

Registration Number: SC657607

COMPANIES HOUSE

22 DEC 2022

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**Centurion UK Rentals & Services Holdings Limited
(formerly Centurion UK Rentals & Services Limited &
Centurion 4 Limited)**

**Annual Report and Financial Statements
for the year ended 31 December 2021**

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Directors and Advisors

Directors

Mr E Leask
Mr M Raper

Secretary

Blackwood Partners LLP

Registered Address

Blackwood House
Union Grove Lane
Aberdeen
AB10 6XU

Solicitors

Blackwood Partners LLP
Blackwood House
Union Grove Lane
Aberdeen
AB10 6XU

Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2021

The directors have taken the small companies' exemption from preparing the strategic report.

Principal activities

The principal activity of Centurion UK Rentals & Services Holdings Limited (formerly Centurion UK Rentals & Services Limited and Centurion 4 Limited), "the Company", is that of an intermediate holding company. The principal activities of its subsidiaries are the supply of critical rental and services to a number of end-markets including the energy, infrastructure, power, environmental and renewable energy industries.

The Company commenced operational activities from 1 April 2021.

Directors

The directors, who served through the period and to date of this report, were as follows:

Mr E Leask

Mr M Raper

Business Review and outlook

Centurion UK Rentals & Services Holdings Limited (formerly Centurion UK Rentals & Services Limited and Centurion 4 Limited) is a wholly owned subsidiary of Centurion Group Limited, a Cayman registered company. Centurion Group Limited and its subsidiary undertakings, collectively referred to as the "Group", is a global leader in the supply of critical rental and services to a number of end-markets including the energy, minerals, infrastructure, power, environmental and renewable energy industries. The Group has a global reach with operations in key service locations: Canada, America, UK & Europe, Middle East, Caspian, Australia and South East Asia.

The Company recorded a loss in the year of £1,572k (2020: £nil), largely representing central administrative costs in supporting its subsidiaries. The directors anticipate the Company to continue as an intermediate holding company in the foreseeable future.

Principal risks and uncertainties

The directors consider the principal risks and uncertainties to be those affecting the Group. Principal risks and uncertainties faced by the Group include geographical, political, fiscal, operational, commodity price volatility and financial risks. The Group's compliance framework, policies and management processes seek to mitigate adverse effects of these on the performance of the Group.

Dividends

No dividend was paid or proposed in the year (2020: £nil).

Financial risk management policies and objectives

The Company's activities expose it to a number of financial risks including currency, credit and liquidity risk. The Company does not use derivatives to manage its' financial risk or for speculative purposes. The financial risk management policies are operated at Group level.

Capital risk

The Company manages its capital as part of a group wide strategy to ensure that entities within the Group, including the Company's subsidiaries, will be able to continue to operate as going concerns.

Liquidity risk

As an intermediate holding company there is a limited requirement for working capital. The Company has net current liabilities arising from intra group balances and has access to funding from related group companies to meet obligations if needed.

Directors' Report (continued)

Events after the balance sheet date

On 27 February 2022, a conflict broke out between Russia and Ukraine. Following this, numerous governments around the world have implemented sanctions against Russia and Belarus. Given the location of the Company and Group's operations, historically there has been limited direct or indirect trading with Russia or Ukraine. As a result, the Company and Group do not consider there to be any impact from this conflict on its operations or finances.

On 1 February 2022, as part of an internal Centurion Group legal reorganization, 100% of the share capital of the undernoted companies was transferred to the Company from Centurion Group Holdings Limited, a fellow Group company:

- Centurion UK Rentals & Services Limited (formerly Rentair Limited)
- Conserve Rentals & Services Limited
- Abenco Limited

Additionally, on 1 February 2022, as part of the same internal Centurion Group legal reorganization, 100% of the share capital of Labtech Services Limited was transferred to the Company from Specialist Services Holdings Limited, a fellow Group company and also the undernoted companies were transferred to the Company from Rentair Limited (formerly ATR Holdings Limited):

- Centurion Subsea Services Limited (formerly Seanic Ocean Systems Limited)
- ATR Overseas Limited
- STH Holdings Limited

These transactions have no financial effect on the reported financial position at 31 December 2021.

On 31 March 2022, the Company purchased 100% of the share capital of RMEC Group Limited and its subsidiary RMEC Limited, a rental and services business servicing the international energy market. This acquisition increases the scale of the UK operations and increases the Group's technical capability in energy decommissioning operations.

Audit Exemption Statement

For the period ended 31 December 2021, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Approved by the Board and signed on its behalf by:



E Leask
Director
22 December 2022

Directors' Responsibilities Statements

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), including FRS 101 "Reduced Disclosure Framework". 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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. The directors 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Income Statement

For the year ended 31 December 2021

	Note	2021 £000	2020 £000
Revenue		-	-
Administrative expenses			
Recurring		(1,390)	-
Exceptional and adjusting items	4	(175)	-
Operating loss	5	(1,565)	-
Interest payable and similar charges	6	(7)	-
Loss on ordinary activities before taxation		(1,572)	-
Income tax	9	-	-
Loss for the year	16	(1,572)	-

The result for the current and prior year is derived from continuing operations.

