

Registered number: 02016426

NDE TECHNICAL SERVICES UK LIMITED

UNAUDITED DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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NDE TECHNICAL SERVICES UK LIMITED

COMPANY INFORMATION

Directors	D Davies A Du Plessis A Crocker
Registered number	02016426
Registered office	Cleeve Road Leatherhead Surrey KT22 7SA

NDE TECHNICAL SERVICES UK LIMITED

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NDE TECHNICAL SERVICES UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Directors

The directors who served during the year until the date of signing of the accounts, were as follows.

D Davies
S McInnes (resigned on 20 December 2018)
A Du Plessis (appointed 7 June 2018)
A Crocker (appointed 7 June 2018)

Review of the business

Effective 2 July 2018, the trade, assets and liabilities of the company were transferred to its immediate parent company, RINA Consulting Limited, at book value in consideration of an intra-group receivable to RINA Consulting Limited.

On 17 August 2018, the company declared an interim dividend of £4,839,000 to RINA Consulting Limited, offset against the loan receivable as a result of the transfer.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



A Du Plessis
Director

Date: 16/12/2019

NDE TECHNICAL SERVICES UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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 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 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.

NDE TECHNICAL SERVICES UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £000
Turnover		2,297	4,094
Cost of sales		(1,947)	(3,319)
Gross profit		<u>350</u>	<u>775</u>
Administrative expenses		(304)	(940)
Operating profit/(loss)	3	<u>46</u>	<u>(165)</u>
Interest receivable and similar income		35	104
Tax on profit/(loss)	5	-	-
Profit/(loss) for the financial year		<u><u>81</u></u>	<u><u>(61)</u></u>

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 7 to 14 form part of these financial statements.

NDE TECHNICAL SERVICES UK LIMITED

REGISTERED NUMBER:02016426

**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Note	2018 £000	2017 £000
Fixed assets			
Tangible assets	6	-	3
		<u>-</u>	<u>3</u>
Current assets			
Debtors: amounts falling due after more than one year	7	-	2,659
Debtors: amounts falling due within one year	7	2	2,791
Cash at bank and in hand	8	-	341
		<u>2</u>	<u>5,791</u>
Creditors: amounts falling due within one year	9	-	(1,034)
Net current assets		<u>2</u>	<u>4,757</u>
Total assets less current liabilities		<u>2</u>	<u>4,760</u>
Net assets		<u>2</u>	<u>4,760</u>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account		-	4,758
		<u>2</u>	<u>4,760</u>

NDE TECHNICAL SERVICES UK LIMITED

REGISTERED NUMBER:02016426

**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018**

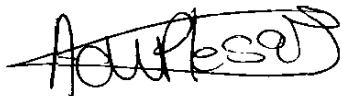
The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

A handwritten signature in black ink, appearing to read 'A Du Plessis', enclosed within a rectangular box.

A Du Plessis
Director

Date 16/12/2019

The notes on pages 7 to 14 form part of these financial statements.

NDE TECHNICAL SERVICES UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2017	2	4,819	4,821
Loss for the year	-	(61)	(61)
At 1 January 2018	2	4,758	4,760
Profit for the year	-	81	81
Dividends. Equity capital	-	(4,839)	(4,839)
At 31 December 2018	2	-	2

The notes on pages 7 to 14 form part of these financial statements.

NDE TECHNICAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

NDE Technical Services UK Limited is a limited liability company incorporated in England. The registered office is Cleeve Road, Leatherhead, Surrey, KT22 7SA.

The financial statements are prepared in Sterling which is the functional currency of the company and rounded to the nearest £'000.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. There are no critical judgements, estimates or assumptions within these financial statements.

