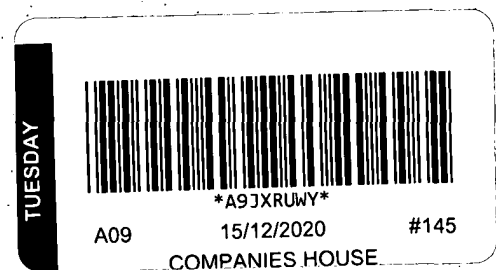


Registered number: 07444313

OIL CONSULTANTS HOLDCO LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**



OIL CONSULTANTS HOLDCO LIMITED

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OIL CONSULTANTS HOLDCO LIMITED

COMPANY INFORMATION

Directors

Mr G Lennox
Mr R Fielding
Mrs J E Lennox
Mrs C Fielding
Mrs H M Smith
Mrs D M Cooper
Mr C V Ramplin

Company secretary

Mr C V Ramplin

Registered number

07444313

Registered office

The Elms
19 Front Street
Washington
Tyne And Wear
NE37 2BA

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
Herald Way
East Midlands
DE74 2UZ

OIL CONSULTANTS HOLDCO LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present the Group Strategic Report for Oil Consultants Holdco Limited (the "Company") and its subsidiary undertakings (together the "Group") for the year ended 31 December 2019.

Principal activity

The principal activity of the Company was that of a holding company. The principal activity of the Group during the year continued to be that of the recruitment of personnel consultants to the oil and gas industry.

Business review and future developments

2019 was a year that showed continued growth for the business with consolidated revenue for the 12 months to December 2019 growing by 18% to \$68,633k. This has all been overshadowed however by the impact early in 2020 of the Covid 19 pandemic. This effectively closed airports for a long period of time and made travel to overseas locations extremely difficult. The knock on of the pandemic has left the oil price very low and many oil fields are therefore uneconomic to develop.

Our business has adapted to the smaller market and different way of working and whilst the demand for our consultants has shrunk, we are in a position where we will be able to react once the market picks up.

Our working capital has improved significantly during the last months as a result of changes in structure and we will be able to apply these benefits when growth returns.

Our staff numbers have shrunk in 2020 and we have made some very difficult decisions in reviewing the cost base, although there has been no alternative.

The group has maintained its strong relationship with its key customers and expects to be able to make commercial headway when normal trading conditions return.

Principal risks and uncertainties

The Group faces a number of risks and uncertainties as a result of operating in a competitive market that is heavily influenced by oil and gas commodity prices. A sustained fall in commodity prices can present a risk to the business in the form of downward pressure on prices and margins from those customers that rely on oil and gas as their main income stream. This can be mitigated by careful management of the cost base and some diversification in the mix of customers. Sensible pricing can also mitigate risks. Fixing prices to be competitive but deliver a high quality service in challenging market conditions is fundamental to managing business risk.

We are reliant on a small number of global clients in the oil and gas sector and any industry wide slowdown will generate larger uncertainties for us as a relatively small niche supplier. The COVID-19 pandemic has had a major impact on the industry as a whole and will continue to do so for some time with the oil price being uneconomic in relation to exploration of oil fields. The impact of these will be contained in the financial statements for 2020.

Financial risk management

The financial risks to business include foreign exchange risk, working capital or liquidity risk and credit risk. These are managed by;

- Matching costs and revenues in the same currency where possible. The majority of transactions in the oil and gas industry are in United States dollars;
- Working closely with our major clients to proactively manage credit control;
- Detailed forecasting to highlight future potential cash flow requirements in periods of growth and the availability of funding to meet these requirements as necessary.

OIL CONSULTANTS HOLDCO LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Key performance indicators

Management measure certain key performance indicators on an on-going basis. These include:

- Weekly consultant numbers;
- Pricing and gross margins; and
- Debt collection period.

