COMPANY REGISTRATION NUMBER SC061239

AOC INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2012

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AOC INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2012

CONTENTS	PAGES
The directors' report	1 to 2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 to 8

AOC INTERNATIONAL LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2012

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 December 2012.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW
The company did not trade during the year. The company continues to hold an investment in AOC Nigeria Limited which has been previously written down to £nil.

GOING CONCERN
The company has considerable financial resources and as a consequence, the director believes that the company is well placed to manage its business risks successfully.

The director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the going concern basis of accounting has been adopted in preparing the annual financial statements.

RESULTS AND DIVIDENDS
The profit for the year, after taxation, amounted to £5,443. The directors have not recommended a dividend.

The profit of £5,443 (2011: £3,913) has been transferred to reserves.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES
The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to financial counterparty risk. Group treasury activities are monitored and co-ordinated by a central Treasury department on behalf of the whole KBR group. This includes the risk of potential failure by counterparties holding cash deposits on behalf of group companies.

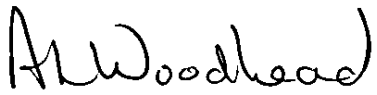
DIRECTORS
The directors who served the company during the year were as follows:

Dr A L Woodhead	
Mr F Mujib	(Appointed 28 August 2012)
Mr A W Allan	(Resigned 28 August 2012)

EXEMPTION FROM AUDIT
The Company's parent undertaking, Kellogg Brown & Root Limited, has guaranteed the Company's liabilities to entitle the Company to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Registered office:
Queens House
13 Queens Road
Aberdeen
AB15 4YL

Signed on behalf of the directors



Dr A L Woodhead
Director

Approved by the directors on 29 August 2013

Company Registration Number: SC061239

AOC INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
TURNOVER		–	–
Administrative income		**2,800**	1,146
OPERATING PROFIT	**2**	**2,800**	1,146
Interest receivable	**4**	**4,409**	4,178
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**7,209**	5,324
Tax on profit on ordinary activities	**5**	**(1,766)**	(1,411)
PROFIT FOR THE FINANCIAL YEAR		**5,443**	3,913

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 5 to 8 form part of these financial statements.

AOC INTERNATIONAL LIMITED

BALANCE SHEET

31 DECEMBER 2012

	Note	2012 £	£	2011 £
FIXED ASSETS				
Investments	6		–	–
CURRENT ASSETS				
Debtors	7	**40,365**		41,891
Cash at bank		**1,008,053**		1,003,806
		1,048,418		1,045,697
CREDITORS: Amounts falling due within one year	8	**(331,596)**		(334,318)
NET CURRENT ASSETS			**716,822**	711,379
TOTAL ASSETS LESS CURRENT LIABILITIES			**716,822**	711,379
CAPITAL AND RESERVES				
Called-up equity share capital	10		**10,000**	10,000
Profit and loss account	11		**706,822**	701,379
SHAREHOLDER'S FUNDS	12		**716,822**	711,379

In preparing these financial statements:

For the year ended 31 December 2012 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

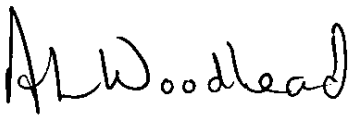
The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements were approved by the directors and authorised for issue on 29 August 2013, and are signed on their behalf by:



Dr A L Woodhead
Director

The notes on pages 5 to 8 form part of these financial statements.

1. ACCOUNTING POLICIES

Basis of accounting

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

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

Cash flow statement

Under the provisions of Financial Reporting Standard No 1 (Revised), the company has not prepared a cash flow statement because its ultimate parent undertaking, KBR Inc., prepares consolidated financial statements which are publicly available.

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

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.

Investments

Investments in incorporated undertakings are stated in the company's financial statements at cost less amounts written off. Only dividends received and receivable are credited to the company's profit and loss account.

