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Company Registration No. SC305588 (Scotland)

ATR HOLDINGS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015

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ATR HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr K Moorhouse Mr E Leask
Secretary	Burness Paull LLP (resigned 27 July 2016) Blackwood Partners LLP (appointed 27 July 2016)
Company number	SC305588
Registered office	Blackwood House Union Grove Lane Aberdeen AB10 6XU
Auditors	Johnston Carmichael LLP Bishop's Court 29 Albyn Place Aberdeen AB10 1YL
Solicitors	Blackwood Partners LLP Blackwood House Union Grove Lane Aberdeen AB10 6XU

ATR HOLDINGS LIMITED

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ATR HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2015

The directors present their report and financial statements for the year ended 31 October 2015.

Principal activities

The principal activity of the company is that of a holding company and the provision of management services to the ATR Group of companies.

The principal activity of the ATR Group of companies is providing equipment solutions (sale, rental and inspection services) to the surface, subsea and marine, and petrochemical sectors of the offshore Oil and Gas industry.

Directors

The following directors have held office since 1 November 2014:

Mr K Moorhouse
Mr E Leask

Statement of directors' responsibilities

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 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 of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



Mr E Leask

Director
6 SEPTEMBER 2016

ATR HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ATR HOLDINGS LIMITED

We have audited the financial statements of ATR Holdings Limited for the year ended 31 October 2015 set out on pages 4 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 October 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

ATR HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ATR HOLDINGS 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 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 and take advantage of the small companies' exemption in preparing the directors' report and from preparing a strategic report.



Graeme Fraser (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

6 September 2016

Chartered Accountants
Statutory Auditor

Bishop's Court
29 Albyn Place
Aberdeen
AB10 1YL

ATR HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2015

	Notes	2015 £	2014 £
Turnover		2,309,252	2,313,872
Administrative expenses	3	(6,896,211)	(5,103,504)
Operating loss	2	(4,586,959)	(2,789,632)
Analysis of operating loss			
Operating loss before exceptional items		(474,433)	(49,412)
Loss on sale of investment	3	(23,481)	(2,588,844)
Investment impairment provision	3	(3,886,096)	-
Exceptional costs	3	(202,949)	(151,376)
		<u>(4,586,959)</u>	<u>(2,789,632)</u>
Interest payable and similar charges		-	(147)
Loss on ordinary activities before taxation		(4,586,959)	(2,789,779)
Tax on loss on ordinary activities	4	-	-
Loss for the year	12	(4,586,959)	(2,789,779)

ATR HOLDINGS LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	5		6,613		-
Investments	6		24,643,088		27,934,184
			<u>24,649,701</u>		<u>27,934,184</u>
Current assets					
Debtors	7	12,140,950		777,125	
Cash at bank and in hand		22,943		24,798	
		<u>12,163,893</u>		<u>801,923</u>	
Creditors: amounts falling due within one year	8	(5,353,579)		(1,682,009)	
			<u>6,810,314</u>		<u>(880,086)</u>
Net current assets / (liabilities)					
			<u>31,460,015</u>		<u>27,054,098</u>
Total assets less current liabilities					
Creditors: amounts falling due after more than one year	9	(33,939,575)		(24,946,699)	
		<u>(2,479,560)</u>		<u>2,107,399</u>	
			<u>(2,479,560)</u>		<u>2,107,399</u>
Capital and reserves					
Called up share capital	11		4,816,980		4,816,980
Profit and loss account	12		(7,296,540)		(2,709,581)
			<u>(2,479,560)</u>		<u>2,107,399</u>
Shareholders' (deficit) / funds			<u>(2,479,560)</u>		<u>2,107,399</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 6 September 2016



Mr E Leask
Director

Company Registration No. SC305588

ATR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Company was exempt at 31 October 2015 by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Profit is recognised on long-term projects, if the final outcome can be assessed with reasonable certainty, by including turnover and related costs as activity progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value of these contracts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	25% straight line
Plant and machinery	25-33% straight line

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.7 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Operating loss

	2015	2014
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	1,067	-
Auditors' remuneration	1,500	5,150
Directors' remuneration	645,287	450,716

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2014 - 2).

ATR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

3 Operating costs

	Year ended 31 October 2015			Year ended 31 October 2014		
	Normal	Exceptional	Total	Normal	Exceptional	Total
	£	£	£	£	£	£
Wages and salaries	1,913,651	-	1,913,651	1,712,109	-	1,712,109
Employer's NI	222,217	-	222,217	205,077	-	205,077
Depreciation	1,067	-	1,067	-	-	-
Administrative expenses	646,750	202,949	849,699	446,098	151,376	597,474
Loss on investment	-	23,481	23,481	-	2,588,844	2,588,844
Investment impairment provision	-	3,886,096	3,886,096	-	-	-
	<u>2,783,685</u>	<u>4,112,526</u>	<u>6,896,211</u>	<u>2,363,284</u>	<u>2,740,220</u>	<u>5,103,504</u>

On 16 March 2015 the Group sold its remaining 50% shareholding in Myhre Rope Services A/S (Cosalt Offshore Norway A/S) to Hendrik Veder Group B.V at cost. The loss on investment in the year ended 31 October 2015 represents legal and professional fees incurred relating to this disposal.

