



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

Enheten

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

Regnskapsår

Årsregnskapets periode: 01.04.2017 - 31.03.2018

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

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: Mark Pearson
Dato for fastsettelse av årsregnskapet: 11.10.2018

Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

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	2018	2017
RESULTATREGNSKAP			
Kostnader			
Other operating expenses	1	69 008	89 562
Sum kostnader		69 008	89 562
Driftsresultat		-69 008	-89 562
Finansinntekter og finanskostnader			
Annen renteinntekt		4	
Other financial income			24
Sum finansinntekter		4	24
Write-down of financial assets	2	27 046 394	
Rentekostnad til foretak i samme konsern	3	2 463 747	2 421 742
Annen rentekostnad		104	
Other financial expense		62	
Sum finanskostnader		29 510 307	2 421 742
Netto finans		-29 510 303	-2 421 718
Ordinært resultat før skattekostnad		-29 579 311	-2 511 280
Ordinært resultat etter skattekostnad		-29 579 311	-2 511 280
Årsresultat		-29 579 311	-2 511 280
Overføringer og disponeringer			
Udekket tap	5	-29 579 311	-2 511 280
Sum overføringer og disponeringer		-29 579 311	-2 511 280



Balanse

Beløp i: NOK	Note	2018	2017
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	2, 3	16 914 636	43 961 030
Sum finansielle anleggsmidler		16 914 636	43 961 030
Sum anleggsmidler		16 914 636	43 961 030
Omløpsmidler			
Varer			
Bankinnskudd, kontanter og lignende			
Bank deposits, cash in hand, etc		5 872	5 222
Sum bankinnskudd, kontanter og lignende		5 872	5 222
Sum omløpsmidler		5 872	5 222
SUM EIENDELER		16 920 508	43 966 252
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital (3 000 shares of kr 20,00)	2, 4, 5	60 000	60 000
Overkurs	5	7 970 000	7 970 000
Sum innskutt egenkapital		8 030 000	8 030 000
Opptjent egenkapital			
Udekket tap	5	35 091 609	5 512 298
Sum opptjent egenkapital		-35 091 609	-5 512 298
Sum egenkapital	5	-27 061 609	2 517 702



Balanse

Beløp i: NOK	Note	2018	2017
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld	3	43 969 617	41 448 549
Sum annen langsiktig gjeld		43 969 617	41 448 549
Sum langsiktig gjeld		43 969 617	41 448 549
Kortsiktig gjeld			
Leverandørgjeld		12 500	
Sum kortsiktig gjeld		12 500	
Sum gjeld		43 982 117	41 448 549
SUM EGENKAPITAL OG GJELD		16 920 508	43 966 252



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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 29 579 311. The financial statements comprise the balance sheet as at 31 March 2018, 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 2018, 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.

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.

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.

KPMG AS, a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statsautoriserte revisorer - medlemmer av Den norske Revisjonsforening

Offices in

Oslo	Fribourg	Vienna	Zürich
Ale	Geneva	Moscow	Brno
Arendal	Hamburg	Buenos Aires	Tromsø
Bergen	Maastricht	Santiago	Trondheim
Bodo	Kuala Lumpur	Sao Paulo	Yverdon
Drammen	Kyiv	Stavanger	Alexandria



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 scepticism 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 the Board of Directors 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.

Other Matters

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

Kristiansand, 11 October 2018
KPMG AS

Nils Eivind Holst
State Authorised Public Accountant



Notes for ERM as From 01.04.2017 to 31.03.2018

Accounting Principles

Up to 2014-12-31 did the company follow the calendar year. This was changed in 2015. From then the financial reports end 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 determined on the basis of existing temporary differences between accounting net income and tax net income, including year end loss carry-forwards, calculated at 23%. Temporary differences, both positive and negative, which will 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 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.

Note 1 – Auditor expenses

Auditor expenses is NOK 38 125. This is included VAT.



Note 2 - Subsidiaries

Owing 100% of ERM Norway AS

Acquisition cost	43 961 030
Impairment	27 046 394
Booked value	<u>16 914 636</u>

Note 3 – Intercompany

ERM Norway has an Equity of NOK -1 502 467 and a result of the year of - NOK 2 135 360.

Intercompany loan: The company has a long term debts to parent company of NOK 43 969 617 at the end of the FY 2018.

Intercompany transaction: There is an interest expense of NOK 2 463 747 in the period.

Note 4 – Share capital

The company has 3000 shares par value NOK 20, and the share capital is NOK 60 000.

	Number of share	Share capital
Ordinary shares	3 000	60 000
	3 000	60 000

The company has one shareholder: ERM Ltd, London.

Note 5 - Equity

	Share capital	Overkurs	Result	Total
Equity 01.04.2017	60 000	7 970 000	-5 512 298	2 517 702
Net profit			-29 579 311	-29 579 311
Equity 31.03.2018	60 000	7 970 000	-35 091 609	-27 061 609

The net equity is negative. The company has received a letter of comfort from management in the ultimate parent stating that they will make available such funds as are needed by the company for at least 12 months from the date of approval of these financial statement.



Note 6 – Deferred tax

Temporary differences:	01.04.2017	31.03.2018	Chages
Loss from prior period	-6 238 674	-8 771 591	2 532 917
Total	-6 238 674	-8 771 591	2 532 917
Not booked deferred taxes	6 238 674	8 771 591	2 532 917
Net deferred tax	0	0	0
Deferred tax 31.03.18 based on 23%	0	0	0

The deferred tax of NOK 2 017 466 is not recorded in the report.



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

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Sentralbord
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