Registered number: SC209796

ROTECH FABRICATION LIMITED

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 JUNE 2017

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ROTECH FABRICATION LIMITED

COMPANY INFORMATION

Directors	S Aitken S G Cochrane M H Graham M C Hill Dr D Stewart K Stewart (resigned 8 September 2016) G S Bell (resigned 8 September 2016)
Company secretary	Stronachs Secretaries Limited
Registered number	SC209796
Registered office	Rotech House Whitemyres Avenue Mastrick Industrial Estate Aberdeen AB16 6HQ

ROTECH FABRICATION LIMITED

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DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2017

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

ROTECH FABRICATION LIMITED
REGISTERED NUMBER:SC209796

BALANCE SHEET
AS AT 30 JUNE 2017

	Note		2017 £		2016 £
Fixed assets					
Tangible assets	4		96,362		124,795
Current assets					
Stocks	5	115,888		168,040	
Debtors: amounts falling due within one year	6	1,823,936		2,324,526	
Cash at bank and in hand	7	257,809		31,565	
		2,197,633		2,524,131	
Creditors: amounts falling due within one year	8	(871,883)		(1,232,122)	
Net current assets			1,325,750		1,292,009
Creditors: amounts falling due after more than one year	9		-		(2,398)
Net assets			1,422,112		1,414,406
Capital and reserves					
Called up share capital	11		64,438		64,438
Profit and loss account			1,357,674		1,349,968
			1,422,112		1,414,406

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

Michael Hill

M C Hill
Director

Date: 29/3/18

The notes on pages 3 to 10 form part of these financial statements.

1. General information

Rotech Fabrication Limited is a private limited company incorporated in Scotland. The registered office is Rotech House, Whitemyres Avenue, Mastrick Industrial Estate, Aberdeen, AB16 6HQ.

The principal activity of the company is fabrication work for the oil industry.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under FRS 102 Section 1A.

2.3 Going concern

The directors, having made due and careful enquiry and preparing forecasts, are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

On long-term contracts, turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer.

Profit on long-term contacts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contact activity progresses. Full provision is made for losses on all contracts in the year in which they are first foreseen.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method and the reducing balance method.

Depreciation is provided on the following basis:

Plant & machinery	- 20-33% straight line
Motor vehicles	- 25% reducing balance
Fixtures & fittings	- 33% straight line

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 in the Statement of comprehensive income.

2. Accounting policies (continued)

2.6 Operating leases

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from related parties. These are measured at amortised cost and are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.13 Pensions

Defined contribution pension plan

The company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into 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.

2.14 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Employees

The average monthly number of employees, not including directors, during the year was 35 (2016 - 33).

4. Tangible fixed assets

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 1 July 2016	459,509	28,000	34,488	521,997
Additions	23,800	-	-	23,800
At 30 June 2017	483,309	28,000	34,488	545,797
Depreciation				
At 1 July 2016	359,535	6,999	30,668	397,202
Charge for the year on owned assets	40,825	5,251	1,691	47,767
Charge for the year on financed assets	4,466	-	-	4,466
At 30 June 2017	404,826	12,250	32,359	449,435
Net book value				
At 30 June 2017	78,483	15,750	2,129	96,362
At 30 June 2016	99,974	21,001	3,820	124,795

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

	2017 £	2016 £
Plant & machinery	11,166	15,632
	11,166	15,632

5. Stocks

	2017 £	2016 £
Raw materials and consumables	115,888	168,040
	115,888	168,040

6. Debtors

	2017 £	2016 £
Trade debtors	405,200	1,176,558
Amounts owed by group undertakings	120,000	-
Other debtors	17,146	-
Prepayments and accrued income	13,276	11,500
Amounts recoverable on long term contracts	1,259,167	1,130,351
Deferred taxation	9,147	6,117
	1,823,936	2,324,526

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	257,809	31,565
	257,809	31,565

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	376,202	429,576
Amounts owed to group undertakings	366,303	601,507
Taxation and social security	40,578	107,696
Obligations under finance lease and hire purchase contracts	2,398	5,184
Other creditors	5,336	17,452
Accruals	81,066	70,707
	871,883	1,232,122

A third party holds a floating charge over the whole assets of the company.

9. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Net obligations under finance leases and hire purchase contracts	-	2,398
	-	2,398

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2017 £	2016 £
Within one year	2,398	5,184
Between 1-2 years	-	2,398
	2,398	7,582

11. Share capital

	2017 £	2016 £
Shares classified as equity		
Allotted, called up and fully paid		
64,438 Ordinary shares of £1 each	64,438	64,438

12. Operating lease commitments

At 30 June 2016 the company had future minimum lease payments under non-cancellable operating leases of £73,418 (2016 - £196,000).

13. Related party transactions

The company is a wholly owned subsidiary of the Rotech International Limited group and has taken advantage of the exeptions within FRS 102 Section 1AC.35 (Related Party Disclosure) which allows exemption from the disclosure of related party transactions with other group companies.

14. Controlling party

The directors consider Rotech International Limited, a company incorporated in Scotland, to be the company's ultimate parent company, and controlling party. The registered address and principal place of business of Rotech International Limited is Rotech House, Whitemyres Avenue, Mastrick Industrial Estate, Aberdeen, AB16 6HQ.

15. Auditors' information

The auditors' report on the financial statements for the year ended 30 June 2017 was unqualified.

The audit report was signed on 29/3/18 by James Pirrie (Senior statutory auditor) on behalf of Anderson Anderson & Brown LLP.