

**STAT HOLDING INTERNATIONAL
LIMITED**

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 DECEMBER 2017

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**STAT HOLDING INTERNATIONAL
LIMITED**

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for the year ended 31 December 2017**

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**STAT HOLDING INTERNATIONAL
LIMITED**

COMPANY INFORMATION
for the year ended 31 December 2017

DIRECTORS:

F E P Thiebaud
C R G Gaillard
N F Parsloe
P Y Burban
M E A Caplain
C H Saily

REGISTERED OFFICE:

4 Churchill Court
Station Road
Harrow
Middlesex
HA2 7ST

BUSINESS ADDRESS:

Innovation House
Innovation Way
Discovery Park
Sandwich
CT13 9FF

REGISTERED NUMBER:

04544194 (England and Wales)

INDEPENDENT AUDITORS:

ADAMS MOORHOUSE, Chartered Accountants
Statutory Auditors
4 Churchill Court
58 Station Road
North Harrow
Middlesex
HA2 7ST

BANKERS:

National Westminster Bank PLC
BNP Paribas
Credit Industriel et Commercial

STAT HOLDING INTERNATIONAL LIMITED

STRATEGIC REPORT for the year ended 31 December 2017

The directors present their strategic report for the year ended 31 December 2017.

REVIEW OF BUSINESS

The group's results are not consolidated, and the results of the individual subsidiaries have been disclosed under note 10 to these financial statements, from which it will be noted that except for Stat Marine LLC, all the group companies have made profits, although the cumulative profit is lower than last year. This has been achieved under challenging circumstances caused by uncertainty in the oil and gas industry generally.

The Board expects the ensuing year to be just as challenging as 2017 although it is actively seeking new opportunities as well as diversification of the services offered. The expectation is that the results for the ensuing year will be similar to that of the current year.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's subsidiaries' business around the world is exposed to a number of risks and uncertainties, which could, either on their own or in combination with others, potentially have a material adverse effect on the company's strategy, business, performance, results, financial or trading condition, and/or reputation. In turn, these may impact shareholder returns, including dividends.

The subsidiaries face a range of political risks. For instance, governments may alter fiscal or other terms governing oil and gas industry operations, especially where they face financial pressures, or may act (or fail to act) in a way that delays project schedules or increases costs, thus eroding value. In addition, in such cases, political considerations can influence decision making. In recent years, some governments and state-owned enterprises have exercised greater authority over, and imposed more stringent conditions on, companies pursuing activities in oil and gas industries, thereby increasing the costs and uncertainties of business operations. Previously disenfranchised or disengaged populations have also become more active and are able, using new channels like social media, to mobilise to pressurise governments in a way that was impossible in the past. These developments have increased the possibility of unforeseen regime, as well as legal or regulatory, changes as governments and authorities respond to public pressure.

The subsidiaries work with governments and national and international oil companies in order to minimise such risks.

A significant portion of our revenue is derived from operations in third world countries which exposes us to

- risks inherent in doing business in underdeveloped nations in which we operate.
- unsettled political and economic conditions in certain areas;
- exposure to possible expropriation of our assets or other governmental actions;
- social unrest, acts of terrorism, war or other armed conflict;
- confiscatory taxation or other adverse tax policies;
- deprivation of contract rights;
- trade restrictions or embargoes imposed by national governments;
- restrictions on the repatriation of income or capital; - currency exchange controls;
- inflation; and
- currency exchange rate fluctuations and devaluations.

Also, the group's revenue is dependent upon the price of oil which has a direct impact on the company's profitability.

If any of the risks described above materialise it could reduce our earnings and our cash available for operations.

ABOUT THE COMPANY

100% of the company's shares are owned by Doris Engineering S A, a company registered in France, of which 30% are held indirectly through a wholly owned subsidiary, which makes Doris Engineering S A the ultimate holding company.

**STAT HOLDING INTERNATIONAL
LIMITED**

**STRATEGIC REPORT
for the year ended 31 December 2017**

COMPANY ACTIVITIES

The Group's activities encompass a multi-disciplinary expertise through technical consultancy & engineering services applicable to offshore subsea systems, in both classical and deep-water field developments, for example:
Subsea Umbilical, Riser and Flowline Systems (SURF/URF/UFL)
Subsea Production Systems (SPS)
Mooring Systems & Floating Units interface equipment
Jacket / Pipeline Systems & Terminals interface equipment

KEY SERVICE POINTS

Several factors contribute to our success, but the following key values are the foundations of the company:

People

The company's employees are the most important asset. Our human resources policy aims at a lasting relationship with our personnel. This allows us to develop processes for the benefit of our clients' development projects.

The group follows best practice employment policies, which espouses equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status.

Integrity

A lot of emphasis is made on ethical values both with our clients as well as personnel which has ensured long term relationships which are essential to the growth of the company.

