
GARELOCH SUPPORT SERVICES (PLANT) LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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GARELOCH SUPPORT SERVICES (PLANT) LIMITED

COMPANY INFORMATION

DIRECTOR	Jamie McGarry
COMPANY SECRETARY	Helen Gibson
COMPANY NUMBER	SC117613
REGISTERED OFFICE	Rhu Marina Rhu Helensburgh G84 8LH
AUDITORS	French Duncan LLP Chartered Accountants & Statutory Auditors 375 West George Street Glasgow G2 4LW
BANKERS	Clydesdale Bank 10 James Street Helensburgh G84 8AU
SOLICITORS	Semple Fraser 130 St Vincent Street Glasgow G2 5HF

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

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GARELOCH SUPPORT SERVICES (PLANT) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2012

The director presents his report and the financial statements for the year ended 31 March 2012.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

PRINCIPAL ACTIVITIES

The principal activity of the company is the provision of expert support services for marine construction, engineering, repair and maintenance.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The director is extremely satisfied with the trading and results for the year with a significant increase in turnover over the previous period following fleet expansion and successes in tendering for charter contracts overseas. Gross profit remained stable at just under 22% (22.6% in the previous year) arising from the cost to sales margin achieved on vessels cross hired to cover contracts awarded and meet contracted commitments.

The company continues to replace agency crews with directly employed operatives and expand the fleet and thereby replace hired vessels with owned assets. Improved margins in the coming year are expected.

The strength of the company's trading and performance enabled it to meet the criteria required for refinancing its senior debt with a new bank which in turn facilitated fleet expansion.

The results continue to reflect the business development strategy implemented by the director with the continual reinvestment of profits and expansion of the fleet. The company is strongly positioned as one of Europe's leading suppliers of workboats and is well placed to capitalise on opportunities in the now global market place which is evident in overseas turnover which continues to rise.

The company's commitment to growth through reinvestment of profits is underlined following completion of the purchase of the Shoalbuster and Fiona F in September, 2011 and the purchase of the Iona M in January 2012. Furthermore the company completed the purchase of the Mena C in July 2012 with two new vessels on charter from the shipyard with options to purchase; the Sandy M and the Martine P.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2012

BUSINESS REVIEW AND FUTURE DEVELOPMENTS (continued)

The incorporation of a Dutch subsidiary is complete and the company's results for the year to 31 March 2012 have been incorporated into this year's group accounts. The newco GSS BV has had a promising start with secured orders and has already strengthened the GSS name in Europe. Following a successful Trade Mission to Australia, an opportunity has arisen to establish a Joint Venture Company with an Australian company Broadsword Marine Pty which is of a similar scale and has similar values to GSS Plant Ltd. The Company (GSSP) will supply specialised vessels and experienced European Masters and Broadsword Marine will provide crewing and administrative support. The JV will have access to the Oil and Gas Sector in that region as well as the traditional dredging, cable laying, land reclamation etc. markets.

As a result of the increase in demand for the company's premium services there has also been significant investment in the infrastructure of the company with the addition of experienced and highly skilled operatives across all areas of the business.

RESULTS

The profit for the year, after taxation, amounted to £1,667,356 (2011 - £380,653).

DIRECTOR

The director who served during the year was:

Jamie McGarry

PROVISION OF INFORMATION TO AUDITORS

The director at the time when this Director's report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, French Duncan LLP will be deemed to have been 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 and signed on its behalf.

Jamie McGarry
Director

Date:

5/10/12

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GARELOCH SUPPORT SERVICES (PLANT) LIMITED

We have audited the financial statements of Gareloch Support Services (Plant) Limited for the year ended 31 March 2012, set out on pages 5 to 19. 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 DIRECTOR AND AUDITORS

As explained more fully in the Director's responsibilities statement, the director is 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF GARELOCH SUPPORT SERVICES
(PLANT) LIMITED**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Antony J Sinclair (Senior statutory auditor)

for and on behalf of
French Duncan LLP

Chartered Accountants & Statutory Auditors

375 West George Street
Glasgow
G2 4LW

Date:

05/10/2012

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012 £	2011 £
TURNOVER	2	17,610,156	10,473,578
Cost of sales		(13,828,275)	(8,104,104)
GROSS PROFIT		<u>3,781,881</u>	<u>2,369,474</u>
Administrative expenses		(1,178,496)	(1,671,185)
Other operating income	4	<u>24,368</u>	<u>16,939</u>
OPERATING PROFIT	3	2,627,753	715,228
Interest receivable and similar income		1,050	137
Interest payable and similar charges	7	<u>(478,361)</u>	<u>(227,493)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,150,442	487,872
Tax on profit on ordinary activities	8	<u>(483,086)</u>	<u>(107,219)</u>
PROFIT FOR THE FINANCIAL YEAR	17	<u><u>1,667,356</u></u>	<u><u>380,653</u></u>

All amounts relate to continuing operations.

