



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	913 847 067
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	ERM AS
Forretningsadresse:	Bygg D Andøyfaret 33 4623 KRISTIANSAND S

Regnskapsår

Årsregnskapets periode:	01.01.2019 - 31.12.2019
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Konsern

Morselskap i konsern:	Nei
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Regnskapsregler

Regler for små foretak benyttet:	Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Deloitte AS
Dato for fastsettelse av årsregnskapet:	31.01.2020

Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 08.03.2021



Resultatregnskap

Beløp i: NOK	Note	2019	2018
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	2	38 548	69 008
Sum kostnader		38 548	69 008
Driftsresultat		-38 548	-69 008
Finansinntekter og finanskostnader			
Annen renteinntekt		82	4
Sum finansinntekter		82	4
Nedskrivning av finansielle eiendeler	3	16 914 636	27 046 394
Rentekostnad til foretak i samme konsern	4	2 742 808	2 463 747
Annen rentekostnad			104
Annen finanskostnad			62
Sum finanskostnader		19 657 444	29 510 307
Netto finans		-19 657 362	-29 510 303
Ordinært resultat før skattekostnad		-19 695 910	-29 579 311
Ordinært resultat etter skattekostnad		-19 695 910	-29 579 311
Årsresultat		-19 695 910	-29 579 311
Årsresultat etter minoritetsinteresser		-19 695 910	-29 579 311
Totalresultat		-19 695 910	-29 579 311
Overføringer og disponeringer			
Udekket tap		-19 695 910	-29 579 311
Sum overføringer og disponeringer		-19 695 910	-29 579 311



Balanse

Beløp i: NOK	Note	2019	2018
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	3, 4		16 914 636
Sum finansielle anleggsmidler			16 914 636
Sum anleggsmidler		0	16 914 636
Omløpsmidler			
Varer			
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		5 954	5 872
Sum bankinnskudd, kontanter og lignende		5 954	5 872
Sum omløpsmidler		5 954	5 872
SUM EIENDELER		5 954	16 920 508
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	5, 6	60 000	60 000
Overkurs	6	7 970 000	7 970 000
Sum innskutt egenkapital		8 030 000	8 030 000
Opptjent egenkapital			
Annen egenkapital	6	-54 787 519	-35 091 609
Sum opptjent egenkapital		-54 787 519	-35 091 609
Sum egenkapital		-46 757 519	-27 061 609



Balanse

Beløp i: NOK	Note	2019	2018
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	4	46 754 898	43 969 617
Sum annen langsiktig gjeld		46 754 898	43 969 617
Sum langsiktig gjeld		46 754 898	43 969 617
Kortsiktig gjeld			
Leverandørgjeld		8 575	12 500
Sum kortsiktig gjeld		8 575	12 500
Sum gjeld		46 763 473	43 982 117
SUM EGENKAPITAL OG GJELD		5 954	16 920 508



Deloitte.

Deloitte AS
Sør Arena
Stadionveien 21
Inngang 7
NO-4632 Kristiansand
Norway

Tel: +47 38 12 27 22
www.deloitte.no

To the General Meeting of ERM AS

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ERM AS showing a loss of NOK 19 695 910. The financial statements comprise the balance sheet as at 31 March 2019, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 March 2019, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by laws and regulations, 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 8 in the financial statements, which indicates that the Company incurred a net loss of 19 695 910 during the year ended March 31, 2019 and, as of that date, the Company's equity is negative by NOK 46 757 519. This indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter. We refer to note 8 to the financial statements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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Den norske Revisorforening
Organisasjonsnummer: 980 211 282



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Independent Auditor's Report -
ERM AS

Auditor's 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 auditor's 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (*ISAE*) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.