FUTURE DEVELOPMENTS

The directors anticipate the business environment will remain competitive. They believe that the company is in a satisfactory financial position and that the risks that have been identified are being well managed. With careful focus on appropriate diversification and development of new products, as well as continuing review of the state of the market and the activities of competitors, the directors are confident in the company's ability to maintain and build on this position, albeit with cautious growth expectations.

ON BEHALF OF THE BOARD:



.....
N F Parsloe - Director

Date: 7 march 2018
.....

**STAT HOLDING INTERNATIONAL
LIMITED**

**DIRECTORS' REPORT
for the year ended 31 December 2017**

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company.

DIVIDENDS

A dividend of £3.9m representing the final dividend for 2016 was paid in 2017. The Board proposes a final dividend of £1.78m for 2017, to be paid in 2018.

FUTURE DEVELOPMENTS

The company and its subsidiaries have suffered a significant decrease in turnover and profitability due to the ongoing depressed market price for oil and gas which has a direct impact on the company's prospects. Whilst the company's profitability in 2015 and 2016 was shielded by long term contracts, those contracts have now ended, and the company has been unable to replace them with new ones.

The Board is actively looking for new opportunities both in the existing oil and gas sectors as well as new sources of energy. However, these actions take time to realise, and the Board expects the ensuing period to be in line with 2017.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

F E P Thiebaud
C R G Gaillard
N F Parsloe
P Y Burban
M E A Caplain
C H Saily

PRINCIPAL PLACE OF BUSINESS

Stat Holding International Limited is a company incorporated and domiciled in England and has its principal place of business at Innovation House, Innovation Way, Sandwich, CT13 9FF.

The registered office of the company is at 4 Churchill Court, 58 Station Road, North Harrow, HA2 7ST.

GOING CONCERN

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 the annual report and financial statements.

**STAT HOLDING INTERNATIONAL
LIMITED**

**DIRECTORS' REPORT
for the year ended 31 December 2017**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, 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), 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 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

Adams Moorhouse, Chartered Accountants will be deemed to continue in office under the Companies Act 2006, s. 487(2).

ON BEHALF OF THE BOARD:



.....
N F Parsloe - Director

Date:

7 march 2018

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STAT HOLDING INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Stat Holding International Limited (the 'company') for the year ended 31 December 2017 on pages eight to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STAT HOLDING INTERNATIONAL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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.

Responsibilities of directors

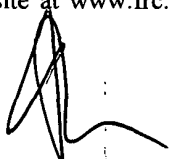
As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.



S R Mamdani FCA FCCA (Senior Statutory Auditor)
for and on behalf of ADAMS MOORHOUSE, Chartered Accountants
Statutory Auditors
4 Churchill Court
58 Station Road
North Harrow
Middlesex
HA2 7ST

Date:

7th March 2013

**STAT HOLDING INTERNATIONAL
LIMITED**

**INCOME STATEMENT
for the year ended 31 December 2017**

	Notes	2017 £	£	2016 £	£
REVENUE			-		-
Administrative expenses			<u>214,058</u>		<u>(325,883)</u>
OPERATING (LOSS)/PROFIT	4		(214,058)		325,883
Income from shares in group undertakings	5	3,620,766		4,024,698	
Interest receivable and similar income		<u>73,025</u>		<u>237,054</u>	
			<u>3,693,791</u>		<u>4,261,752</u>
			3,479,733		4,587,635
Interest payable and similar expenses	6		<u>59,775</u>		<u>112,799</u>
PROFIT BEFORE TAXATION			3,419,958		4,474,836
Tax on profit	7		<u>-</u>		<u>9,817</u>
PROFIT FOR THE FINANCIAL YEAR			<u>3,419,958</u>		<u>4,465,019</u>

The notes form part of these financial statements

**STAT HOLDING INTERNATIONAL
LIMITED**

**OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2017**

	Notes	2017 £	2016 £
PROFIT FOR THE YEAR		3,419,958	4,465,019
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,419,958</u>	<u>4,465,019</u>

The notes form part of these financial statements

**STAT HOLDING INTERNATIONAL
LIMITED (REGISTERED NUMBER: 04544194)**

**STATEMENT OF FINANCIAL POSITION
31 December 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Investments	9	3,351,313	3,351,313
CURRENT ASSETS			
Debtors	10	1,258,341	5,672,561
Investments	11	370,612	-
Cash at bank and in hand		<u>1,103,058</u>	<u>1,432,017</u>
		2,732,011	7,104,578
CREDITORS			
Amounts falling due within one year	12	<u>2,410,476</u>	<u>5,959,745</u>
NET CURRENT ASSETS		<u>321,535</u>	<u>1,144,833</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,672,848	4,496,146
CREDITORS			
Amounts falling due after more than one year	13	<u>452,192</u>	<u>780,321</u>
NET ASSETS		<u>3,220,656</u>	<u>3,715,825</u>
CAPITAL AND RESERVES			
Called up share capital	15	10,000	10,000
Share premium	16	1,500,000	1,500,000
Retained earnings	16	<u>1,710,656</u>	<u>2,205,825</u>
SHAREHOLDERS' FUNDS		<u>3,220,656</u>	<u>3,715,825</u>