Section 172(1) statement

This statement describes how the Directors have taken account of the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 ("s172") when performing their duty to promote the success of the Group for the benefit of its members as a whole, and in doing so having regard (amongst other matters) to:

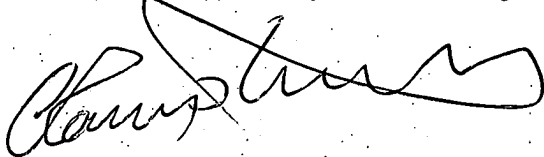
- The likely consequences of any decision in the long term
- The interests of the Group's employees
- The need to foster the Group's business relationships with suppliers, customers and others
- The impact of the Group's operations on the community and the environment
- The desirability of the Group maintaining a reputation for high standards of business conduct
- The need to act fairly between members of the Group

The Board is fully aware of its duty under s172 to promote the success of the Group for the benefit of its members as a whole. The Board is aware of all stakeholder interests, and as such takes a long-term view in reaching key decisions, and when taking decisions, the Board looks to act in the interests of the stakeholders and to ensure all stakeholders are treated fairly.

For more details on how the Board have fulfilled their duties in regard to s172, please refer to the Directors Report on page 5.

There were no key strategic decisions made by the Board in the year to report.

This report was approved by the board and signed on its behalf by:



Mr C V Ramplin
Director

Date:

4/12/2020

OIL CONSULTANTS HOLDCO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and the audited financial statements of Oil Consultants Holdco Limited (the "Company") and its subsidiary undertakings (together the "Group") for the year ended 31 December 2019.

Results and dividends

The profit for the financial year and minority interests amounted to \$553,205 (2018: \$371,729).

The directors have not recommended a dividend (2018: \$Nil).

Directors

The directors who served during the year and up to the date of signing the financial statements were:

Mr G Lennox
Mr R Fielding
Mrs J E Lennox
Mrs C Fielding
Mrs H M Smith
Mrs D M Cooper
Mr C V Ramplin

Going concern

The COVID-19 pandemic has had significant impacts on the business during 2020; demand for our consultants has decreased markedly and as such we have had to review our cost base including a full review of the number of employees within the business. Whilst the financial impact of this will fall into 2020 accounts the continuing uncertainty of the pandemic will be reflected in the lower demands. Our clients have also reduced their workforces which will have an impact on their demands, and additionally the continuing weak oil price results in the slowdown in oil field exploration.

The Group meets its day to day working capital requirements through a combination of its available cash resource, an uncommitted invoice financing facility in the UK that is due for renewal in April 2021, an accounts receivable purchasing facility in the Kingdom of Saudi Arabia with a different bank that is currently being utilised for one of our key customers in that territory, and overdraft facilities provided by our principal UK bank specific to operations within the Kingdom of Saudi Arabia that are due to end in April 2021 to coincide with the new accounts receivable purchasing facility being fully established. The directors are forecasting this should occur by early 2021. Despite the continuing challenging market conditions, including slowdown across the industry and volatility in oil prices, the Group has demonstrated an ability to scale the business based on fluctuating demand for services during the period. The Group's forecasts and projections, taking into account both a base case and severe but plausible scenario to consider reasonably possible changes in trading performance, show that the Group should be able to continue to operate within its current facilities for at least 12 months following finalisation of these financial statements, assuming the continued availability of the uncommitted invoice financing facility that the Group is dependent on in the UK and the accounts receivable purchasing facility in the Kingdom of Saudi Arabia being established with one additional key customer as forecast. The directors are not aware of any reasons why the new facility in the Kingdom of Saudi Arabia would not become fully established. In addition, we have a long standing relationship with our principal UK bank, and have regular dialogue with them to discuss renewal of our facilities and their intentions to continue to work with the business in the future. The bank has not indicated there are any reasons why the invoice financing facility would not be renewed, and they have indicated they would be flexible in repayment terms for our overdraft facilities if there were delays in our new accounts receivable purchasing facility in Saudi Arabia becoming fully established. After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

OIL CONSULTANTS HOLDCO LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Engagement with key stakeholders

Directors of the Group, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows: 'a director of a Group must act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term
- the interests of the Group's employees
- the need to foster the Group's business relationships with suppliers, customers and others
- the impact of the Group's operations on the community and environment
- the desirability of the Group maintaining a reputation for high standards of business conduct and
- the need to act fairly as between shareholders of the Group.

