

**Strategic Report, Report of the Directors and
Financial Statements
for the Year Ended 31 December 2017
for
IES Callenberg Ltd**

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IES Callenberg Ltd

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IES Callenberg Ltd

**Company Information
for the Year Ended 31 December 2017**

DIRECTORS:

S A Lockhead
P T Forsstrom
M D Bomak

SECRETARY:

Burness Paull LLP

REGISTERED OFFICE:

Lomond House
Wellington Circle
Altens
Aberdeen
Aberdeenshire
AB12 3JG

REGISTERED NUMBER:

SC086113 (Scotland)

AUDITORS:

PricewaterhouseCoopers LLP
The Capitol
431 Union Street
ABERDEEN
AB11 6DA

IES Callenberg Ltd

**Strategic Report
for the Year Ended 31 December 2017**

The directors present their strategic report for the year ended 31 December 2017.

REVIEW OF BUSINESS

The principal activities of the company are the design, installation and maintenance of heating, ventilation and air conditioning and refrigeration systems along with door and integrity testing. Our current market is the North Sea offshore sector.

Demand is directly linked to the activity in offshore oil and natural gas exploration. The level of exploration, development and production is affected by such factors as:

- o Oil and gas prices
- o Expectation for future prices
- o Cost of exploring for, producing and delivering oil and natural gas
- o Demand for petroleum services
- o Current availability of oil and gas

Any decrease in activity can have a knock on effect on our business as clients look to reduce costs and cut non-essential spending.

The directors' focus is to continue to strengthen the company's position within the North Sea and explore opportunities in overseas markets. They intend to be aggressive in the market to secure new contracts, as well as retain and build on current contracts. They will also use synergies with group companies to access new markets and customers.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties which could have an impact on the the company's long term performance. The Directors along with senior management team review these risks on an ongoing basis and undertake relevant actions to minimise the impact on the company's ability to perform in the future.

The most significant current risk is the low oil price resulting in demands for rate reductions and the deferring of projects and non-essential maintenance.

The directors and senior management constantly monitor the performance of the company as well as the outlook using backlog and pipeline reporting.

ENVIRONMENT

The company is environmentally accredited under ISO 14001 standard which ensures the company's commitment to reducing the impact on the environment.

FINANCIAL KEY PERFORMANCE INDICATORS

The directors and senior management team use a range of KPI's to monitor company performance including monthly actual versus budget comparisons, backlog and pipeline reporting. Quarterly forecasts are produced to ensure any reporting is against the most up to date projections available.

ON BEHALF OF THE BOARD:



S A Lockhead - Director

3 August 2018

IES Callenberg Ltd

Report of the Directors for the Year Ended 31 December 2017

The directors present their report with the audited financial statements of the company for the year ended 31 December 2017.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2017.

FUTURE DEVELOPMENTS

The directors focus is to continue to strengthen the company's position within the North Sea and explore opportunities in overseas markets.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

S A Lockhead
P T Forsstrom
M D Bornak

Other changes in directors holding office are as follows:

H Arukwe - resigned 13 October 2017

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

IES Callenberg Ltd

**Report of the Directors
for the Year Ended 31 December 2017**

AUDITORS

The auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'S A Lockhead', written in a cursive style.

S A Lockhead - Director

3 August 2018

Independent auditors' report to the members of IES Callenberg Ltd

Report on the audit of the financial statements

Opinion

In our opinion, IES Callenberg Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Financial Statements (the "Annual Report"), which comprise: the Balance Sheet, the Statement of comprehensive income, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

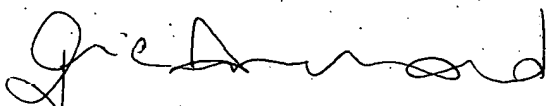
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Jamie Drummond (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Aberdeen
3rd August 2018

