u>22,735</u>	<u>21,739</u>	<u>44,474</u>
<b>Depreciation</b>			
At 1 January 2015	7,578	4,628	12,206
For the period	4,536	2,782	7,318
At 31 July 2015	<u>12,114</u>	<u>7,410</u>	<u>19,524</u>
<b>Net Book Amounts</b>			
At 31 July 2015	<u>£ 10,621</u>	<u>£ 14,329</u>	<u>£ 24,950</u>
At 31 December 2014	<u>£ 15,157</u>	<u>£ 13,884</u>	<u>£ 29,041</u>

**9. STOCKS**

	2015 £	2014 £
Stock comprises:		
Work in progress	115,768	-
	<u>£ 115,768</u>	<u>£ -</u>

**10. DEBTORS**

	2015 £	2014 £
Trade debtors:	1,218,738	1,123,862
Amounts owed by group company	214,000	-
Other debtors	18,417	23,772
Prepayments	59,584	65,119
	<u>£ 1,510,739</u>	<u>£ 1,212,753</u>

**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2015</b>	<b>2014</b>
	£	£
Trade creditors	47,616	349,690
Corporation tax	262,316	261,140
Other taxes and social security	45,727	66,314
Other creditors	5,667	2,804
Accruals and deferred income	36,512	233,204
	<u>£ 397,838</u>	<u>£ 913,152</u>

**12. PROVISIONS FOR LIABILITIES**

	<b>2015</b>	<b>2014</b>
	£	£
Deferred taxation	5,094	6,287
	<u>£ 5,094</u>	<u>£ 6,287</u>

Deferred taxation:

The provision for deferred taxation is made up of accelerated capital allowances.

	<b>2015</b>	<b>2014</b>
	£	£
Balance at 1 January 2015	6,287	-
Charge for the period	(1,193)	6,287
Balance at 31 July 2015	<u>£ 5,094</u>	<u>£ 6,287</u>

**13. SHARE CAPITAL**

	<b>2015</b>	<b>2014</b>
	£	£
Allotted, issued and fully paid:		
10,000 Ordinary shares of £1 each	<u>£ 10,000</u>	<u>£ 10,000</u>

**14. RECONCILIATION OF RESERVES**

	<b>Profit &amp; loss account</b>
	£
At 1 January 2015	955,402
Profit for the period	842,365
At 31 July 2015	<u>£ 1,797,767</u>



**ERCL LIMITED**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 JULY 2015**

**15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2015	2014
	£	£
Profit for the financial period	842,365	955,402
New share capital subscribed	-	10,000
	<hr/>	<hr/>
Net addition to shareholders' funds	842,365	965,402
Opening shareholders' funds	965,402	-
	<hr/>	<hr/>
Closing shareholders' funds	£ 1,807,767	£ 965,402
	<hr/> <hr/>	<hr/> <hr/>

**16. ULTIMATE PARENT COMPANY**

The company is a subsidiary undertaking of Getech Group Plc registered in England and Wales. Consolidated financial statements can be obtained from Getech, Kitson House, Elmete Hall, Elmete Lane, LEEDS, LS8 2LJ, UK This is the largest group undetaking for which group accounts are drawn up.

**17. RELATED PARTIES**

Directors' material interests:

Edwards Resource Consulting Ltd controlled by W H Edwards, a director, made supplies during the period to the value of £20,180 (£463,389) and £Nil (£134,368) was included in creditors as at 31 July 2015 (31 December 2014)

Irons Geophysical Ltd controlled by C Irons, a director, made supplies during the period to the value of £74,430 (£163,522) and £Nil (£19,737) was included in creditors as at 31 July 2015 (31 December 2014)

Darnoc Ltd controlled by S Lawrence, a director, made supplies during the period to the value of £33,145 (£68,961) and £ Nil ( £17,977) was included in creditors as at 31 July 2015 (31 December 2014)

As a wholly owned subsidiary of Getech Group Plc, the company is exempt from the requirements of FRS 8 to disclose transactions within the Group.