As part of their induction, any new Director is briefed on their duties and they can access professional advice on these, either from the Company Secretary or, if they judge it necessary, from an independent adviser.

The following paragraphs summarise how the Directors fulfil their duties, including how they engage with employees, clients, suppliers and other stakeholders:

- **Risk Management** - The Group faces a number of risks and uncertainties as a result of operating in a competitive market that is heavily influenced by oil and gas commodity prices. It is therefore vital that we effectively identify, evaluate, manage and mitigate the risks we face, and that we continue to evolve our approach to risk management. For more details of our principal risks and uncertainties, and on how we manage our risk environment, please see our Strategic Report on page 2.
- **Our People** - The Group is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, the consultants we place, clients, investors, communities and society as a whole. People are at the heart of our services. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour so we achieve our goals in the right way.
- **Business Relationships** - Our strategy prioritises organic growth, driven by expanding the geographical and market service offering to existing clients and bringing new clients into the Group. To do this, we need to develop and maintain strong client relationships, as well as strong relationships with the consultants that we place with our clients. We also highly value all of our other suppliers, and place heavy reliance on our international professional advisors in particular, and where possible aim to continue to work with our core suppliers for the long term.
- **Community and the environment** - We are a relatively small Group in terms of employees, however our approach is to strive to create positive interactions with the people and the community in which we are located, and where the majority of our employees both live and work. We aim to minimise waste and negative impacts upon the environment from our activities wherever practicably possible.
- **Culture and values** - The Board recognises the importance of having the right corporate culture. Our long-term success depends on achieving our strategic goals in the right way, so we look after the best interests of our clients, the consultants that we place with our clients, our people and other stakeholders.
- **Shareholders** - The Board includes our key shareholders, and therefore we regularly openly engage with our shareholders.

OIL CONSULTANTS HOLDCO LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

Branches outside the UK

Oil Consultants operates two branches outside the UK, in Norway and in the Netherlands.

Matters covered in the strategic report

Details of future developments and the financial risk management process can be found in the Strategic Report on page 2.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

OIL CONSULTANTS HOLDCO LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Post balance sheet events

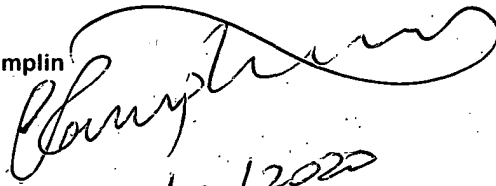
Since the year end the global impact of Covid-19 has become apparent, especially with regards to travel. The difficulties of supplying temporary consultants throughout the world have become more difficult and have remained so. The Group has been impacted by this and the financial results in 2020 will continue to demonstrate this. For the purpose of these financial statements, the impact of Covid-19 is considered as a non-adjusting post balance sheet event. Whilst the trading impact has been substantial, we have not seen any impact on our outstanding trading balances due from customers and the directors have reviewed the balance sheet and are not aware of any significant impairment since 31 December 2019 as a result of Covid-19 that would be required to be disclosed.

On 8 September 2020 the entire issued share capital of Oil Arabia Consulting LLC was transferred to Oil Consultants Limited, for consideration of \$Nil.

This report was approved by the board and signed on its behalf by:

Mr C V Ramplin
Director

Date:


4/12/2020

OIL CONSULTANTS HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OIL CONSULTANTS HOLDCO LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Oil Consultants Holdco Limited's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2019 and of the Group's profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements, (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheets as at 31 December 2019; the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows, and the Consolidated and Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's and 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's and Company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

OIL CONSULTANTS HOLDCO LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OIL CONSULTANTS HOLDCO LIMITED (CONTINUED)

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 Group's and 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 Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OIL CONSULTANTS HOLDCO LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OIL CONSULTANTS HOLDCO LIMITED
(CONTINUED)**

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the Company's financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