IES Callenberg Ltd

**Statement of Comprehensive Income
for the Year Ended 31 December 2017**

		31.12.17		31.12.16	
	Notes	£	£	£	£
TURNOVER	3		10,012,745		10,986,189
Cost of sales			<u>8,277,992</u>		<u>8,756,264</u>
GROSS PROFIT			1,734,753		2,229,925
Bad debt expense		5,099		141,669	
Administrative expenses		<u>1,696,998</u>		<u>1,572,269</u>	
			<u>1,702,097</u>		<u>1,713,938</u>
			32,656		515,987
Other operating income			<u>36</u>		<u>12,383</u>
OPERATING PROFIT	5		32,692		528,370
Interest receivable and similar income			<u>292</u>		<u>1,868</u>
PROFIT BEFORE TAXATION			32,984		530,238
Tax on profit	6		<u>6,988</u>		<u>111,224</u>
PROFIT FOR THE FINANCIAL YEAR			25,996		419,014
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			<u><u>25,996</u></u>		<u><u>419,014</u></u>

The notes form part of these financial statements

Balance Sheet
31 December 2017

	Notes	31.12.17 £	31.12.16 £
FIXED ASSETS			
Tangible assets	7	64,444	77,174
CURRENT ASSETS			
Stocks	8	142,971	140,347
Debtors	9	2,462,300	3,029,241
Cash at bank and in hand		3,518,033	3,396,168
		<u>6,123,304</u>	<u>6,565,756</u>
CREDITORS			
Amounts falling due within one year	10	1,110,219	1,591,397
		<u>1,110,219</u>	<u>1,591,397</u>
NET CURRENT ASSETS		<u>5,013,085</u>	<u>4,974,359</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,077,529</u>	<u>5,051,533</u>
CAPITAL AND RESERVES			
Called up share capital	12	1,000	1,000
Retained earnings	13	5,076,529	5,050,533
		<u>5,077,529</u>	<u>5,051,533</u>
SHAREHOLDERS' FUNDS		<u>5,077,529</u>	<u>5,051,533</u>

These financial statements on pages 7 to 17 were approved by the Board of Directors on 3 August 2018 and were signed on its behalf by:



S A Lockhead - Director

IES Callenberg Ltd

**Statement of Changes in Equity
for the Year Ended 31 December 2017**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2016	1,000	4,631,519	4,632,519
Changes in equity			
Total comprehensive income	-	419,014	419,014
Balance at 31 December 2016	<u>1,000</u>	<u>5,050,533</u>	<u>5,051,533</u>
Changes in equity			
Total comprehensive income	-	25,996	25,996
Balance at 31 December 2017	<u><u>1,000</u></u>	<u><u>5,076,529</u></u>	<u><u>5,077,529</u></u>

The notes form part of these financial statements

IES Callenberg Ltd

Notes to the Financial Statements for the Year Ended 31 December 2017

1. STATUTORY INFORMATION

IES Callenberg Ltd is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

The company has taken advantage of these exemptions on the basis that it is a qualifying entity and its ultimate parent company, as at 31 December 2017, Trident Maritime Systems LLC, includes the company's results in the equivalent disclosures in its own consolidated financial statements.

Significant judgements and estimates

Estimates and judgements 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.

The directors are conscious that in the preparation of these financial statements, their judgement has been used in certain areas, namely the useful life of fixed assets and the recoverability of inventory and trade balances.

Turnover

Turnover comprises revenue recognised by the company in respect of the services invoiced during the year, exclusive of Value Added tax and trade discounts.

In respect of long-term contracts for on-going services, turnover represents the value of work done in the year, including estimates of work not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Plant and machinery	- 20% on cost and 10% on cost
Fixtures and fittings	- 25% on cost and 20% on cost
Motor vehicles	- 25% on cost

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the Statement of Comprehensive Income.

Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Net realisable value is based on the estimated selling price less the estimated cost of disposal.

IES Callenberg Ltd

Notes to the Financial Statements - continued for the Year Ended 31 December 2017

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade debtors and amounts owed by group undertakings are initially recognised at transaction price.