Exceptional items in the year ended 31 October 2015 comprise restructuring costs, exceptional staff payments and legal and professional fees relating to an aborted acquisition, and an investment impairment provision.

4 Taxation

	2015	2014
	£	£
U.K. corporation tax	-	-
Total current tax	<u>-</u>	<u>-</u>

5 Tangible fixed assets

	Land & Buildings	Plant & Machinery Etc	Total
	£	£	£
Cost			
At 1 November 2014	12,563	25,260	37,823
Additions	-	7,680	7,680
At 31 October 2015	<u>12,563</u>	<u>32,940</u>	<u>45,503</u>
Depreciation			
At 1 November 2014	12,563	25,260	37,823
Charge for year	-	1,067	1,067
At 31 October 2015	<u>12,563</u>	<u>26,327</u>	<u>38,890</u>
Net book value			
At 31 October 2015	<u>-</u>	<u>6,613</u>	<u>6,613</u>
At 31 October 2014	<u>-</u>	<u>-</u>	<u>-</u>

ATR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

6 Fixed asset investments

	Shares in group undertakings and participating interests
	£
Cost	
At 1 November 2014	27,934,184
Additions	595,000
	<hr/>
At 31 October 2015	28,529,184
	<hr/>
Provision for impairment	
At 1 November 2014	-
Charge for year	3,886,096
	<hr/>
At 31 October 2015	3,886,096
	<hr/>
Net book value	
At 31 October 2015	24,643,088
	<hr/> <hr/>
At 31 October 2014	27,934,184
	<hr/> <hr/>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
ATR Equipment Solutions Limited	Scotland	Ordinary	100.00
ATR Power Solutions Limited	Scotland	Ordinary	100.00
Underwater Engineering Services Limited	Scotland	Ordinary	100.00
ATR Overseas Limited	Scotland	Ordinary	100.00
ATR Caspian Limited *	Gibraltar	Ordinary	100.00
ATR Lifting Solutions Limited	Scotland	Ordinary	100.00
Cosalt Offshore Group Limited	Scotland	Ordinary	100.00
ATR Offshore Norway A/S	Norway	Ordinary	100.00
STH Holdings Limited	Scotland	Ordinary	85.00
Safety & Technical Hydraulics Limited *	Scotland	Ordinary	85.00

(* held indirectly)

On 29 June 2015, the company acquired 100% of the share capital of Safety & Technical Hydraulics Limited through STH Holdings Limited an 85% owned intermediate holding company. Subsequent to the year-end ATR Holdings Limited acquired the remaining 15% of share capital in STH Holdings Limited. This is now a wholly owned subsidiary.

On 16 March 2015 the Group sold its remaining 50% shareholding in Myhre Rope Services A/S (Cosalt Offshore Norway A/S) to Hendrik Veder Group B.V at cost.

On 21 May 2015, a voluntary application was made to the Registrar of Companies for Cosalt Offshore Holdings Limited, Cosalt Offshore Limited and Grampian Test & Certification Limited, 100% owned subsidiaries of the Group, to be struck off the Registrar. These companies were all dissolved on 25 September 2015.

ATR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

6 Fixed asset investments (continued)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and Reserves 2015	Profit / (loss) for the year 2015
	Principal activity	£	£
ATR Equipment Solutions Limited	Equipment rental, sale and service	4,164,501	112,644
ATR Power Solutions Limited	Power generation equipment rental, sale and service	3,472,190	461,437
Underwater Engineering Services Limited	Subsea and deck machinery equipment rental and sale	4,089,599	344,150
ATR Overseas Limited	Intermediate holding company	2	-
ATR Caspian Limited	Equipment rental, sale and service	(1,150,475)	208,680
ATR Lifting Solutions Limited	Lifting equipment rental, sale and service	48,826	(630,994)
Cosalt Offshore Group Limited	Intermediate holding company	1	-
ATR Offshore Norway A/S	Dormant	(102,233)	(45,890)
STH Holdings Limited	Intermediate holding company	699,977	(23)
Safety & Technical Hydraulics Limited	Hydraulic tool, bolting and instrumentation rental, sale and service	4,672,517	954,271
		<u> </u>	<u> </u>
7 Debtors		2015	2014
		£	£
Amounts owed by group undertakings		11,925,720	658,065
Other debtors		215,230	119,060
		<u> </u>	<u> </u>
		12,140,950	777,125
		<u> </u>	<u> </u>
8 Creditors: amounts falling due within one year		2015	2014
		£	£
Trade creditors		43,249	19,205
Amounts owed to group undertakings		5,015,075	1,221,195
Taxation and social security		60,393	62,184
Other creditors		234,862	379,425
		<u> </u>	<u> </u>
		5,353,579	1,682,009
		<u> </u>	<u> </u>
9 Creditors: amounts falling due after more than one year		2015	2014
		£	£
Amounts owed to group undertakings		33,939,575	24,946,699
		<u> </u>	<u> </u>

ATR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

10 Pension costs

Defined contribution

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £8,165 (2014 – £9,971) were payable to the fund at the year end.

