

**Reliance Global Energy Services Limited**  
**Financial Statements**  
**for the year ended 31 March 2018**

**(Company No. 06626084)**  
**Incorporated in the United Kingdom**

## Independent Auditor's Report

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### Independent Auditor's Report to the members of Reliance Global Energy Services Limited

#### Report on the audit of the financial statements

##### Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Reliance Global Energy Services Ltd (the 'company') which comprise:

- the statement of income and retained earnings;
- the balance sheet;
- the statement of accounting policies; and
- the related notes 1 to 13.

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).

##### 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 auditor's 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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

##### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

##### Responsibilities of Directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial

## Independent Auditor's Report

statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, 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.

### 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 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### Report on other legal and regulatory requirements

#### Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- directors' report has been prepared in accordance with applicable legal requirements.

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 any material misstatements in the directors' report.

#### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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;
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in not preparing the Strategic Report.

We have nothing to report in respect of these matters.

**Peter McDermott FCA (Senior Statutory Auditor)**

**For and on behalf of Deloitte LLP**

**Statutory Auditor**

**London, United Kingdom**

**9 April 2018**

## Statement of income and retained earnings for year ended 31 March 2018

	Note	1 April 2017 – 31 March 2018 £	1 April 2016 – 31 March 2017 £
<b>Turnover - continuing operations</b>		<b>3,333,343</b>	<b>2,789,826</b>
- Employee related costs	3	1,919,718	1,703,640
- Administrative expenses	4	1,162,434	894,372
<b>Total operating expenses</b>		<b>3,082,152</b>	<b>2,598,012</b>
<b>Operating profit on ordinary activities before taxation</b>		<b>251,191</b>	<b>191,814</b>
Loss on sales of fixed assets	6	552	-
<b>Net operating profit before taxation</b>		<b>250,639</b>	<b>191,814</b>
Tax on profit on ordinary activities	5	51,564	35,189
<b>Profit for the financial year</b>		<b>199,075</b>	<b>156,625</b>
Retained earnings at 1 April		585,494	428,869
Dividend paid		-	-
Retained earnings at 31 March		<b>784,569</b>	<b>585,494</b>

Approved by the Board of Directors and signed on its behalf on 9<sup>th</sup> April 2018

**Atul Laul**  
(Director)

The accompanying notes form an integral part of the financial statements

## Balance Sheet as at 31 March 2018

	Note	31 March 2018 £	31 March 2017 £
<b>Fixed assets</b>	6	74,037	57,330
<b>Current assets</b>			
Debtors: amounts due within one year	7	1,263,508	1,157,960
Cash at bank and in hand		878,411	682,383
<b>Total current assets</b>		<b>2,141,919</b>	<b>1,840,343</b>
<b>Creditors: amounts due within one year</b>	8	<b>714,387</b>	<b>597,179</b>
<b>Net current assets</b>		<b>1,427,532</b>	<b>1,243,164</b>
<b>Total assets less current liabilities</b>		<b>1,501,569</b>	<b>1,300,494</b>
Provision	10	217,000	215,000
<b>Net assets</b>		<b>1,284,569</b>	<b>1,085,494</b>
<b>Capital and reserves</b>			
Share capital		500,000	500,000
Profit & loss account		784,569	585,494
<b>Equity shareholder's funds</b>	11	<b>1,284,569</b>	<b>1,085,494</b>

Approved by the Board of Directors and signed on its behalf on 9<sup>th</sup> April 2018

**Atul Laul**  
(Director)

The accompanying notes form an integral part of the financial statements

## Notes to the financial statements for the year ended 31 March 2018

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### 1. Accounting policies

#### - Basis of preparation

Reliance Global Energy Services Limited is a private company limited by shares, incorporated in the United Kingdom under Companies Act 2006 and is registered in England and Wales.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Reliance Global Energy Services Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement, and remuneration of key management personnel and related party transactions. Reliance Global Energy Services Limited is consolidated in the financial statements of its ultimate parent, Reliance Industries Ltd, which may be obtained at [www.ril.com](http://www.ril.com).

#### - Going concern

The Directors reasonably expect that the Company has access to adequate resources to continue operating for the foreseeable future. For this reason, they continue to adopt the going concern assumption in the financial statements.