Such transactions are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in the statement of Comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. the impairment reversal is recognised in the Statement of Comprehensive Income,

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade creditors and amounts owed to group undertakings are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

2. ACCOUNTING POLICIES - continued

Foreign currency

(i) Functional and presentational currency

The company's functional and presentational currency is the pound sterling

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Hire purchase and leasing commitments

(i) Operating lease assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the Statement of Comprehensive income on a straight line basis over the period of the lease.

(ii) Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of Comprehensive Income on a straight line basis over the period of the agreement.

Pension costs and other post-retirement benefits

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions to a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends and other distributions to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders.

Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

IES Callenberg Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	31.12.17	31.12.16
	£	£
Revenue from services	5,581,920	8,433,459
Sale of goods	4,430,825	2,552,730
	<u>10,012,745</u>	<u>10,986,189</u>

An analysis of turnover by geographical market is given below:

	31.12.17	31.12.16
	£	£
United Kingdom	9,999,827	10,986,189
Europe	7,700	-
Other	5,218	-
	<u>10,012,745</u>	<u>10,986,189</u>

4. EMPLOYEES AND DIRECTORS

	31.12.17	31.12.16
	£	£
Wages and salaries	4,494,395	5,170,743
Social security costs	520,066	640,558
Other pension costs	114,884	177,317
	<u>5,129,345</u>	<u>5,988,618</u>

The average number of employees during the year was as follows:

	31.12.17	31.12.16
Production	75	84
Administrative	14	15
	<u>89</u>	<u>99</u>

	31.12.17	31.12.16
	£	£
Directors' remuneration	<u>161,323</u>	<u>161,951</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
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IES Callenberg Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

5. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.17	31.12.16
	£	£
Other operating leases	5,515	5,134
Depreciation - owned assets	38,139	40,473
Auditors' remuneration	61,109	40,500
Foreign exchange differences	9,613	17,325
	<u> </u>	<u> </u>

6. TAX ON PROFIT

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.12.17	31.12.16
	£	£
Current tax:		
UK corporation tax	6,988	111,224
	<u> </u>	<u> </u>
Tax on profit	6,988	111,224
	<u> </u>	<u> </u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.17	31.12.16
	£	£
Profit before tax	32,984	530,238
	<u> </u>	<u> </u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2016 - 20%)	6,267	106,048
Effects of:		
Expenses not deductible for tax purposes	721	8,290
Capital allowances in excess of depreciation	-	(3,114)
	<u> </u>	<u> </u>
Total tax charge	6,988	111,224
	<u> </u>	<u> </u>

IES Callenberg Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

7. TANGIBLE ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2017	227,664	299,576	7,400	534,640
Additions	24,434	975	-	25,409
At 31 December 2017	252,098	300,551	7,400	560,049
DEPRECIATION				
At 1 January 2017	181,851	268,215	7,400	457,466
Charge for year	25,933	12,206	-	38,139
At 31 December 2017	207,784	280,421	7,400	495,605
NET BOOK VALUE				
At 31 December 2017	44,314	20,130	-	64,444
At 31 December 2016	45,813	31,361	-	77,174

8. STOCKS

	31.12.17 £	31.12.16 £
Finished goods	142,971	140,347

There is no significant difference between the replacement cost of stock and their carrying amounts.

No provision for stock impairment has been made in 2017 and 2016.

9. DEBTORS

	31.12.17 £	31.12.16 £
Trade debtors	1,461,646	1,332,975
Other debtors	150,696	142,683
Amounts owed by group undertakings	1,540	19,552
Tax	124,399	137,501
Prepayments and accrued income	724,019	1,396,530
	2,462,300	3,029,241

Trade debtors are stated after provision for impairment of £Nil (2016: £Nil)

IES Callenberg Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Trade creditors	302,261	530,820
Amounts owed to group undertakings	382,848	434,977
Other taxation and social security	144,137	171,451
Withholding tax	15,363	14,437
Other creditors	-	771
Accruals and deferred income	265,610	438,941
	<u>1,110,219</u>	<u>1,591,397</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

11. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.17	31.12.16
	£	£
Within one year	130,122	55,538
Between one and five years	360,048	41,596
	<u>490,170</u>	<u>97,134</u>

12. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.17	31.12.16
			£	£
1,000	Ordinary	1	<u>1,000</u>	<u>1,000</u>

13. RESERVES

	Retained earnings £
At 1 January 2017	5,050,533
Profit for the year	25,996
At 31 December 2017	<u>5,076,529</u>

14. ULTIMATE PARENT COMPANY

The immediate parent undertaking is Callenberg Group AB, a company incorporated in Sweden.