The financial statements were approved by the Board of Directors on and were signed on its behalf by:



.....
N F Parsloe - Director



.....
M E A Caplain - Director

The notes form part of these financial statements

**STAT HOLDING INTERNATIONAL
LIMITED**

**STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2017**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2016	10,000	7,445	1,500,000	1,517,445
Prior year adjustment	-	1,506,531	-	1,506,531
As restated	<u>10,000</u>	<u>1,513,976</u>	<u>1,500,000</u>	<u>3,023,976</u>
Changes in equity				
Dividends	-	(3,773,170)	-	(3,773,170)
Total comprehensive income	-	4,465,019	-	4,465,019
Balance at 31 December 2016	<u>10,000</u>	<u>2,205,825</u>	<u>1,500,000</u>	<u>3,715,825</u>
Changes in equity				
Dividends	-	(3,915,127)	-	(3,915,127)
Total comprehensive income	-	3,419,958	-	3,419,958
Balance at 31 December 2017	<u>10,000</u>	<u>1,710,656</u>	<u>1,500,000</u>	<u>3,220,656</u>

The notes form part of these financial statements

STAT HOLDING INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2017

1. STATUTORY INFORMATION

Stat Holding International Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Preparation of consolidated financial statements

The financial statements contain information about Stat Holding International Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Doris Engineering SA, 58 A Rue du Dessous des Berges, 75013 Paris, France.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates

The Board is required to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent assets and liabilities at the reporting date. However, uncertainty about that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

The company's functional currency is the Euro. For the purposes of the presentation of the annual reports, the presentational currency is Sterling (£).

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Going concern

The financial statements have been prepared on a going concern basis. After taking into account current and future developments and principal risks and uncertainties, the Board has a reasonable expectation that the company is well placed to manage its business risks adequately, and have adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt going concern basis in preparing the financial statements.

Related parties

Related parties are accounted for and disclosed in the financial statements under Section 33 'Relative Parties' of FRS 102. To comply with that section of FRS 102, a party is considered to be related to the company if that party:

- a) has control, or joint control, over the entity;
- b) has significant influence over the entity; or
- c) is a member of the key management personnel of the entity.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2017 nor for the year ended 31 December 2016.

The average monthly number of employees during the year was as follows:

	2017	2016
Office and administration	<u>3</u>	<u>3</u>

The directors' remuneration as well as staff costs are borne by group undertakings. The amounts attributable to the company are not material.

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

3. EMPLOYEES AND DIRECTORS - continued

	2017	2016
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

4. OPERATING (LOSS)/PROFIT

The operating loss (2016 - operating profit) is stated after charging:

	2017	2016
	£	£
Auditors' remuneration	7,000	8,295
Loss on foreign currency translation	<u>163,494</u>	<u>148,006</u>

5. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2017	2016
	£	£
Shares in group undertakings	<u>3,620,766</u>	<u>4,024,698</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2017	2016
	£	£
Bank loan interest	12,164	19,472
Other interest payable	<u>47,611</u>	<u>93,327</u>
	<u>59,775</u>	<u>112,799</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2017	2016
	£	£
Current tax:		
UK corporation tax	-	47,411
Previous under/(over) provision of Corporation Tax	<u>-</u>	<u>(37,594)</u>
Tax on profit	<u>-</u>	<u>9,817</u>

UK corporation tax has been charged at 19.25% (2016 - 20%).

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2017 £	2016 £
Profit before tax	<u>3,419,958</u>	<u>4,474,836</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.250% (2016 - 20%)	658,342	894,967
Effects of:		
Income from shares in group undertakings	(696,997)	(804,940)
Tax effect of losses carried forward	47,197	8,879
Previous overprovision of Corporation Tax	-	(37,594)
Tax effect of losses brought forward	<u>(8,542)</u>	<u>(51,495)</u>
Total tax charge	<u>-</u>	<u>9,817</u>

Income tax expenses represent the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year.

Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is recognised in other comprehensive income or directly in equity respectively.

The company has tax losses of £245,183 available to carry forward against future profits. This includes £44,375 brought forward from 2016. No deferred tax asset has been recognised due to uncertainty of the future benefit.

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

8. DIVIDENDS

	2017 £	2016 £
Ordinary shares of £1 each		
Final	<u>3,915,127</u>	<u>3,773,170</u>

The dividends are recognised when paid. The above figures relate to final dividends for the previous financial year but paid in the current financial year.