#### - Revenue

The main activity of the Company has been provision of support services to group entities in relation to procurement of crude oil and marketing of petroleum products.

Revenue is recognised to the extent of the expenditure incurred by the Company plus a markup based on an arm's length margin.

#### - Pension costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as accruals in the balance sheet.

#### - Foreign currency transactions

The Company's accounting records are maintained in British Pounds Sterling (GBP) and transactions in other currencies during the year have been translated into GBP at rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

#### - Fixed assets

All items of fixed assets are initially recorded at cost net of VAT. Subsequent to recognition, fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged from the date of acquisition of the asset. Depreciation is computed on a reducing balance method basis at the following rates, except for lease improvements which took place on old lease which are amortised on straight-line basis from the date of completion of improvement work until the end of the lease term in March 2014, so as to write off the cost of the asset over its useful life.

Office IT equipment - 40%

Fixtures and fittings - 18.10%

Vehicle – 13.66%

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

## Notes to the financial statements for the year ended 31 March 2018

### - Taxes

#### (a) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

#### (b) Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the accounts that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the accounts.

### - Provisions

Provisions for dilapidation and reinstatement liabilities are recognised when the Company has a legal or constructive obligation as a result of the past event and its probable that an outflow of economic benefits will be required to settle the obligation.

### - Leases

Operating lease payments are recognised as an expense in the profit and loss account.

### - Financial instruments

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial assets and liabilities are not offset in the balance sheet.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## 2. Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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.

The company does not have any critical accounting judgements.

### Revenue recognition

The annual bonus payable to staff is estimated by directors based on various measures. This accrual and the corresponding revenue is accrued based on agreed markup at arm's length. During the year, the value of the bonus accrual is estimated to be £440,135 (2017: £489,264) and the corresponding accrued income is £480,972 (2017: £533,546). This is based on the best available information to the directors at the time as this is not finalised until the end of April following the end of the financial year. The actual bonus paid during the year related to previous year was £495,321 with a corresponding income of £539,567.

## Notes to the financial statements for the year ended 31 March 2018

### 3. Directors and employee costs

Employee related costs including remuneration paid to Directors during the year were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Salaries and wages	1,677,558	1,507,052
Social security costs	211,136	171,481
Pension costs	15,119	14,147
Other employee costs	15,906	10,960
<b>Total</b>	<b>1,919,718</b>	<b>1,703,640</b>

The average number of employees including directors of the Company during the year was 13 (2017:13).

The remuneration paid to Directors during the year was £5,000 (2017: £5,000). The total remuneration received by the directors in respect of qualifying services paid by other group companies during the year was £nil (2017: £ nil).

### 4. Operating profit

This is stated after charging:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Rent for office premises	503,262	394,897
Audit fees	28,000	26,565
Depreciation (note 6)	24,585	16,668

No non-audit fees were paid to the company's auditor (2017: £Nil).

### 5. Tax

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>(a) Tax on profit on ordinary activities</b>		
Tax charge is made up as follows:		
<b>Current tax</b>		
UK Corporation Tax at 19% (2017: 20%)	45,924	32,536
Adjustments to tax charge in respect of previous years	955	107
<b>Total current tax</b>	<b>46,879</b>	<b>32,643</b>
<b>Deferred Tax</b>		
Origination and reversal of timing differences	1,803	5,827
Prior year adjustment	2,882	(3,146)
Effect of change in tax rate	-	(134)
<b>Total deferred tax</b>	<b>4,685</b>	<b>2,546</b>
<b>Tax on profit on ordinary activities</b>	<b>51,564</b>	<b>35,189</b>

## Notes to the financial statements for the year ended 31 March 2018

	2018	2017
	£	£
<b>(b) Factors affecting the current tax charge</b>		
Profit on ordinary activities before tax	250,639	191,814
Tax at standard UK corporation tax rate at 19% (2017: 20%)	47,621	38,363
Decelerated capital allowances	(1,803)	(5,827)
Permanent differences	105	-
Adjustments to tax charge in respect of previous years	955	107
Change in deferred tax	4,685	2,546
<b>Total tax charge</b>	<b>51,564</b>	<b>35,189</b>

On 8 July 2015, the UK chancellor made an announcement to reduce the rate of corporation tax to 19% from April 2017, 18% in April 2019 and ultimately to 17% in April 2020. The effects of these substantively enacted rate changes have been reflected in these financial statements. The full impact of the further changes proposed have yet to be fully ascertained but it is expected that the Company will have a lower UK effective tax rate on future profits.