	2015	2014
	£	£
Contributions payable by the company for the year	63,420	83,163

11 Share capital

Allotted, called up and fully paid

	2015	2014
	£	£
243,658 Ordinary A Shares of £1 each	243,658	243,658
4,573,222 Ordinary Shares of £1 each	4,573,222	4,573,222
100 Preference share of £1 each	100	100
	<u>4,816,980</u>	<u>4,816,980</u>

12 Statement of movements on profit and loss account

	Profit & Loss Account
	£
Balance at 1 November 2014	(2,709,581)
Loss for the year	(4,586,959)
Balance at 31 October 2015	<u>(7,296,540)</u>

13 Contingent liabilities

The company is a subsidiary in a group which has bank loans and loan notes totalling £49,272,951 (2014 - £37,317,000) at 31 October 2015. These borrowings are secured by bond and floating charges over all the assets of the company and other active group members.

As part of the combination with Centurion Group Limited on 27 July 2016, the existing bank debt at 31 October 2015 of the ATR group of companies was fully repaid and replaced with loans from its new parent undertaking. The enlarged Group's bank debt is secured by a bond and floating charge over all assets of Centurion Group's active companies.

Additionally, immediately prior to the combination with Centurion Group Limited, the loan notes and associated accrued interest due by the ATR Group of companies to NBGI Private Equity (Tranche II) LP were exchanged at full value for share capital in ATR Offshore Holdings Limited.

ATR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

14 Financial commitments

At 31 October 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 October 2016:

	2015	2014
	£	£
Operating leases which expire:		
Within one year	-	-
In over five years	43,006	43,006
	<u>43,006</u>	<u>43,006</u>

15 Control

The ultimate holding company of ATR Holdings Limited is ATR Offshore Holdings Limited which is a company registered in Scotland.

ATR Offshore Holdings Limited prepares group financial statements and copies can be obtained from Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

The directors regarded NBGI Private Equity (Tranche II) LP, a fund registered in Guernsey and managed by NBGI Private Equity Limited as the ultimate controlling party at 31 October 2015.

On 27 July 2016, NBGI Private Equity (Tranche II) LP sold their controlling interest in ATR Offshore Holdings Limited to Centurion Group Limited. The majority of the equity of Centurion Group Limited is owned by SCF-VIII AIV LP, a Cayman Island limited partnership which in turn is controlled (except in limited and specified circumstances) by its general partner, LE Simmons & Associates Inc, a Delaware corporation.

16 Post balance sheet events

On 27 July 2016, NBGI Private Equity (Tranche II) LP sold their controlling interest in the ATR Group of companies to Centurion Group Limited. The majority of the equity of Centurion Group Limited is owned by SCF-VIII AIV LP, a Cayman Island limited partnership which in turn is controlled (except in limited and specified circumstances) by its general partner, LE Simmons & Associates Inc, a Delaware corporation.

As part of the combination with Centurion Group Limited on 27 July 2016, the existing bank debt at 31 October 2015 of the ATR group of companies was fully repaid and replaced with loans from its new parent undertaking. The enlarged Group's bank debt is secured by a bond and floating charge over all assets of Centurion Group's active companies.

Immediately prior to the combination with Centurion Group Limited, the loan notes and associated accrued interest due by the ATR Group of companies to NBGI Private Equity (Tranche II) LP were exchanged at full value for share capital in ATR Offshore Holdings Limited. NBGI Private Equity (Tranche II) LP also subscribed for a further 5,000,000 £1 ordinary shares at par.

Additionally, ATR Holdings Limited acquired the remaining 15% of the share capital of STH Holdings Limited. This is now a wholly owned subsidiary.

ATR HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

17 Related party relationships and transactions

Other transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

During the year ATR Holdings Limited received services from NBGI Private Equity Limited of £54,226 (2014 - £67,744). As at 31 October 2015 the balance due to NBGI Private Equity Limited is £Nil (2014: £6,854).

During the year the company charged £81,409 of a management charge to Safety & Technical Hydraulics Limited, an 85% owned subsidiary of the ATR Group and recharged £21,617 of expenses. As at 31 October 2015 the company was due £103,026 from Safety & Technical Hydraulics Limited.

During the year the company provided funding of £9,027,702 to STH Holdings Limited to assist funding the acquisition on 29 June 2015 of the entire share capital of Safety & Technical Hydraulics Limited and received repayments of £1,190,005. At 31 October 2015 the company was due £7,837,697 from STH Holdings Limited.