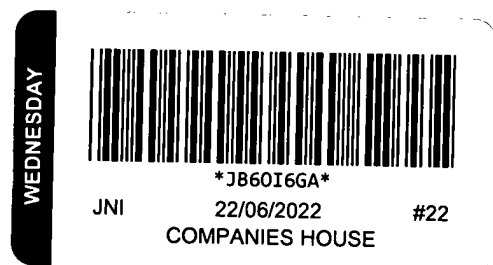


Morrey Oils Limited

Directors' report and financial statements

30 September 2021



Morrey Oils Limited

Registered No: 01665235

Directors

C J H Montgomery
B Liffey

Secretary

B Liffey

Auditors

Grant Thornton (NI) LLP
12 – 15 Donegall Square West
Belfast
BT1 6JH

Bankers

Danske Bank Limited
39 Mallusk Road
Newtownabbey
Co Antrim
BT36 4PP

Solicitors

Carson McDowell LLP
Murray House
Murray Street
Belfast
BT1 6DN

Registered Office

Carr Hill
Doncaster
DN4 8DE

Independent auditors' report to the members of Morrey Oils Limited

Opinion

We have audited the financial statements of Morrey Oils Limited which comprise the Balance sheet, Statement of changes in equity for the year ended 30 September 2021 and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Morrey Oils Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Company as at 30 September 2021 and of its financial performance for the year then ended; 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 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 United Kingdom, including the FRC's Ethical Standard, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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

In auditing the financial statements, we have concluded that the directors' use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon, including the Directors' report.. The directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 this regard.

Independent auditors' report to the members of Morrey Oils Limited

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment we have obtained in the course of the audit, we have not identified material misstatements in 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 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, management is 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 management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

The objectives of an auditor 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 their 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 an auditor's 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 auditor's report.

Independent auditors' report to the members of Morrey Oils Limited

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Data Privacy law, Employment law, Environmental Regulations, and Health and Safety laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and UK tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statement.

In response to these principal risks, our audit procedures included but were not limited to:

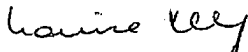
- enquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the company's regulatory and legal correspondence and review of minutes of directors' meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates; and
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

Independent auditors' report to the members of Morrey Oils Limited

The purpose of our audit work and to whom we owe our responsibilities

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.



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Louise Kelly (Senior Statutory Auditor)
For and on behalf of Grant Thornton (NI) LLP, Statutory Auditors
Belfast

16 March 2022

Balance Sheet

At 30 September 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	10	-	548,838
		<u>-</u>	<u>548,838</u>
Current assets			
Debtors	11	139,774	2,841,248
Cash at bank and in hand	12	861,152	514,403
		<u>1,000,926</u>	<u>3,355,651</u>
Creditors: amounts falling due within one year	13	(189,867)	(987,936)
Net current assets		<u>811,059</u>	<u>2,367,715</u>
Total assets		<u>811,059</u>	<u>2,916,553</u>
Creditors: amounts falling due after more than one year	14	-	(128,473)
Provisions for liabilities and charges	16	-	(99,928)
Net assets		<u>811,059</u>	<u>2,688,152</u>
Capital and reserves			
Called up share capital	17	13,198	13,198
Capital redemption reserve		2,754	2,754
Other reserves		78,880	78,880
Profit and loss account		716,227	2,593,320
Equity shareholders' funds		<u>811,059</u>	<u>2,688,152</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS102 Section 1A – Small Entities.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

Approved and authorised by the Board on 16 March 2022 and signed on its behalf by:


C J H Montgomery
Director

The notes on pages 11 to 17 form part of the financial statements.

Statement of changes in equity

At 30 September 2021

	<i>Called up share capital</i> £	<i>Capital redemption reserve</i> £	<i>Other reserves</i> £	<i>Profit & loss account</i> £	<i>Total</i> £
Balance at 30 September 2019	13,198	2,754	78,880	3,287,791	3,382,623
Loss for the year	-	-	-	(694,471)	(694,471)
Balance at 30 September 2020	13,198	2,754	78,880	2,593,320	2,688,152
Loss for the year	-	-	-	(1,877,093)	(1,877,093)
Balance at 30 September 2021	13,198	2,754	78,880	716,227	811,059

The notes on pages 8 to 14 form part of the financial statements

Notes to the financial statements

For the year ended 30 September 2021

1. General Information

Morrey Oils Limited is a private company limited by shares, incorporated in England. Its registered office is Carr Hill, Doncaster, DN4 8DE.

2. Accounting policies

Accounting convention

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including section 1A Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£). All balances presented are rounded to the nearest £1

Going Concern

The Directors have considered the current year financial results and position in assessing whether the going concern assumption is appropriate. The Directors considered the financial performance of the Company after the year end, and the results of budgets and forecasts on future cash flows. The Company is not expected to carry out a significant level of trade, and it has been determined that there are sufficient assets and cash to settle all liabilities as they fall due.

Consequently, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Tangible fixed assets

Tangible fixed assets are stated at their initial purchase cost, net of depreciation and any provisions for impairment. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

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.

Depreciation

Depreciation of fixed assets is provided on a basis calculated to write off the cost less estimated residual value of assets over their estimated useful lives.