L Gartside

Lucy Gartside (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands

Date: *4 December 2020*

OIL CONSULTANTS HOLDCO LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
Turnover	4	68,632,567	58,350,025
Cost of sales		(59,386,320)	(50,380,914)
Gross profit		9,246,247	7,969,111
Administrative expenses		(5,294,403)	(5,509,356)
Operating profit	5	3,951,844	2,459,755
Interest payable and similar expenses	9	(449,223)	(441,434)
Profit before taxation		3,502,621	2,018,321
Tax on profit	10	(2,949,416)	(1,646,592)
Profit for the financial year		553,205	371,729
Other comprehensive (expense)/income			
Currency translation differences		(149,441)	118,539
Other comprehensive (expense)/income for the financial year		(149,441)	118,539
Total comprehensive income for the financial year		403,764	490,268
Profit for the financial year attributable to:			
Non-controlling interests		11,501	1,248
Owners of the parent Company		541,704	370,481
Profit for the financial year		553,205	371,729
Total comprehensive income for the financial year attributable to:			
Non-controlling interest		11,501	(3,026)
Owners of the parent Company		392,263	493,294
Total comprehensive income for the financial year		403,764	490,268

The notes on pages 17 to 39 form part of these financial statements.

OIL CONSULTANTS HOLDCO LIMITED
REGISTERED NUMBER: 07444313

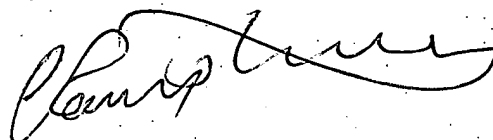
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 \$	2018 \$
Fixed assets			
Intangible assets	11	1,776,978	1,865,586
Tangible assets	12	20,879	17,181
		<u>1,797,857</u>	<u>1,882,767</u>
Current assets			
Debtors	14	26,907,902	24,519,867
Cash at bank and in hand	15	1,189,911	1,044,658
		<u>28,097,813</u>	<u>25,564,525</u>
Creditors: amounts falling due within one year	16	(20,030,355)	(16,896,150)
Net current assets		<u>8,067,458</u>	<u>8,668,375</u>
Total assets less current liabilities		<u>9,865,315</u>	<u>10,551,142</u>
Creditors: amounts falling due after more than one year	17	(4,906,571)	(5,996,237)
Provisions for liabilities			
Deferred taxation	19	(75)	-
Net assets		<u>4,958,669</u>	<u>4,554,905</u>
Capital and reserves			
Called up share capital	20	1,573	1,573
Profit and loss account	21	4,829,437	4,437,174
Equity attributable to owners of the parent Company		<u>4,831,010</u>	<u>4,438,747</u>
Non-controlling interests		127,659	116,158
Total shareholders' funds		<u>4,958,669</u>	<u>4,554,905</u>

The financial statements on pages 11 to 39 were approved and authorised for issue by the board and were signed on its behalf by:

Mr C V Ramplin
Director

Date:


4/12/2020

The notes on pages 17 to 39 form part of these financial statements.

OIL CONSULTANTS HOLDCO LIMITED
REGISTERED NUMBER: 07444313

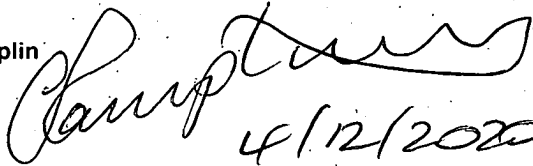
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	13	4,536,685	4,536,685
Creditors: amounts falling due within one year	16	(3,317,668)	(2,016,307)
Net current liabilities		(3,317,668)	(2,016,307)
Total assets less current liabilities		1,219,017	2,520,378
Creditors: amounts falling due after more than one year	17	(3,486,421)	(4,699,169)
Net liabilities		(2,267,404)	(2,178,791)
Capital and reserves			
Called up share capital	20	1,000	1,000
Profit and loss account brought forward		(2,179,791)	(2,026,885)
Loss for the financial year		(88,613)	(152,906)
Profit and loss account carried forward		(2,268,404)	(2,179,791)
Total shareholders' deficit		(2,267,404)	(2,178,791)

The financial statements on pages 11 to 39 were approved and authorised for issue by the board and were signed on its behalf by:

Mr C V Ramplin
Director

Date:


4/12/2020

The notes on Pages 17 to 39 form part of these financial statements.