There are no recognised gains or losses in the current or prior year other than as included in the results above, therefore no separate statement of comprehensive income has been presented.

Statement of Financial Position

As at 31 December 2021

	Note	2021 £000	2020 £000
NON-CURRENT ASSETS			
Investments	10	6,727	-
Total non-current assets		6,727	-
CURRENT ASSETS			
Other receivables	11	120	-
Amounts owed by group companies	11	-	-
Total current assets		120	-
Total assets		6,847	-
CURRENT LIABILITIES			
Other payables	12	(226)	-
Amounts owed to group companies	12	(6,421)	-
Total current liabilities		(6,647)	-
Net current liabilities		(6,527)	-
Total assets less current liabilities		200	-
EQUITY			
Called-up share capital	14	1,787	-
Other equity reserves	15	(15)	-
Accumulated losses	16	(1,572)	-
Total equity		200	-

For the financial year ended 31 December 2021 the Company was entitled to exemption under section 479A of the Companies Act 2006. No members have required the Company to obtain audit of its accounts for the year ended 31 December 2021 in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts

The financial statements of Centurion UK Rentals & Services Holdings Limited (formerly Centurion UK Rentals & Services Limited and Centurion 4 Limited) (registered number SC657607) were approved by the Board of Directors and signed on its behalf by:



E Leask
Director
22 December 2022

Notes to the Financial Statements

For the year ended 31 December 2021

1. General information

Centurion UK Rentals & Services Holdings Limited (formerly Centurion UK Rentals & Services Limited and Centurion 4 Limited), "the Company", is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in Scotland. The address of the registered office is given on page 1.

The nature of the Company's operations and its principal activities are set out in the Directors' Report on Page 2.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements because it is included in the group accounts of Centurion 3 Limited. The group accounts of Centurion 3 Limited are available to the public and can be obtained as set out in note 19.

2. Significant accounting policies

The principal accounting procedures are set out below and have been applied consistently for all years presented in the financial statements.

2.1 Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party disclosures.

Where relevant, equivalent disclosures have been given in the group accounts of Centurion 3 Limited, a company registered in Scotland. The Group accounts of Centurion 3 Limited are available to the public and can be obtained as set out in note 19.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

The financial statements are presented in pound sterling (GBP), which is the currency of the primary economic environment in which the Company operates.

2.2 Going concern

The Company is party to Group borrowing facilities under which it is an obligor and a guarantor. As a result, cash flow projections, including working capital requirements, are developed and managed at Group level. At the date of this report the Group has cash and cash reserves of \$36.7m, and the ability to draw down a further \$62.6m of debt funding under the existing RCF subject to customary bank covenants and credit agreement conditions. On 16 December 2021, the Group extended the term of its existing multi-currency credit facility from 31 December 2022 to 31 December 2024 and upsized the facility from \$230m to \$300m. In addition, the Group added Royal Bank of Canada and the Toronto-Dominion Bank to the existing consortium of banks. On 3 October 2022, the Group further upsized its existing multi-currency credit facility to approximately \$360m.

Having assessed the financial position, the trading prospects and liquidity position for the Group, including possible downside scenarios as a result of COVID -19, and a potential global economic slowdown, through the going concern period, the directors have developed a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

2. Significant accounting policies (continued)

2.2 Going concern (continued)

Additionally, the directors have, at the time of approving the financial statements, developed a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and has obtained confirmation from the parent company of continuing financial support in the 12 month period subsequent to the approval of these financial statements.

Accordingly, the directors continue to adopt the going concern basis in their preparation of the annual financial statements.

2.3 Adoption of new and revised standards

The Company has adopted all new and revised standards effective for the period beginning 1 January 2021. The adoption of these standards has not impacted the Company's reported results or financial position.

2.4 Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

2.4 Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. Key sources of estimation uncertainty and critical judgments

In the application of the Company's accounting policies, outlined in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. There are no key sources of estimation uncertainty and critical judgments impacting these financial statements.

4. Exceptional and adjusting items

Exceptional and adjusting items comprise the following:

	2021 £000	2020 £000
Restructuring costs	30	-
Acquisition related expenses	145	-
	175	-

Restructuring costs comprise professional costs incurred as part of the reviewing the UK group structure, rationalising headcount and rebranding. While such reorganisations occur periodically they are not part of ordinary trading and therefore are presented as exceptional and adjusting items.