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Independent Auditor's Report -
ERM AS

Other Matters

The company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

Kristiansand, 29 January 2020
Deloitte AS

Olav Kr. Stokkenes
State Authorized Public Accountant (Norway)



ERM AS

Profit and loss statement

NOTE	OPERATING REVENUE AND EXPENSES	01.04.18-31.03.19	01.04.17-31.03.18
2	Other operating expenses	38 548	69 008
	Total operating expenses	38 548	69 008
	Operating loss	-38 548	-69 008
	FINANCIAL INCOME AND FINANCIAL EXPENSES		
	Other interest income	82	4
3	Impairment of financial assets	-16 914 636	-27 046 394
4	Interest expense to group companies	-2 742 808	-2 463 747
	Other interest expenses	0	-104
	Other financial expenses	0	-62
	Financial items, net	-19 657 362	-29 510 303
	Loss on ordinary activities before taxation	-19 695 910	-29 579 311
	LOSS FOR THE FINANCIAL YEAR	-19 695 910	-29 579 311
	ALLOCATION OF NET LOSS AND EQUITY TRANSFERS		
	Loss brought forward	-19 695 910	-29 579 311
	Net brought forward	-19 695 910	-29 579 311



ERM AS

Balance sheet

NOTE	ASSETS	31.03.19	31.03.18
	Non-current assets		
	Financial non-current assets		
3, 4	Investments in subsidiary companies	<u>0</u>	<u>16 914 636</u>
	Total financial non-current assets	<u>0</u>	<u>16 914 636</u>
	Total non-current assets	<u>0</u>	<u>16 914 636</u>
	Current assets		
	Cash and cash equivalents	<u>5 954</u>	<u>5 872</u>
	Total current assets	<u>5 954</u>	<u>5 872</u>
	TOTAL ASSETS	<u>5 954</u>	<u>16 920 508</u>
	SHAREHOLDERS EQUITY AND LIABILITIES		
	Shareholders equity		
	Paid-in equity		
5, 6	Share capital	60 000	60 000
6	Share premium	7 970 000	7 970 000
	Total paid-in capital	<u>8 030 000</u>	<u>8 030 000</u>
	Retained earnings		
6	Uncovered loss	-54 787 519	-35 091 609
	Total retained earnings	<u>-54 787 519</u>	<u>-35 091 609</u>
	Total shareholders equity	<u>-46 757 519</u>	<u>-27 061 609</u>
	Liabilities		
	Other non-current liabilities		
4	Other non-current liabilities	46 754 898	43 969 617
	Total non-current liabilities	<u>46 754 898</u>	<u>43 969 617</u>
	Current liabilities		
	Accounts payable	8 575	12 500
	Total current liabilities	<u>8 575</u>	<u>12 500</u>
	Total liabilities	<u>46 763 473</u>	<u>43 982 117</u>
	TOTAL SHAREHOLDERS EQUITY AND LIABILITIES	<u>5 954</u>	<u>16 920 508</u>

Kristiansand, 29.01.2020
The board of ERM AS

Mark Robert Bell Pearson
Chairman of the board

Claudio Bertora
Member of the board/General Manager



Notes for ERM AS
Notes to the accounts, year ended 31 March 2019

Note 1 Accounting policies

The financial year ends March 31st. The Financial Statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles for Small Companies.

Foreign currency

Monetary items are translated using the exchange rates at the balance sheet date.

Sales revenue

Sales revenues are recognized upon delivery. Revenue from services are recognized upon performance.

Taxes

The income tax expense is comprised of both tax payable for the period, and changes in deferred tax. Deferred tax is provided on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised for unused tax losses, tax credits are deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. A deferred tax asset is recognised only to the extent that it is probable that future profits will be available against which the temporary difference can be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is determined on the basis of existing temporary differences, both positive and negative, including year-end loss, carry-forwards, calculated at 22%. Temporary differences, both positive and negative, which will be or are likely to reverse in the same period, are recorded as a net amount.

