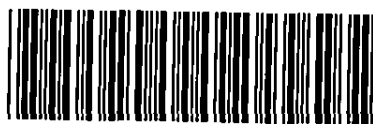


REGISTERED NUMBER: SC205639

**CLOUGH (UK) LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2012**

THURSDAY



S252DF80

SCT

28/03/2013

#115

COMPANIES HOUSE

CLOUGH (UK) LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
PERIOD ENDED 30 JUNE 2012**

CONTENTS	PAGE
Officers and professional advisors	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7

CLOUGH (UK) LIMITED

**OFFICERS AND PROFESSIONAL ADVISORS
PERIOD ENDED 30 JUNE 2012**

DIRECTORS: Neil Edward Siford
Kevin Thomas Gallagher
Mark Steven Goodwin

SECRETARY: Rajiv Virendra Ratneser

REGISTERED OFFICE: Saltire Court
20 Castle Terrace
Edinburgh
EH1 2DB
United Kingdom

REGISTERED NUMBER: SC205639

AUDITOR: Deloitte LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2DB
United Kingdom

CLOUGH (UK) LIMITED

DIRECTORS' REPORT

Period ended 30 June 2012

The directors present their report with the financial statements of the company for the 18 month period ended 30 June 2012.

The directors' report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies' exemption.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was to have an operational presence in the United Kingdom and to pay the salaries of employees working in the United Kingdom from time to time for services to the oil and gas extraction industry and will continue in the foreseeable future.

DIRECTORS

The directors who served throughout the period and subsequently were as follows:

Neil Edward Siford

John Smith (resigned 2 November 2011)

William Boyle (resigned 7 February 2012)

Kevin Thomas Gallagher (appointed 3 November 2011)

Mark Steven Goodwin (appointed 12 March 2012)

GOING CONCERN

The company continues to receive financial support from the parent company. To reinforce their commitment to continue to have an operational presence in the UK, the parent company has provided a letter of continuing financial support and confirmation that the inter company loan payable by this company will not be recalled for a period of 18 months from the date of signing of these financial statements. Having received these assurances, and considered the ability of the parent company to provide support, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors consider that it is appropriate to continue to prepare these accounts on a going concern basis.

AUDITOR

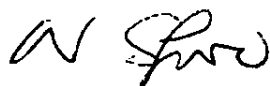
Each of the directors of the company at the date when this report is approved confirms that:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Neil Edward Siford

Director

25 March 2013

CLOUGH (UK) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

Period ended 30 June 2012

The directors are responsible for preparing the Annual 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:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLOUGH (UK) LIMITED

We have audited the financial statements of Clough (UK) Limited for the period ended 30 June 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 11. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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 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 directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual 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 30 June 2012 and of its profit for the period 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.

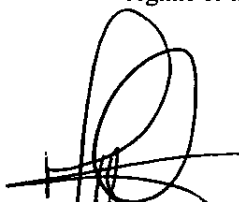
Opinion on other matter prescribed by the Companies Act 2006

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

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime or take advantage of the small companies exemption in preparing the directors' report.



Michael McGregor, ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Edinburgh, UK
28 March 2013

CLOUGH (UK) LIMITED**PROFIT AND LOSS ACCOUNT****For the 18 month period ended 30 June 2012**

	Note	18 months ended 30 June 2012 £	12 months ended 31 December 2010 £
Administrative expenses		(1,201,946)	(536,335)
Other operating income	2	<u>1,283,519</u>	<u>571,255</u>
OPERATING PROFIT	3	81,573	34,920
Interest receivable and similar income		<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		81,573	34,920
Taxation	4	<u>-</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	8	<u>81,573</u>	<u>34,920</u>

All activities in the current period and the prior year derive from continuing operations.

There are no recognised gains and losses other than the profit for the financial period. Accordingly, no statement of total recognised gains and losses is given.

The accompanying notes form part of these financial statements.

CLOUGH (UK) LIMITED**BALANCE SHEET****As at 30 June 2012**

	Note	30 June 2012 £	31 December 2010 £
CURRENT ASSETS			
Debtors	5	217,055	120,909
Cash at bank and in hand		103,062	6,955
		<u>320,117</u>	<u>127,864</u>
CREDITORS: amounts falling due within one year	6	(868,227)	(757,547)
		<u>(548,110)</u>	<u>(629,683)</u>
NET LIABILITIES			
CAPITAL AND RESERVES			
Called up share capital	7	1	1
Profit and loss account	8	(548,111)	(629,684)
		<u>(548,110)</u>	<u>(629,683)</u>
SHAREHOLDERS' DEFICIT		<u>(548,110)</u>	<u>(629,683)</u>

The accompanying notes form part of these financial statements.