OIL CONSULTANTS HOLDCO LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total shareholders' funds
	\$	\$	\$	\$	\$
At 1 January 2018	1,573	3,943,880	3,945,453	119,184	4,064,637
Comprehensive income for the financial year					
Profit for the financial year	-	370,481	370,481	1,248	371,729
Currency translation differences on retranslation of net assets of subsidiaries	-	122,813	122,813	(4,274)	118,539
Other comprehensive income for the financial year	-	122,813	122,813	(4,274)	118,539
Total comprehensive income for the financial year	-	493,294	493,294	(3,026)	490,268
At 31 December 2018 and 1 January 2019	1,573	4,437,174	4,438,747	116,158	4,554,905
Comprehensive income/(expense) for the financial year					
Profit for the financial year	-	541,704	541,704	11,501	553,205
Currency translation differences on retranslation of net assets of subsidiaries	-	(149,441)	(149,441)	-	(149,441)
Other comprehensive expense for the financial year	-	(149,441)	(149,441)	-	(149,441)
Total comprehensive income for the financial year	-	392,263	392,263	11,501	403,764
At 31 December 2019	1,573	4,829,437	4,831,010	127,659	4,958,669

The notes on pages 17 to 39 form part of these financial statements.

OIL CONSULTANTS HOLDCO LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Profit and loss account	Total shareholders' deficit
	£	£	£
At 1 January 2018	1,000	(2,026,885)	(2,025,885)
Comprehensive expense for the financial year			
Loss for the financial year	-	(152,906)	(152,906)
	-	(152,906)	(152,906)
Total comprehensive expense for the financial year			
	1,000	(2,179,791)	(2,178,791)
Comprehensive expense for the financial year			
Loss for the financial year	-	(88,613)	(88,613)
	-	(88,613)	(88,613)
Total comprehensive expense for the financial year			
At 31 December 2019	1,000	(2,268,404)	(2,267,404)

The notes on pages 17 to 39 form part of these financial statements.

OIL CONSULTANTS HOLDCO LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 \$	2018 \$
Cash flows from operating activities		
Profit for the financial year	553,205	371,729
Adjustments for:		
Interest payable and similar charges	449,223	441,434
Taxation charge	2,949,416	-
Amortisation of intangible assets	162,778	156,554
Depreciation of tangible assets	5,919	3,557
Increase in debtors	(2,479,731)	(8,831,523)
Increase in creditors	1,612,997	2,666,683
Corporation tax paid	(2,555,255)	(46,526)
Currency retranslation differences	28,160	250,543
Net cash generated from/(utilised in) operating activities	726,712	(4,987,549)
Cash flows from investing activities		
Purchase of tangible assets	(9,617)	(8,623)
Loan note interest paid	(449,223)	(441,434)
Net cash used in investing activities	(458,840)	(450,057)
Cash flows from financing activities		
Repayment of loans including overdraft	(1,155,533)	(550,403)
Draw down on facility	40,495,144	56,421,110
Repayments against facility	(39,446,492)	(52,706,175)
New secured loan	-	1,020,812
Net cash (used in)/generated from financing activities	(106,881)	4,185,344
Net increase/(decrease) in cash and cash equivalents	160,991	(1,252,262)
Cash and cash equivalents at beginning of financial year	1,044,658	2,318,074
Foreign exchange losses	(15,738)	(21,154)
Cash and cash equivalents at the end of financial year	1,189,911	1,044,658
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	1,189,911	1,044,658

The notes on pages 17 to 39 form part of these financial statements.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Oil Consultants Holdco Limited (the "Company") and its subsidiaries (together the "Group") are principally engaged in that of the recruitment of personnel consultants to the oil and gas industry.

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is The Elms, 19 Front Street, Washington, Tyne And Wear, NE37 2BA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings and certain assets and liabilities measured at fair value through profit and loss, and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, the 'Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's and Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following principal accounting policies have been applied consistently throughout the year:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 July 2014.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.3 Going concern

The COVID-19 pandemic has had significant impacts on the business during 2020; demand for our consultants has decreased markedly and as such we have had to review our cost base including a full review of the number of employees within the business. Whilst the financial impact of this will fall into 2020 accounts the continuing uncertainty of the pandemic will be reflected in the lower demands. Our clients have also reduced their workforces which will have an impact on their demands, and additionally the continuing weak oil price results in the slowdown in oil field exploration.