The following principal accounting policies have been applied

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Going concern

Effective 2 July 2018, the trade, assets and liabilities of the Company were transferred to its immediate parent company, RINA Consulting Limited. Since the transfer, the Company continues to trade, but with its trade, assets and liabilities held in trust for RINA Consulting Limited. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

NDE TECHNICAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Related party transactions

As the Company is a wholly owned subsidiary of RINA S.p.A, the Company has taken advantage of the exemption contained in IAS 24 and has therefore not disclosed transactions with wholly owned subsidiaries which form part of the RINA Group of companies.

2.5 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.

2.6 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.

Depreciation is provided on the following basis.

Plant and machinery	-	33% straight line
Fixtures and fittings	-	20% 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

2.7 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.

NDE TECHNICAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.8 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.

2.9 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.12 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.

NDE TECHNICAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.13 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 taxation is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in period different from those in which they are recognised in the financial statements, with the following exceptions:

Where there are differences between amounts that can be deducted for tax assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised.

Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the Balance sheet date, dividends have been accrued as receivable; and

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

3. Operating profit/(loss)

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

	2018 £000	2017 £000
Depreciation of tangible fixed assets	1	4
Foreign currency exchange differences	(38)	65
Defined contribution pension cost	11	18

NDE TECHNICAL SERVICES UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Employees

The average monthly number of employees, including the directors, during the year until transfer was as follows:

	2018 No.	2017 No.
Operations	16	9
Administration and finance	5	3
	<u>21</u>	<u>12</u>

5. Taxation

	2018 £000	2017 £000
Total current tax	-	-
Taxation on profit/(loss) on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%) The differences are explained below:

	2018 £000	2017 £000
Profit/(loss) on ordinary activities before tax	<u>81</u>	<u>(61)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	15	(12)
Effects of:		
Group relief (received)/surrendered for nil consideration	<u>(15)</u>	<u>12</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The UK corporation tax rate was reduced to 17% from 1 April 2020. The reduction to 17% was announced in the March 2016 Budget and was substantively enacted on 6 September 2016 and this is the rate at which deferred tax would be provided.

NDE TECHNICAL SERVICES UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Tangible fixed assets

	Plant and machinery £000	Fixtures and fittings £000	Total £000
At 1 January 2018	9	18	27
Transfers intra group	(9)	(18)	(27)
At 31 December 2018	-	-	-
At 1 January 2018	6	18	24
Charge for the year on owned assets	1	-	1
Transfers intra group	(7)	(18)	(25)
At 31 December 2018	-	-	-
Net book value			
At 31 December 2018	-	-	-
At 31 December 2017	3	-	3

7. Debtors

	2018 £000	2017 £000
Due after more than one year		
Amounts owed by group undertakings	-	2,659
	2018 £000	2017 £000
Due within one year		
Trade debtors	-	227
Amounts owed by group undertakings	2	1,169
Other debtors	-	64
Prepayments and accrued income	-	1,331
	2	2,791

NDE TECHNICAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. Cash and cash equivalents

	2018 £000	2017 £000
Cash at bank and in hand	-	341

9. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	-	388
Amounts owed to group undertakings	-	99
Other taxation and social security	-	97
Other creditors	-	31
Accruals and deferred income	-	419
	-	1,034

10. Share capital

	2018 £000	2017 £000
Allotted, called up and fully paid		
2,000 (2017 - 2,000) Ordinary share shares of £1.00 each	2	2

11. Pension commitments

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £11,000 (2017 - £18,000).

Contributions totalling £NIL (2017 - £6,000) were payable to the fund at the Balance sheet date and are included in other creditors.

12. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £000	2017 £000
Not later than 1 year	-	14
	-	14

NDE TECHNICAL SERVICES UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. Ultimate parent undertaking and controlling party

The Company is a subsidiary undertaking of RINA Consulting Limited which is incorporated in England & Wales. The Company's ultimate parent undertaking is Registro Italiano Navale which is incorporated in Italy.

The largest and smallest group in which the results of the Company are consolidated is that headed by RINA S.p.A incorporated in Italy. The group financial statements of this group are available from the Chamber of Commerce of Genoa, Piazza de Ferrari 2, Genoa, Italy.