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 January 2017 and 31 December 2017	<u>3,351,313</u>
Net book value	
At 31 December 2017	<u>3,351,313</u>
At 31 December 2016	<u>3,351,313</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Stat Marine SAS

Registered office: 5 Boulevard de Prague, 30000 NIMES, France

Nature of business: Consultant Engineers

	%		
Class of shares:	holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		1,488,411	1,324,408
Profit for the year		<u>467,977</u>	<u>368,040</u>

Stat Marine Limited

Registered office: 4 Churchill Court, 58 Station Road, North Harrow, HA2 7ST, United Kingdom

Nature of business: Consultant Engineers

	%		
Class of shares:	holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		8,499,510	9,440,995
Profit for the year		<u>2,133,681</u>	<u>3,300,867</u>

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

9. FIXED ASSET INVESTMENTS - continued

Stat Marine LLC

Registered office: 11111 Richmond Avenue Ste.101, Houston, TX 77042, USA

Nature of business: Consultant Engineers

	%		
Class of shares:	holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		(722,146)	(423,756)
Loss for the year		<u>(300,060)</u>	<u>(99,159)</u>

Stat Asset Management SAS

Registered office: 5 Boulevard de Prague, 30000 NIMES, France

Nature of business: Management Services

	%		
Class of shares:	holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		131,071	138,505
Profit for the year		<u>78,988</u>	<u>84,809</u>

Stat Services SA

Registered office: Bat FIRST – Z.I. du Port de Bregaillon – BP 60204 – 84511 La Seyne Sur Mer Cedex – France

Nature of business: Consultant Engineers

	%		
Class of shares:	holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		391,785	420,949
Profit for the year		<u>53,177</u>	<u>101,831</u>

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

9. FIXED ASSET INVESTMENTS - continued

Associated company

Stat Marine Nigeria Limited

Registered office: 94, Awolowo Road - Ikoyi, Lagos - NIGERIA

Nature of business: Consulting Engineers

Class of shares:	% holding	31.12.16	31.12.15
Ordinary	40.00	£	£
Aggregate capital and reserves		195,574	248,820
Profit for the year		<u>56,758</u>	<u>41,758</u>

There has been an undue delay in obtaining financial information for this Associate company,

In the opinion of the directors, the results of this company would be immaterial and unlikely to have any significant impact on the Group.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	5,980	5,745
Amounts owed by group undertakings	<u>1,252,361</u>	<u>5,666,816</u>
	<u>1,258,341</u>	<u>5,672,561</u>

In the opinion of the directors, the effects of discounting trade debtors and amounts due from group undertakings is immaterial, and therefore the debtors are stated at cost less impairment losses in respect of bad/doubtful debts.

11. CURRENT ASSET INVESTMENTS

	2017	2016
	£	£
Other	<u>370,612</u>	<u>-</u>

Current investments comprise Dual Currency Option Bonds which have been stated at fair value as follows:

	£
Value at initial recognition	384,565
Impairment transferred to profit and loss account	<u>(13,953)</u>
	<u>370,612</u>

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts (see note 14)	359,072	430,981
Trade creditors	8,301	173
Amounts owed to group undertakings	1,986,305	5,470,630
UK Corporation Tax	47,411	47,411
Accrued expenses	<u>9,387</u>	<u>10,550</u>
	<u>2,410,476</u>	<u>5,959,745</u>

Amounts owed to group companies do not have fixed dates for repayment and are unsecured. The effects of discounting such borrowings are considered by the directors to be immaterial.

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Bank loans (see note 14)	<u>452,192</u>	<u>780,321</u>

14. LOANS

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>359,072</u>	<u>430,981</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>452,192</u>	<u>343,074</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>-</u>	<u>437,247</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2017	2016
			£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

**STAT HOLDING INTERNATIONAL
LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 December 2017**

16. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 January 2017	2,205,825	1,500,000	3,705,825
Profit for the year	3,419,958		3,419,958
Dividends	<u>(3,915,127)</u>		<u>(3,915,127)</u>
At 31 December 2017	<u>1,710,656</u>	<u>1,500,000</u>	<u>3,210,656</u>

17. ULTIMATE PARENT COMPANY

At 31 December 2017, Doris Engineering SA, a company incorporated in France held, directly and indirectly 100% of the issued share capital of the company thus making it the ultimate parent company.

18. RELATED PARTY DISCLOSURES

Other interest relates to amounts paid to/received from group undertakings.

19. GOING CONCERN

The financial statements have been prepared on a going concern basis, subject to the continuing support of the holding company and the company's bankers. The Board believes that this basis is appropriate as there have been no indications from either party that the support will not continue in the foreseeable future.

20. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.