The notes on pages 8 to 19 form part of these financial statements.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	£	£
PROFIT FOR THE FINANCIAL YEAR	1,667,356	380,653
Unrealised surplus on revaluation of tangible fixed assets	2,216,508	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	3,883,864	380,653

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	£	£
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2,150,442	487,872
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	213,178	165,005
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2,363,620	652,877
HISTORICAL PROFIT FOR THE YEAR AFTER TAXATION	1,880,534	545,658

The notes on pages 8 to 19 form part of these financial statements.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED
REGISTERED NUMBER: SC117613

BALANCE SHEET
AS AT 31 MARCH 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	9		24,412,607		12,365,089
Investments	10		43,668		-
			<u>24,456,275</u>		<u>12,365,089</u>
CURRENT ASSETS					
Stocks	11	425,850		425,850	
Debtors	12	6,157,059		2,893,155	
Cash at bank and in hand		679,192		737,980	
		<u>7,262,101</u>		<u>4,056,985</u>	
CREDITORS: amounts falling due within one year	13	(4,968,787)		(2,983,612)	
NET CURRENT ASSETS			<u>2,293,314</u>		<u>1,073,373</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>26,749,589</u>		<u>13,438,462</u>
CREDITORS: amounts falling due after more than one year	14		(15,648,847)		(6,660,012)
PROVISIONS FOR LIABILITIES					
Deferred tax	15		(1,526,703)		(1,088,275)
NET ASSETS			<u>9,574,039</u>		<u>5,690,175</u>
CAPITAL AND RESERVES					
Called up share capital	16		30,000		30,000
Revaluation reserve	17		4,581,532		2,578,202
Profit and loss account	17		4,962,507		3,081,973
SHAREHOLDERS' FUNDS	18		<u>9,574,039</u>		<u>5,690,175</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Jamie McGarry
Director

Date:

 5/10/12

The notes on pages 8 to 19 form part of these financial statements.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of workboats and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of support services provided as marine contractors and marine consultants, exclusive of Value Added Tax and trade discounts. Turnover on long-term contracts is recognised as the contracts progress.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Workboats	-	4% and 20% Straight Line
Freehold property	-	2% Straight Line
Plant & machinery	-	4% and 10% Straight Line
Motor vehicles	-	25% Straight Line
Fixtures & fittings	-	15% Straight Line

1.4 Revaluation of tangible fixed assets

Workboats are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each workboat every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value. On an annual basis an amount equivalent to the depreciation on the revalued element of workboats is transferred from revaluation reserve to profit and loss reserve.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and Loss Account.

1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES (continued)

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Stocks

Stocks are valued 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.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES (continued)

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.11 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.

1.12 Pensions

The company has arranged individual pension policies on a money purchase basis for certain employees and make regular contributions. Contributions are charged to the profit and loss account in the year they are payable.

1.13 Revenue recognition

Turnover represents revenue earned under a wide variety of contracts. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors. Revenue that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

1.14 Cash flow statement

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the basis that it is a wholly owned subsidiary of a company that prepares consolidated accounts that are publicly available.

2. TURNOVER

During the year to 31 March 2012 59.67% (2011 - 33.28%) of the company's turnover was attributable to markets outside the United Kingdom.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2012 £	2011 £
Depreciation of tangible fixed assets:		
- owned by the company	905,792	572,774
- held under finance leases and hire purchase contracts	5,991	5,491
Auditors' remuneration	11,000	7,500
Operating lease rentals:		
- plant and machinery	42,391	32,509
Difference on foreign exchange	(651,769)	72,423
	<u> </u>	<u> </u>

4. OTHER OPERATING INCOME

	2012 £	2011 £
Government grants receivable	24,368	14,228
Sundry income	-	2,711
	<u>24,368</u>	<u>16,939</u>