The rates at present in use are as follows:

Fixtures, fittings & equipment	-	15 - 33% reducing balance
Motor vehicles	-	20% reducing balance
Tankers	-	20% reducing balance

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest rate method, less any impairment.

Notes to the financial statements

For the year ended 30 September 2021

2. Accounting policies (continued)

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest rate method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Leasing and hire purchase commitments

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the years of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting year. Tax is recognised in the profit and loss account, 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.

(i) Current taxation

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

(ii) Deferred taxation

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated allowances have been met.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the years in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements

For the year ended 30 September 2021

2. Accounting policies (continued)

Pension costs

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid, the company has no further obligations.

The contributions are recognised as an expense in the income statement when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There were no critical accounting judgements or key sources of estimation within these financial statements.

3. Turnover

Segmental information in respect of turnover is not disclosed in these financial statements, as permitted by Section 409(4) of the Companies Act 2006 as, in the opinion of the directors, to do so would be prejudicial to the interests of the company.

4. Staff costs

The average number of persons employed by the company during the year was:

	2021	2020
	No.	No.
Administration and Sales	-	10
Drivers and Mechanics	-	20
	<u>-</u>	<u>30</u>

The directors did not receive remuneration in either the current or prior period.

Notes to the financial statements

For the year ended 30 September 2021

6. Tangible fixed assets

	<i>Vehicles plant & equipment</i> £	<i>Leasehold land & buildings</i> £	<i>Total</i> £
Cost:			
At 1 October 2020	689,219	86,605	776,357
Additions	-	-	-
Disposals at cost	(689,219)	(86,605)	(776,357)
At 30 September 2021	-	-	-
Depreciation:			
At 1 October 2020	214,462	13,057	227,519
Charge for year	-	-	-
Depreciation on disposals	(214,462)	(13,057)	(227,519)
At 30 September 2021	-	-	-
Net book value:			
At 30 September 2021	-	-	-
At 30 September 2020	474,757	73,548	548,838

Included within the net book value included within vehicles, plant and equipment is £nil (2020 - £172,399) relating to assets held under hire purchase contracts. The depreciation charge in respect of such assets amounted to £nil (2020 - £29,607) for the year.

11. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	139,774	2,733,139
Corporation tax	-	108,268
	139,774	2,841,407

Amounts owed by group undertakings are interest free, unsecured and repayable on demand.

12. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	861,152	514,403

Notes to the financial statements

For the year ended 30 September 2021

13. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	-	7,413
Amounts owed to group undertakings	2,375	15,546
Corporation tax	4,382	-
Taxation and social security	1,768	373,700
Other creditors	-	-
Accruals and deferred income	110,320	191,254
Obligations under finance leases and hire purchase contracts (note 15)	71,022	400,023
	<u>189,867</u>	<u>987,936</u>

Amounts due under hire purchase and finance leases are secured against the assets to which they relate.

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

Trade and other creditors are payable on various dates in the coming months, in line with supplier creditor terms.

14. Creditors: amounts falling due after one year

	2021	2020
	£	£
Obligations under finance leases and hire purchase contracts (note 15)	-	128,473
	<u>-</u>	<u>128,473</u>

15. Obligations under finance leases and hire purchase contracts

The maturity of these amounts is as follows:

	2021	2020
	£	£
Amounts payable		
Within one year (note 13)	71,022	191,254
In two to five years (note 14)	-	128,473
	<u>71,022</u>	<u>319,727</u>

Notes to the financial statements

For the year ended 30 September 2021

16. Provisions for liabilities and charges

	2021 £	2020 £
Deferred taxation:		
Opening balance	99,928	152,503
Credit for year	(99,928)	(52,575)
At 30 September 2020	-	99,928
Deferred taxation comprises:		
Accelerated capital allowances	-	99,928

17. Called up share capital

	2021 £	Authorised 2020 £
Ordinary shares of £1 each	13,198	13,198

	2021 No.	2020 No.	Allotted, called up & fully paid 2021 £	2020 £
Ordinary shares of £1 each	13,198	13,198	13,198	13,198

Each ordinary share holds one voting right.

18. Reserves

Called up share capital

This reserve represents the nominal value of shares that have been issued.

Capital redemption reserve

This reserve includes all current and prior year shares redeemed or purchased out of distributable profits.

Other reserves

This reserve includes all current and prior year movement in other reserves.

Profit and loss account

This reserve includes all current and prior year retained profits and losses.

Notes to the financial statements

For the year ended 30 September 2021

19. Pension commitments

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions to this scheme are charged as they become payable. The charge for the year was £nil (2020 - £24,710).

20. Related party disclosures

Morrey Oils Limited is a 100% subsidiary of Montgomery Tank Services Limited. The company has taken advantage of the exemption given in FRS 102 section 33. This exemption permits non-disclosure of related party transactions of a wholly-owned subsidiary company within the Ballyvesey Holdings Limited group.

21. Immediate and ultimate parent company

The company's immediate and ultimate parent undertaking is Ballyvesey Holdings Limited, a company incorporated in England. It has included the company in its group financial statements, copies of which are available from its registered office: Carr Hill, Doncaster, DN4 8DE. Ballyvesey Holdings Limited is both the smallest and largest group for which group accounts are prepared.

The company's immediate parent company is Montgomery Tank Services, a company incorporated in Northern Ireland.

The ultimate controlling parties are the members of the Montgomery Family trusts.