Balance sheet classification

Fixed assets are comprised of assets intended for long term ownership and use. Fixed assets are valued at cost. Fixed assets are recorded in the balance sheet and depreciated over the estimated useful economic life. Fixed assets are written down to recoverable amount when decreases in value are expected to be permanent. The recoverable amount is the greater of the next selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. Impairment losses recognised are reversed when the basis for the impairment loss is no longer evident. Current assets and liabilities are comprised of items receivable/due within one year and items related to the inventory cycle. Current assets are valued at the lower of cost and market.

Investments in subsidiaries

Investments in subsidiaries are reported in the annual accounts at cost, in accordance with accounting treatment for Small Companies, the criteria for which the group satisfies.

Receivables

Accounts receivables and other receivables are recorded in the balance sheet at nominal value less a provision for doubtful accounts. Provisions for doubtful accounts is determined on the basis of an assessment of individual receivables.



Notes for ERM AS
Notes to the accounts, year ended 31 March 2019

Note 2 Payment to management and auditor expenses

	Board of Management
Salary	0
Other payment	0

Auditor expenses is NOK 61 500 (not inkl VAT). This is included other assistance with NOK 42 000

Note 3 Investments in subsidiaries

Company	Registered office	Voting share	Ownership share
ERM Norway AS	Kristiansand	100 %	100 %

Company	Acquisition cost	Impairment	Booked value	Equity latest financial statements	Profit/loss latest financial statements
ERM Norway AS	43 961 030	43 961 030	-	601 565	900 903

Note 4 Intercompany

	Long term debt	
	2018	2017
ERM ltd	46 592 013	43 857 163
ERM ltd- Eagle 4	162 885	112 453

There has been calculated interest at the loan to ERM ltd with NOK 2 734 850 in 2018.
For the loan to ERM ltd- Eagle 4. the interest amount is NOK 7 958 in 2018.

Note 5 Share capital

The share capital in the company at 31 March 2019 consists of the following class:

	Number	Nominal amount	Carrying value
Ordinary shares	300	20	6 000

	Shares	Ownership	Voting rights
ERM Ltd. London	1 002	100 %	100 %

Note 6 Equity transactions

	Share capital	Share premium reserve	Uncovered loss previous years	Total
Equity 01.04.2018	60 000	7 970 000	-35 091 609	632 893
<u>This years change in equity.</u>				
Net loss	0	0	-19 695 910	-19 695 910
Equity 31.03.2019	60 000	7 970 000	-54 787 519	-46 757 519



Notes for ERM AS
Notes to the accounts, year ended 31 March 2019

Note 7 Deferred tax

Temporary tax differences:	01.04.2018	31.03.2019	Change from prior period
Taxable loss carried forward from prior period	-8 045 247	-10 826 521	-2 781 274
Basis for calculation of deferred tax/(-asset)	-8 045 247	-2 381 835	5 663 412
Net deferred tax / (- deferred tax asset)	-1 850 407	-524 004	1 326 403

Net deferred tax asset of 524 004 is not booked in the financial statement as of 31 March 2019.

Note 8 Going concern assumption

The entity's equity is lost due to challenging market conditions in the past few years in which the entity operates. The Board of Directors have justified a going concern assumption in the financial statements based on received letter of financial support from shareholders.





Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 04.11.2016	Vår dato 10.11.2016
Telefon 22078139	Deres referanse Cathrine Pettersen	Vår referanse 2016/1102944

CSP REGNSKAP AS
Kjerrheibakken 12
4621 KRISTIANSAND S

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for ERM AS, org. nr. 913 847 067

Vi viser til deres brev av 4. november 2016 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for ERM AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering ERM AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

ERM AS er datterselskap til det britiske selskapet ERM Limited. ERM AS er et holdingselskap og har et datterselskap der virksomheten foregår som har fått dispensasjon til å benytte engelsk språk. Styret er engelskspråklig. Arbeidsspråket er engelsk. Selskapet driver med konsulenttjenester innen sikkerhet, i hovedsak til oljeindustrien, og er dermed en internasjonal bransje. Alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk.* Departementet kan ved ... *enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.*”

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentraltbord
800 80 000
Telefaks
22 17 08 60



gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er eid av et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer