

# Deep Water Slender Wells A/S

Strandvejen 351, 2980 Kokkedal

Company reg. no. 25 83 38 05

## Annual report

**1 January - 31 December 2017**

The annual report have been submitted and approved by the general meeting on the 14 June 2018.

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**Christopher Peter Wood**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## Management's report

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The board of directors and the managing director have today presented the annual report of Deep Water Slender Wells A/S for the financial year 1 January to 31 December 2017.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 December 2017 and of the company's results of its activities in the financial year 1 January to 31 December 2017.

The board of directors and the managing director considers the requirements of omission of audit of the annual accounts for 2017 as met.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Kokkedal, 13 June 2018

### Managing Director

Torben Mejnertsen

### Board of directors

Raymont Anthony Harkins

Christopher Peter Wood

Torben Mejnertsen

## Auditor's report on compilation of the annual accounts

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### To the shareholder of Deep Water Slender Wells A/S

We have compiled the annual accounts of Deep Water Slender Wells A/S for the period 1 January to 31 December 2017 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 13 June 2018

### **Redmark**

State Authorised Public Accountants  
Company reg. no. 29 44 27 89

### **Henrik Juul Thomsen**

State Authorised Public Accountant  
MNE-nr. 33734

## Company data

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<b>The company</b>	Deep Water Slender Wells A/S Strandvejen 351 2980 Kokkedal
	Company reg. no. 25 83 38 05 Established: 1 January 2001 Domicile: Financial year: 1 January - 31 December
<b>Board of directors</b>	Raymont Anthony Harkins Christopher Peter Wood Torben Mejnertsen
<b>Managing Director</b>	Torben Mejnertsen
<b>Auditors</b>	Redmark, Statsautoriseret Revisionspartnerselskab Dirch Passers Allé 76 2000 Frederiksberg
<b>Bankers</b>	Danske Bank

## Management's review

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### **The principal activities of the company**

The purpose for the company is to deliver engineer services and other similar business.

### **Development in activities and financial matters**

The gross profit for the year is DKK 2.935.240 against DKK 8.380.988 last year. The results from ordinary activities after tax are DKK 173.170 against DKK -760.808 last year.

## Profit and loss account 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2017</u>	<u>2016</u>
<b>Gross profit</b>	<b>2.935.240</b>	<b>8.380.988</b>
1 Staff costs	-2.759.852	-9.140.987
<b>Results before net financials</b>	<b>175.388</b>	<b>-759.999</b>
Other financial income	0	501
Other financial costs	-1.287	-69
<b>Results before tax</b>	<b>174.101</b>	<b>-759.567</b>
Tax on ordinary results	-931	-1.241
<b>Results for the year</b>	<b>173.170</b>	<b>-760.808</b>
 <b>Proposed distribution of the results:</b>		
Allocated to results brought forward	173.170	0
Allocated from results brought forward	0	-760.808
<b>Distribution in total</b>	<b>173.170</b>	<b>-760.808</b>

## Balance sheet 31 December

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2017</u>	<u>2016</u>
<b>Current assets</b>		
Trade debtors	493.633	1.610.981
Work in progress for the account of others	368.655	0
Amounts owed by group enterprises	0	1.305.402
Deferred tax assets	2.793	3.724
Other debtors	11.339	13.103
Debtors in total	<u>876.420</u>	<u>2.933.210</u>
Available funds	<u>1.169.351</u>	<u>459.225</u>
<b>Current assets in total</b>	<b><u>2.045.771</u></b>	<b><u>3.392.435</u></b>
<b>Assets in total</b>	<b><u>2.045.771</u></b>	<b><u>3.392.435</u></b>



## Balance sheet 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>		<u>2017</u>	<u>2016</u>
<u>Note</u>			
<b>Equity</b>			
2	Contributed capital	500.000	500.000
3	Results brought forward	223.154	49.984
	<b>Equity in total</b>	<b><u>723.154</u></b>	<b><u>549.984</u></b>
<b>Liabilities</b>			
	Trade creditors	30.000	452.500
	Debt to group enterprises	574.661	0
	Debt to shareholders and management	0	916.998
	Corporate tax	117.678	103.678
	Other debts	600.278	1.369.275
	Short-term liabilities in total	<u>1.322.617</u>	<u>2.842.451</u>
	<b>Liabilities in total</b>	<b><u>1.322.617</u></b>	<b><u>2.842.451</u></b>
	<b>Equity and liabilities in total</b>	<b><u>2.045.771</u></b>	<b><u>3.392.435</u></b>

#### 4 Mortgage and securities

## Statement of changes in equity

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All amounts in DKK.

	<b>Contributed capital</b>	<b>Results brought forward</b>	<b>In total</b>
Equity 1 January 2016	500.000	810.792	1.310.792
Profit or loss for the year brought forward	0	-760.808	-760.808
Equity 1 January 2017	500.000	49.984	549.984
Profit or loss for the year brought forward	0	173.170	173.170
	<b>500.000</b>	<b>223.154</b>	<b>723.154</b>

## Notes

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All amounts in DKK.

	<u>2017</u>	<u>2016</u>
<b>1. Staff costs</b>		
Salaries and wages	2.749.923	9.070.354
Other costs for social security	-4.805	44.796
Other staff costs	<u>14.734</u>	<u>25.837</u>
	<b><u>2.759.852</u></b>	<b><u>9.140.987</u></b>
Average number of employees	<u>1</u>	<u>6</u>
<b>2. Contributed capital</b>		
Contributed capital 1 January 2017	<u>500.000</u>	<u>500.000</u>
	<b><u>500.000</u></b>	<b><u>500.000</u></b>
The share capital consists of 500 shares, each with a nominal value of DKK 1,000. No shares carry any special rights.		
<b>3. Results brought forward</b>		
Results brought forward 1 January 2017	49.984	810.792
Profit or loss for the year brought forward	<u>173.170</u>	<u>-760.808</u>
	<b><u>223.154</u></b>	<b><u>49.984</u></b>
<b>4. Mortgage and securities</b>		
The Company has not pledged or provided securities as of 31 December 2017.		

## Accounting policies used

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The annual report for Deep Water Slender Wells A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises with individual rules applicable to class C companies. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

### Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

## The profit and loss account

### Gross profit

The gross profit comprises the net turnover, other operating income and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

## Accounting policies used

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Contract work in progress concerning construction contracts is recognised concurrently in the net turnover with the progress of the production. Thus the net turnover corresponds to the sales value of the completed productions of the year (the production method). The net turnover is recognised when the total income and costs of the contract and the scope of completion on the balance sheet date can be determined reliably, and when it is likely that the financial benefits will be received by the company.

Other external costs comprise costs for sales, administration, premises, loss on debtors etc.

### Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

### Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

### Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

## The balance sheet

### Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

### Work in progress for the account of others

Work in progress for the account of others is measured at the market value of the work performed. The market value is measured on basis of the scope of completion on the balance sheet date and the total expected income from the individual work in progress.

### Available funds

Available funds comprise cash at bank.

### Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

## **Accounting policies used**

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Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

### **Liabilities**

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.