The financial statements of Clough (UK) Limited, registered number SC205639, were approved by the board of directors and authorised for issue on 25 March 2013:



Neil Edward Siford

Director

CLOUGH (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Period ended 30 June 2012

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Basis of preparation

The company continues to receive financial support being made available from the parent company. To reinforce their commitment to continue to have an operational presence in the UK, the parent company has provided a letter of continuing financial support and confirmation that the inter company loan payable by this company will not be recalled for a period of 18 months from the date of signing of these financial statements. Having received these assurances, and considered the ability of the parent company to provide support, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors consider that it is appropriate to continue to prepare these accounts on a going concern basis.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax. Turnover from the sale of services is recognised when the services have been provided.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided for at the amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. A deferred tax asset is regarded as receivable and therefore is recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Cash flow statement

The company is exempt from the requirement of FRS 1 to present a cash flow statement because it is a wholly owned subsidiary of Clough Limited which prepares publicly available consolidated accounts.

2. OTHER OPERATING INCOME

Other operating income of £1,283,519 (2010:£571,255) includes the recharge at mark-up of salary cost and other related expenses of £1,148,348 (2010: £513,606) of its employees to another group company.

CLOUGH (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Period ended 30 June 2012

3. OPERATING PROFIT

The operating profit is stated after charging:

	18 months ended 30 June 2012 £	12 months ended 31 December 2010 £
Fee payable to the company's auditor for the audit of the company's annual accounts	<u>6,135</u>	<u>6,120</u>

4. TAXATION

Analysis of the tax charge

Tax charge for the period comprises:

	18 months ended 30 June 2012 £	12 months ended 31 December 2010 £
Current taxation		
UK corporation tax on profit for the period /year	<u>-</u>	<u>-</u>
Factors affecting charge		
Profit on ordinary activities before tax	<u>81,573</u>	<u>34,920</u>
Tax charge on ordinary activities at standard rate of 26% (2010 – 28%)	21,209	9,778
Utilisation of tax losses	<u>(21,209)</u>	<u>(9,778)</u>
Total current tax	<u>-</u>	<u>-</u>

A deferred tax asset amounting to £168,053 (2010: £198,986) for losses has not been recognised because in the opinion of the directors there will be no suitable taxable profits available in the foreseeable future.

The tax charge in future periods may be affected by the utilisation of tax losses going forward. The Company earns profits primarily in the United Kingdom. Therefore the tax rate used for tax on profit on ordinary activities is standard rate for UK corporation tax, currently 24%. The Finance Act 2012, which provides for a reduction in the main rate of corporation tax from 26% to 24%, effective from 1 April 2012, was substantively enacted on 17 July 2012.

The Government has also indicated that it intends to enact future reductions in the main tax rate of 1% each year down to 22% by 1 April 2014. The future tax rate reductions will also result in a reduction in the rate at which deferred tax is provided, which will reduce the amount of any actual or potential deferred tax assets. The timing and quantum of the impact of the planned change in rate will be dependent on the enactment of the relevant legislation, and the deferred tax position at that time.

CLOUGH (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****Period ended 30 June 2012****5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30 June 2012 £	31 December 2010 £
Amounts owed by group undertakings	203,135	115,794
Other debtors	13,920	5,115
	<u>217,055</u>	<u>120,909</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 June 2012 £	31 December 2010 £
Amounts owed to group undertakings	677,767	705,802
Other creditors	190,460	51,745
	<u>868,227</u>	<u>757,547</u>

7. CALLED UP SHARE CAPITAL

	30 June 2012 £	31 December 2010 £
Called up, allotted and fully paid		
1 ordinary share of £1	<u>1</u>	<u>1</u>

8. PROFIT AND LOSS ACCOUNT

	30 June 2012 £	31 December 2010 £
At 1 January 2011	(629,684)	(664,604)
Profit for the period	<u>81,573</u>	<u>34,920</u>
At 30 June 2012	<u>(548,111)</u>	<u>(629,684)</u>

CLOUGH (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

Period ended 30 June 2012

9. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	30 June 2012 £	31 December 2010 £
Profit for the financial period/ year	81,573	34,920
Opening shareholders' funds	(629,683)	(664,603)
Closing shareholders' funds	<u>(548,110)</u>	<u>(629,683)</u>

10. ULTIMATE PARENT COMPANY

The directors regard Murray & Robert Holdings Limited, a company incorporated in South Africa, as the ultimate parent company and ultimate controlling party.

The financial statements of the company are consolidated into the group financial statements of Clough Limited, a company registered in Australia. Clough Limited is the smallest and largest group preparing consolidated accounts including this entity.

Copies of consolidated accounts of Clough Limited can be obtained from 15th Floor, 58 Mounts Bay Road, Perth, Western Australia.

11. RELATED PARTY DISCLOSURES

The amount recharged to the parent company for the period was £1,283,519 (2010: £571,255). The balance owed to the parent company at 30 June 2012 was £677,767 (2010: £705,802). The balance owed by the parent company at 30 June 2012 was £203,135 (2010: £115,794).