Consolidated financial statements

The company has taken advantage of the exemption from preparing consolidated accounts afforded by section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of Kellogg Brown & Root Holdings Limited which prepares consolidated accounts which are publicly available.

2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2012	2011
	£	£
Net profit on foreign currency translation	**(2,962)**	(1,350)
Bank charges	**162**	204

The company's financial statements for the current year were not audited. The fee payable for the audit of the previous year's financial statements was £5,250. This fee was borne by Kellogg Brown & Root Limited, a fellow subsidiary of Kellogg Brown & Root Holdings Limited.

3. PARTICULARS OF EMPLOYEES

No staff were employed during the year (2011 - nil).

The majority of employees of the group headed by Kellogg Brown & Root Holdings Limited are employed by Kellogg Brown & Root (U.K.) Limited. Kellogg Brown & Root Limited recharges group companies for this service.

No remuneration was paid to directors in respect of services provided to the company as substantially all their services have been provided to other group companies.

4. INTEREST RECEIVABLE

	2012 £	2011 £
Bank interest receivable	**4,409**	4,178

5. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax:		
UK Corporation tax based on the results for the year at 24.50% (2011 - 26.50%)	**1,766**	1,411
Total current tax	**1,766**	1,411

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is the same as the standard rate of corporation tax in the UK of 24.50% (2011 - 26.50%).

	2012 £	2011 £
Profit on ordinary activities before taxation	**7,209**	5,324
Profit on ordinary activities by rate of tax	**1,766**	1,411
Total current tax (note 5(a))	**1,766**	1,411

5. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(c) Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 24% to 23% (effective from 1 April 2013) was substantively enacted during 2012. During 2013 further rate reductions to 21% (with effect from 1 April 2014) and to 20% (with effect from 1 April 2015) were substantively enacted.

These rate reductions will reduce the company's future current tax charge accordingly.

6. INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2012 and 31 December 2012	**80,064**
AMOUNTS WRITTEN OFF	
At 1 January 2012 and 31 December 2012	**80,064**
NET BOOK VALUE	
At 31 December 2012 and 31 December 2011	**-**

Subsidiary Undertakings	Country of Incorporation	Principal Activity	Percentage of Ordinary Shares Held
AOC Nigeria Limited	Nigeria	Oil & Gas Industry Services	100%

All issued share capital is held directly.

7. DEBTORS

	2012 £	2011 £
Amounts owed by group undertakings	**40,365**	41,891

8. CREDITORS: Amounts falling due within one year

	2012 £	2011 £
Amounts owed to group undertakings	**329,830**	332,907
Corporation tax	**1,766**	1,411
	331,596	334,318

9. RELATED PARTY TRANSACTIONS

As a subsidiary of KBR Inc. the company has taken advantage of the exemption of FRS8 'Related Party Disclosures', not to disclose transactions with other members of the group headed by KBR Inc.

10. SHARE CAPITAL

Authorised share capital:

	2012	2011
	£	£
10,000 Ordinary shares of £1 each	**10,000**	10,000

Allotted, called up and fully paid:

	2012		2011	
	No	£	No	£
10,000 Ordinary shares of £1 each	**10,000**	**10,000**	10,000	10,000

11. PROFIT AND LOSS ACCOUNT

	2012	2011
	£	£
Balance brought forward	**701,379**	697,466
Profit for the financial year	**5,443**	3,913
Balance carried forward	**706,822**	701,379

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2012	2011
	£	£
Profit for the financial year	**5,443**	3,913
Opening shareholder's funds	**711,379**	707,466
Closing shareholder's funds	**716,822**	711,379

13. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of Kellogg Brown & Root Limited, a company registered in England and Wales, which heads the smallest group in which the company is consolidated.

The ultimate parent undertaking is KBR, Inc (incorporated in the state of Delaware, U.S.A.) which heads the largest group in which the company is consolidated. The financial statements of this company are available to the public and can be obtained from the Public Relations Department, Hill Park Court, Springfield Drive, Leatherhead, Surrey, KT22 7NL.