The ultimate parent undertaking and controlling party is Trident Maritime Systems LLC, a company incorporated in the United States of America.

Trident Maritime Systems LLC was the parent company of the smallest and largest group of undertakings to consolidated these financial statements 31 December 2017. The consolidated financial statements can be obtained from 5690 Three Notched Rd, Suite 200, Crozet, VA. 22932-317.

IES Callenberg Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

15. PENSION COMMITMENTS

The pension cost charge for the year in respect of the defined contribution scheme, represents contributions payable by the company and amounted to £114,884 (2016: £177,317). At 31 December 2017 there were £25,316 of outstanding contributions (2016: £17,148)

IES Callenberg Ltd

**Trading and Profit and Loss Account
for the Year Ended 31 December 2017**

	31.12.17		31.12.16	
	£	£	£	£
Sales		10,012,745		10,986,189
Cost of sales				
Direct costs	2,828,727		3,412,648	
Wages	4,614,172		5,315,432	
Sub contractors	322,068		16,141	
Travel cost	71,183		(7,647)	
Other operating expenses	441,842		19,690	
		<u>8,277,992</u>		<u>8,756,264</u>
GROSS PROFIT		1,734,753		2,229,925
Other income				
Other operating income	36		12,383	
Interest income	292		1,868	
		<u>328</u>		<u>14,251</u>
		1,735,081		2,244,176
Expenditure				
Bad debt expense	5,099		141,669	
Directors' salaries	161,323		161,951	
Wages	(281,100)		(306,640)	
Social security	520,066		640,558	
Pensions	114,884		177,317	
Employment costs and benefits	7,718		16,439	
Canteen	4,628		6,736	
Rent	90,267		137,643	
Rates	46,746		5,025	
Internal charge global employees	-		114,860	
Insurance	95,259		73,102	
Heat & light	21,397		11,082	
Repairs & maintenance	32,868		18,562	
Other operating leases	5,515		5,134	
Motor expenses	3,138		5,174	
Training costs	12,082		21,013	
Travelling	57,783		47,690	
Entertainment	5,062		2,908	
Social and internal meeting costs	656		1,190	
Hired help	3,300		-	
Telephone	24,991		21,372	
Office supplies	20,509		29,473	
Computer expenses	160,796		206,059	
Cleaning	14,958		19,733	
Subscriptions and memberships	31,028		30,575	
Working clothes	10,595		12,410	
Sundry expenses	206		-	
Other operational expenses	1,737		2,403	
Transition costs	19,552		-	
Service and management fees	373,670		-	
Professional fees	18,181		11,615	
		<u>1,582,914</u>		<u>1,615,053</u>
Carried forward		1,735,081		2,244,176

This page does not form part of the statutory financial statements

IES Callenberg Ltd

**Trading and Profit and Loss Account
for the Year Ended 31 December 2017**

	31.12.17		31.12.16	
	£	£	£	£
Brought forward	1,582,914	1,735,081	1,615,053	2,244,176
Legal fees	5,694		(4,804)	
Auditors' remuneration	61,109		40,500	
Foreign exchange losses	9,613		17,325	
Advertising & marketing	1,200		2,321	
	<u>1,660,530</u>		<u>1,670,395</u>	
		74,551		573,781
Finance costs				
Bank charges		3,428		3,070
		<u>71,123</u>		<u>570,711</u>
Depreciation				
Plant and machinery	25,933		22,370	
Fixtures and fittings	12,206		17,483	
Motor vehicles	-		620	
		<u>38,139</u>		<u>40,473</u>
NET PROFIT		<u><u>32,984</u></u>		<u><u>530,238</u></u>

This page does not form part of the statutory financial statements