The Group meets its day to day working capital requirements through a combination of its available cash resource, an uncommitted invoice financing facility in the UK that is due for renewal in April 2021, an accounts receivable purchasing facility in the Kingdom of Saudi Arabia with a different bank that is currently being utilised for one of our key customers in that territory, and overdraft facilities provided by our principal UK bank specific to operations within the Kingdom of Saudi Arabia that are due to end in April 2021 to coincide with the new accounts receivable purchasing facility being fully established. The directors are forecasting this should occur by early 2021. Despite the continuing challenging market conditions, including slowdown across the industry and volatility in oil prices, the Group has demonstrated an ability to scale the business based on fluctuating demand for services during the period. The Group's forecasts and projections, taking into account both a base case and severe but plausible scenario to consider reasonably possible changes in trading performance, show that the Group should be able to continue to operate within its current facilities for at least 12 months following finalisation of these financial statements, assuming the continued availability of the uncommitted invoice financing facility that the Group is dependent on in the UK and the accounts receivable purchasing facility in the Kingdom of Saudi Arabia being established with one additional key customer as forecast. The directors are not aware of any reasons why the new facility in the Kingdom of Saudi Arabia would not become fully established. In addition, we have a long standing relationship with our principal UK bank, and have regular dialogue with them to discuss renewal of our facilities and their intentions to continue to work with the business in the future. The bank has not indicated there are any reasons why the invoice financing facility would not be renewed, and they have indicated they would be flexible in repayment terms for our overdraft facilities if there were delays in our new accounts receivable purchasing facility in Saudi Arabia becoming fully established. After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Exemptions for the parent Company under FRS 102

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

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41 (b), 11.41 (c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and value added taxes.

The Company recognises the revenue when (a) the significant risk and rewards of ownership have been transferred to the buyer; (b) the Company retains no continuing involvement or control over the service; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and e) when the specific criteria relating to the service have been met as described below.

Sale of services

The Company recruits personnel to the oil and gas industry. Revenue is recognised in the accounting period in which the services are rendered when the outcome of the contract can be estimated reliably.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	20	years
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2.7 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.7 Tangible assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Plant and machinery	20% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.8 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each Balance Sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each Balance Sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.10 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 method, less any impairment.

2.11 Cash at bank and in hand

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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 Creditors

Short term 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 method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.14 Financial instruments

The Group has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method where applicable.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Other financial assets are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in Consolidated Statement of Comprehensive Income.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (iii) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.14 Financial instruments (continued)

Derivatives, which include forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Consolidated Statement of Comprehensive Income, unless they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

Financial assets and liabilities are offset and the net amount presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.15 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is USD.

The Company functional and presentational currency remains GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Dollars at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.16 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Leased assets

At inception the Group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Operating lease costs are charged to the Statement of Comprehensive Income in equal amounts over the period of the lease.

(ii) Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

~~Incentives received to enter into an operating lease are credited to the income statement, to reduce the lease expense, on a straight-line basis over the period of the lease.~~

The Group has taken the transition exemption under paragraph 35.10(p) of FRS 102 to continue to recognise the existing lease incentives at the transition date on the same basis as previous UK GAAP. Under previous UK GAAP operating lease incentives, including rent free periods and fit-out contributions, were spread over the shorter of the lease period or the period to when the rental was set to a fair market rent.

2.18 Employee benefits

The Group provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.19 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- 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 tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2.21 Exceptional items

Exceptional items are transactions that are one-off and / or unusual in nature. The transactions fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical estimates

Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of debtors, the ageing profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors and associated impairment provision.

Impairment of intangibles

The Group holds intangible assets, in the form of Goodwill, arising from the acquisition of subsidiaries. Goodwill is amortised over its useful life. Despite the Group enjoying positive trading conditions in the past few years management assess the carrying value of goodwill for any circumstances where an impairment is required. The key assumptions required for the cash flow forecast for the impairment review include the timing and quantum of operating cash flows generated by these investments and the appropriate discount rate to apply to these cash flows. These are all considered to be critical estimates and are based on management's best view of future conditions for the Group and the risks in delivering these cash flows.