Acquisition related expenses relate to the costs associated with the acquisition of Aleron Technology Limited in 2021. These expenses were identified as exceptional and adjusting items as they do not relate to the Company's ordinary trading activities.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

5. Operating loss for the year

	2021 £000	2020 £000
Operating loss for the year is stated after charging:		
Employee benefits expense	507	-

6. Finance expense and similar charges

	2021 £000	2020 £000
Interest payable to group companies	7	-
	7	-

7. Employee benefit expense

	2021 £000	2020 £000
Wages and salaries	454	-
Social security costs	42	-
Pension costs	11	-
	507	-

The average number of employees in the year was:

	2021 No.	2020 No.
Managerial, finance and administration	11	-

8. Directors' remuneration

The directors did not receive any remuneration from the Company for their services to this company. The remuneration of the director is borne by another group company.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

9. Taxation

	2021 £000	2020 £000
Current period tax		
UK corporation tax	-	-
Total current tax	-	-
	2021 £000	2020 £000
Factors affecting the tax charge for the year		
Loss before taxation	(1,572)	-
Loss before taxation multiplied by standard rate of UK corporation tax of 19% (2020: 19%)	(299)	-
Expenses not deductible	34	-
Group relief	265	-
Current tax charge for the year	-	-

Following enactment of Finance Act 2020 on 22 July 2020, the UK Corporation Tax rate (from 1 April 2020) has been maintained at 19% and has not reduced to 17% as previously legislated. The UK Budget announcement on 3 March 2021 proposed to increase the UK Corporation Tax rate to 25% from 1 April 2023. This rate change was substantively enacted on 24 May 2021. As this was substantively enacted before the reporting date, the UK deferred tax balances as at 31 December 2021 have been measured at 25%.

10. Investments

	2021 £000	2020 £000
Shares in group undertakings	6,727	-
		£000
At 1 January 2021		-
Additions in the year		6,727
At 31 December 2021		6,727

The Company holds 100% of the issued share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Aleron Technology Limited	Scotland	Ordinary	100.00
Aleron Limited*	Scotland	Ordinary	100.00
Rovquip Limited*	Scotland	Ordinary	100.00

(* held indirectly)

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

10. Investments (continued)

On 1 February 2022, as part of an internal Centurion Group legal reorganization, 100% of the share capital of the undernoted companies was transferred to the Company from Centurion Group Holdings Limited, a fellow Group company:

- Centurion UK Rentals & Services Limited (formerly Rentair Limited)
- Conserve Rentals & Services Limited
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Additionally, on 1 February 2022, as part of the same internal Centurion Group legal reorganization, 100% of the share capital of Labtech Services Limited was transferred to the Company from Specialist Services Holdings Limited, a fellow Group company and also the undernoted companies were transferred to the Company from Rentair Limited (formerly ATR Holdings Limited):

- Centurion Subsea Services Limited (formerly Seanic Ocean Systems Limited)
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These transactions have no financial effect on the reported financial position at 31 December 2021.

On 31 March 2022, the Company purchased 100% of the share capital of RMEC Group Limited and its subsidiary RMEC Limited, a rental and services business servicing the international energy market. This acquisition increases the scale of the UK operations and increases the Group's technical capability in energy decommissioning operations.

11. Other receivables

	2021 £000	2020 £000
Other debtors and prepayments	120	-

Amounts due from group companies of £nil (2020: £1) are non-interest bearing and have no formal repayment terms.

12. Other payables

	2021 £000	2020 £000
Other payables	226	-

Amounts due to group companies of £6,421k (2020: £nil) are non-interest bearing and have no formal repayment terms.

13. Retirement benefit plans

Defined contribution scheme

The Company contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

	2021 £000	2020 £000
Contributions by the Company for the year	11	-

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

14. Share capital

	2021 Units	2020 Units
Allotted, called up and fully paid		
1,787,501 Ordinary Shares of £1 each	1,787,501	1

Ordinary shares issued and fully paid

	£000
Balance at 1 January 2021	-
Issued during the year	1,787
Balance at 31 December 2021	1,787

15. Other equity reserves

	£000
<i>Currency translation reserve</i>	
Balance at 1 January 2021	-
Movement in year	15
Balance at 31 December 2021	15

16. Accumulated losses

	£000
Balance at 1 January 2021	-
Loss for the year	(1,572)
Balance at 31 December 2021	(1,572)

17. Contingent liabilities

The Company is party to the Group borrowing facilities and arrangements. Under these arrangements, the Group has pledged its shares in the subsidiaries and granted a debenture over its assets. The outstanding amount under the borrowing facilities at 31 December 2021 was £121m (\$163m) (2020: £109m (\$141m)).

18. Related party transactions

The Company has taken advantage of the exemption available in IAS 24 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

19. Controlling party

The ultimate holding company is Centurion Group Limited, a company incorporated and registered in the Cayman Islands (Registered office: c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, the Cayman Islands). The majority of the equity of Centurion Group Limited is owned by SCF VIII AIV LP and SCF VII AIV LP, Cayman Islands limited partnerships, which in turn are considered to be controlled by its general partner, LE Simmons & Associates Inc, a Delaware corporation whose controlling party is its president, L E Simmons.

The smallest and largest group which consolidates the results of the Company is Centurion 3 Limited, a company registered in Scotland, whose financial statements are publicly available from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

20. Post balance sheet events

On 27 February 2022, a conflict broke out between Russia and Ukraine. Following this, numerous governments around the world have implemented sanctions against Russia and Belarus. Given the location of the Company and Group's operations, historically there has been limited direct or indirect trading with Russia or Ukraine. As a result, the Company and Group do not consider there to be any impact from this conflict on its operations or finances.

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