### 6. Fixed assets

	Office IT Equipment	Fixtures and fittings	Lease Improv- ements	Motor Vehicles	Total
Cost	£	£	£	£	£
Balance as at 1 April 2017	249,115	83,289	154,064	-	486,468
Additions	24,123	-	-	17,720	41,843
Disposals	(5,362)	-	-	-	(5,362)
<b>Balance as at 31 March 2018</b>	<b>267,876</b>	<b>83,289</b>	<b>154,064</b>	<b>17,720</b>	<b>522,949</b>
<b>Accumulated depreciation</b>					
Balance as at 1 April 2017	211,247	63,827	154,064	-	429,138
Depreciation charge	19,846	3,523	-	1,216	24,585
Disposals	(4,811)	-	-	-	(4,811)
<b>Balance as at 31 March 2018</b>	<b>226,282</b>	<b>67,350</b>	<b>154,064</b>	<b>1,216</b>	<b>448,912</b>
<b>Net book value as at 31 March 2018</b>	<b>41,594</b>	<b>15,939</b>	<b>-</b>	<b>16,504</b>	<b>74,037</b>
<b>Net book value as at 1 April 2017</b>	<b>37,868</b>	<b>19,462</b>	<b>-</b>	<b>-</b>	<b>57,330</b>

## Notes to the financial statements for the year ended 31 March 2018

### 7. Debtors : amounts due within one year

	2018	2017
	£	£
<b>Amounts owed from group undertakings</b>		
Due from ultimate parent	-	430,692
Due from other group company	604,203	-
Accrued income	493,238	535,430
	<u>1,097,441</u>	<u>966,122</u>
<b>Other receivables</b>		
Deferred tax asset (note 9)	5,937	10,622
Prepaid expenses	133,607	144,759
VAT receivable	26,461	36,219
Advance to employees	62	238
	<u>166,067</u>	<u>191,838</u>
	<u>1,263,508</u>	<u>1,157,960</u>

### 8. Creditors: amounts due within one year

	2018	2017
	£	£
<b>Creditors: amounts falling due within one year</b>		
Sundry creditors	165,039	40,638
Creditors for social security costs	36,971	45,515
Accruals	489,453	498,490
Corporate Tax	22,924	12,536
<b>Total</b>	<u>714,387</u>	<u>597,179</u>

### 9. Deferred tax asset

	2018	2017
	£	£
The deferred tax asset balance comprises		
Decelerated capital allowances (note 7)	5,937	10,622

There are no other timing differences for which a deferred tax asset or liability has been recognised.

### 10. Provision

	2018	2017
	£	£
Dilapidation liability	<u>217,000</u>	<u>215,000</u>

The dilapidation provision was transferred to the Company from the outgoing tenant for the Company's current office space under an operating lease. The amount of £217,000 is based on estimates provided by an external property surveyor. No payments were made during the year for dilapidation and reinstatement obligations.

## Notes to the financial statements for the year ended 31 March 2018

11. Capital and reserves	2018	2017
	£	£
<b>Authorised share capital</b>		
1,000,000 ordinary shares of £ 1.00 each	1,000,000	1,000,000
<b>Issued share capital</b>		
500,000 ordinary shares of £ 1.00 each	500,000	500,000
<b>Profit and loss account</b>		
Balance as on 1 April	585,494	428,869
Profit for the year	199,075	156,625
<b>Balance as on 31 March</b>	<b>784,569</b>	<b>585,494</b>
<b>Total</b>	<b>1,284,569</b>	<b>1,085,494</b>

### 12. Ultimate parent and controlling related party

Reliance Industries Limited is the parent company of the group of which Reliance Global Energy Services Limited is a member and for which group accounts are drawn and can be obtained from 3<sup>rd</sup> Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021, India.

### 13. Commitments

Total future minimum lease payments under non-cancellable operating leases are as follows.

	2018	2017
	£	£
Within one year	438,430	438,430
Between one and five years	1,090,670	1,529,100
<b>Total</b>	<b>1,529,100</b>	<b>1,967,530</b>

The current lease which relates to the company's office premises expires on 25 September 2021.