Judgements

Control of Oil Arabia Consulting LLC

Assessing whether the group controls its Saudi entity, Oil Arabia Consulting LLC ("Oil Arabia") requires judgement. Throughout 2019 the Group held less than 50% of the voting rights but through a shareholders agreement the group controls the operating and financial policies of Oil Arabia. This agreement includes the power to set the annual budget and financial plan, appoint and remove senior executives and set their remuneration, and set operating procedures and responsibilities. The Group considers that these powers demonstrate that the group controls Oil Arabia.

On 8th September 2020 the entire issued share capital of Oil Arabia Consulting LLC were transferred to Oil Consultants Limited, for consideration of \$Nil.

4. Turnover

The whole of the turnover is attributable to the one principal activity of the Group.

Analysis of turnover by country of destination:

	2019 \$	2018 \$
United Kingdom	5,940,863	5,874,640
Overseas	62,691,704	52,475,385
	<u>68,632,567</u>	<u>58,350,025</u>

OIL CONSULTANTS HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. Operating profit

The operating profit is stated after charging:

	2019 \$	2018 \$
Depreciation of tangible assets	5,919	3,557
Amortisation of intangible assets, including goodwill	162,778	156,554
Foreign exchange gains	28,162	93,825
Operating lease rentals	97,000	100,280
	<u> </u>	<u> </u>

6. Auditors' remuneration

	2019 \$	2018 \$
Fees payable to the Group's auditors for the audit of the Group's annual financial statements	5,460	3,566
	<u> </u>	<u> </u>

Fees payable to the Group's auditors in respect of:

Audit fees for subsidiary undertakings	69,584	45,379
Other services relating to taxation	38,819	25,827
Other audit related fees	7,261	9,462
All other services	-	17,545
	<u> </u>	<u> </u>
	<u>115,664</u>	<u>98,213</u>

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2019 \$	Group 2018 \$
Wages and salaries	3,329,911	3,279,451
Social security costs	233,906	208,690
Other pension costs	108,587	90,348
	<u>3,672,404</u>	<u>3,578,489</u>

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

	2019 Number	2018 Number
Administrative staff	<u>49</u>	<u>39</u>

The Company does not have any employees (2018: Nil)

8. Directors' remuneration

	2019 \$	2018 \$
Aggregate directors' remuneration	312,805	306,079
Directors pension costs - defined contribution scheme	16,293	15,482
	<u>329,098</u>	<u>321,561</u>

During the year retirement benefits were accruing to 3 directors (2018: 3) in respect of defined contribution pension schemes.

The remuneration of the directors are paid by the subsidiary company, Oil Consultants Limited which makes no recharges to the Group.

The key management personnel of the Group received total remuneration of \$450,677 (2018: \$447,425). The value of the Company's contributions paid to a defined contribution pension scheme in respect of the key management personnel amounted to \$26,841 (2018: \$26,802).

Of the remuneration shown above, the amount awarded to the highest paid director for the year ended 31 December 2019 was \$185,002 (2018: \$186,104). The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to \$10,330 (2018: \$10,534).

OIL CONSULTANTS HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. Interest payable and similar expenses

	2019 \$	2018 \$
Bank interest payable	336,071	237,149
Other interest payable	113,152	204,285
	<u>449,223</u>	<u>441,434</u>

10. Tax on profit

	2019 \$	2018 \$
Corporation tax		
Current tax on profits for the financial year	304,989	333,334
Adjustments in respect of prior years	103,487	44,916
	<u>408,476</u>	<u>378,250</u>
Double taxation relief	(115,960)	(371,596)
	<u>292,516</u>	<u>6,654</u>
Foreign tax		
Foreign tax on income for the financial year	2,656,043	1,640,202
Total current tax	<u>2,948,559</u>	<u>1,646,856</u>
Deferred tax		
Origination and reversal of timing differences	178	(478)
Changes to tax rates	(19)	214
Adjustments in respect of prior year	698	-
Total deferred tax	<u>857</u>	<u>(264)</u>
Total tax on profit	<u>2,949,416</u>	<u>1,646,592</u>