5. STAFF COSTS

Staff costs, including director's remuneration, were as follows:

	2012 £	2011 £
Wages and salaries	2,630,364	2,083,020
Social security costs	296,629	226,465
Other pension costs	13,596	16,385
	<u>2,940,589</u>	<u>2,325,870</u>

The average monthly number of employees, including the director, during the year was as follows:

	2012 No.	2011 No.
Operational	53	48
Administration	18	7
	<u>71</u>	<u>55</u>

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

6. DIRECTOR'S REMUNERATION

	2012 £	2011 £
Emoluments	126,470	92,788
Company pension contributions to defined contribution pension schemes	8,328	8,435

During the year retirement benefits were accruing to 1 director (2011 - 1) in respect of defined contribution pension schemes.

7. INTEREST PAYABLE

	2012 £	2011 £
On bank loans and overdrafts	477,245	226,506
On finance leases and hire purchase contracts	1,116	987
	478,361	227,493

8. TAXATION

	2012 £	2011 £
Analysis of tax charge/(credit) in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	44,658	-
Adjustments in respect of prior periods	-	(83,478)
Total current tax	44,658	(83,478)
Deferred tax (see note 15)		
Origination and reversal of timing differences	438,428	190,697
Tax on profit on ordinary activities	483,086	107,219

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

8. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - *lower than*) the standard rate of corporation tax in the UK of 26% (2011 - 28%). The differences are explained below:

	2012 £	2011 £
Profit on ordinary activities before tax	2,150,442	487,872
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	559,115	136,604
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,597	50,976
Capital allowances for year in excess of depreciation	(497,693)	(288,353)
Adjustments to tax charge in respect of prior periods	-	(83,478)
Utilisation of tax losses and other deductions	(12,161)	47,176
Unrelieved losses and other deductions arising in the period	-	53,597
Marginal relief	(8,200)	-
Current tax charge/(credit) for the year (see note above)	44,658	(83,478)

Factors that may affect future tax charges

If the workboats were sold for their revalued amounts a potential tax liability of £735,988 (2011 - £439,561) would arise. In accordance with accounting standards, no provision has been made at the period end for this amount.

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

9. TANGIBLE FIXED ASSETS

	Workboats £	Freehold Property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation						
At 1 April 2011	12,655,856	-	566,587	107,980	59,654	13,390,077
Additions	10,439,132	215,219	22,250	30,637	35,555	10,742,793
Revaluation surplus/(deficit)	1,427,096	-	-	-	-	1,427,096
At 31 March 2012	24,522,084	215,219	588,837	138,617	95,209	25,559,966
Depreciation						
At 1 April 2011	540,472	-	363,681	78,970	41,865	1,024,988
Charge for the year	861,801	1,435	27,095	15,154	6,298	911,783
On revalued assets	(789,412)	-	-	-	-	(789,412)
At 31 March 2012	612,861	1,435	390,776	94,124	48,163	1,147,359
Net book value						
At 31 March 2012	23,909,223	213,784	198,061	44,493	47,046	24,412,607
At 31 March 2011	12,115,384	-	202,906	29,010	17,789	12,365,089

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2012 £	2011 £
Motor vehicles	12,480	18,471

The workboats were valued on 15 July 2011 on an open market basis by AMC Associated Maritime Consultants. AMC are specialists in marine surveying and naval architecture. The Directors are not aware of any material change in the valuation of workboats.

If the workboats had not been included at valuation they would have been included under the historical cost convention as follows:

	2012 £	2011 £
Cost	21,389,672	10,950,541
Accumulated depreciation	(2,097,791)	(1,435,070)
Net book value	19,291,881	9,515,471

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2011	-
Additions	43,668
At 31 March 2012	43,668
Net book value	
At 31 March 2012	43,668
At 31 March 2011	-

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

Name	Class of shares	Holding
GSS Marine Services BV	Ordinary	100%

Name	Business	Registered office
GSS Marine Services BV	Marine investments	Haven 27, 3143 BC Maassluis, The Netherlands

The aggregate of the share capital and reserves as at 31 March 2012 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
GSS Marine Services BV	8,081	(33,629)

11. STOCKS

	2012 £	2011 £
Finished goods and goods for resale	425,850	425,850

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

12. DEBTORS

	2012 £	2011 £
Trade debtors	4,085,979	1,381,385
Amounts owed by group undertakings	1,223,720	1,163,527
Other debtors	570,943	280,306
Prepayments and accrued income	276,417	67,937
	<u>6,157,059</u>	<u>2,893,155</u>

**13. CREDITORS:
Amounts falling due within one year**

	2012 £	2011 £
Bank loans and overdrafts	1,617,740	1,356,969
Net obligations under finance leases and hire purchase contracts	5,334	5,334
Trade creditors	2,773,075	980,509
Corporation tax	44,658	-
Social security and other taxes	237,471	251,409
Other creditors	62,760	31,899
Accruals and deferred income	227,749	357,492
	<u>4,968,787</u>	<u>2,983,612</u>

Included above is a bank overdraft of £927,972 (2011 - £584,430) which is secured by a bond and floating charge in favour of the bank and an intercompany guarantee. Bank loans are secured by mortgage charges over the workboats

**14. CREDITORS:
Amounts falling due after more than one year**

	2012 £	2011 £
Bank loans	15,642,179	6,648,010
Net obligations under finance leases and hire purchase contracts	6,668	12,002
	<u>15,648,847</u>	<u>6,660,012</u>

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

14. CREDITORS:
Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2012 £	2011 £
Repayable by instalments	3,584,010	460,271
Repayable other than by instalments	8,849,222	2,945,621
	<u>12,433,232</u>	<u>3,405,892</u>

Each of the bank loans are repayable over a defined period of time with a balloon payment on each of the loans in relation to the workboats. Interest is being charged at varying rates above Libor. The balloon payments fall due for payment between January 2016 and September 2021. Bank loans are secured by mortgage charges over the workboats.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2012 £	2011 £
Between one and five years	<u>6,668</u>	<u>12,002</u>

15. DEFERRED TAXATION

	2012 £	2011 £
At beginning of year	1,088,275	897,578
Charge for year	438,428	190,697
	<u>1,526,703</u>	<u>1,088,275</u>

The provision for deferred taxation is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	1,573,060	1,150,656
Tax losses carried forward	(46,357)	(62,381)
	<u>1,526,703</u>	<u>1,088,275</u>

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

16. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

17. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 April 2011	2,578,202	3,081,973
Profit for the year		1,667,356
Surplus on revaluation of freehold property	2,216,508	
Transfer between Revaluation reserve and P/L account	(213,178)	213,178
At 31 March 2012	<u>4,581,532</u>	<u>4,962,507</u>

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	5,690,175	5,309,522
Profit for the year	1,667,356	380,653
Other recognised gains and losses during the year	2,216,508	-
Closing shareholders' funds	<u>9,574,039</u>	<u>5,690,175</u>

19. CONTINGENT LIABILITIES

There is in place a floating charge over the assets and undertakings of the company in favour of the Clydesdale Bank in respect of any borrowings of the company and its parent undertaking, SF2004 Limited.

As disclosed in note 8, there is a potential tax liability if the revalued assets were to be sold.

20. PENSION COMMITMENTS

The company has arranged individual pension policies on a money purchase basis for certain employees and make regular contributions. Contributions are charged to the profit and loss account in the year they are payable. There were no prepaid or accrued contributions as at 31 March 2012 or 2011. Contributions payable by the company for the year are £13,596 (2011 - £16,385).

GARELOCH SUPPORT SERVICES (PLANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

21. OPERATING LEASE COMMITMENTS

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows:

	2012 £	2011 £
Expiry date:		
Within 1 year	8,851	10,111
Between 2 and 5 years	34,498	12,182

22. RELATED PARTY TRANSACTIONS

During the year the company received services amounting to £108,767 (2011 - £75,096) from CDC Partnership and £13,000 (2011 - £18,094) from Lambie McGarry. These transactions were carried out on an arms length basis.

There were no balances outstanding from related parties at the year end.

The partners of CDC Partnership are also directors of SF 2004 Limited.

Lambie McGarry is the mother of the director.

SF 2004 Limited and GSS BV are all companies within the same group as Gareloch Support Services (Plant) Limited. As such, the company has taken advantage of the exemptions of FRS 8 where related party transactions with other group companies are not required to be disclosed where consolidated accounts are produced.

23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The issued share capital is wholly owned by its parent company SF 2004 Limited, a company registered in Scotland.