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. Tax on profit (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018: higher than) the standard rate of corporation tax in the UK of 19.0% (2018: 19.0%). The differences are explained below:

	2019 \$	2018 \$
Profit before taxation	<u>3,502,621</u>	<u>2,018,321</u>
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	665,498	383,481
Effects of:		
Expenses not deductible for tax purposes	30,928	703
Adjustments in respect of prior years	104,185	44,916
Income not taxable	-	(50,824)
Double tax relief	(115,960)	(371,596)
Effects of overseas tax rates	2,264,784	1,640,202
Tax rate changes	(19)	(290)
Total tax charge for the year	<u><u>2,949,416</u></u>	<u><u>1,646,592</u></u>

Factors that may affect future tax charges

Changes to the UK Corporation tax rates were substantively enacted on 6 September 2016 to reduce the main rate of Corporation tax to 17% from 1 April 2020 and deferred tax balances at the Balance Sheet date have been measured using this rate.

Subsequent to the Balance Sheet date, a further change was substantively enacted on 17 March 2020 to maintain the rate at 19%. Had this been substantively enacted at the Balance Sheet date, deferred tax assets would have increased by £101.

OIL CONSULTANTS HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

11. Intangible assets

Group

	Goodwill
	\$
Cost	
At 1 January 2019	5,788,904
Currency exchange movement	230,149
At 31 December 2019	<u>6,019,053</u>
Accumulated amortisation	
At 1 January 2019	3,923,318
Charge for the year	162,778
Currency exchange movement	155,979
At 31 December 2019	<u>4,242,075</u>
Net book value	
At 31 December 2019	<u>1,776,978</u>
At 31 December 2018	<u>1,865,586</u>

OIL CONSULTANTS HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Tangible assets

Group

	Plant and machinery \$
Cost	
At 1 January 2019	224,022
Additions	9,617
Currency exchange movement	(81)
At 31 December 2019	<u>233,558</u>
Accumulated depreciation	
At 1 January 2019	206,841
Charge for the year	5,919
Currency exchange movement	(81)
At 31 December 2019	<u>212,679</u>
Net book value	
At 31 December 2019	<u>20,879</u>
At 31 December 2018	<u>17,181</u>

13. Investments

Company

	Investments in subsidiary companies £
Cost	
At 1 January 2019	4,536,685
At 31 December 2019	<u>4,536,685</u>

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

13. Investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Oil Consultants Limited (UK)	The Elms, 19 Front Street, Washington, Tyne And Wear, England, NE37 2BA, United Kingdom	Recruitment for the oil and gas industry	Ordinary	100%
Oil Consultants Limited (China)	12/f, Shui On Plaza, 333 Huai Hai Zhong Road, Shanghai 200021, China	Recruitment for the oil and gas industry	Ordinary	100%
Oil Consultants PTY	Level 14, 344 Queen Street, Brisbane, Queensland, 4000, Australia	Recruitment for the oil and gas industry	Ordinary	95%
OGSR Consultants Inc.	1221 Lamar, Suite 1000, Houston, Texas, USA	Recruitment for the oil and gas industry	Ordinary	100%
Oil Consultants Malaysia SDN BHD	No. 52 1st Floor, Jalan SS 21/58, Damansara Utama, 47400, Ptealing Haya, Selangor, Malaysia	Recruitment for the oil and gas industry	Ordinary	100%
PT Oil Consultants Indonesia	Skyline Building, 12th Floor, Jalan Thamrin No. 9, 10430, Jakarta, Indonesia	Recruitment for the oil and gas industry	Ordinary	100%
Oil Arabia Consulting LLC	Muhammad Street Office No. 7, Riyadh, Riyadh Province, Kingdom of Saudi Arabia	Recruitment for the oil and gas industry	Ordinary	0%
Oil & Gas Specialist S.R.L	Str. Biharia 26E, Sectorul 1, Bucharest, Romania	Recruitment for the oil and gas industry	Ordinary	100%
Oil Consultants Limited (Israel)	The Museum Tower, 4 Berkowitz St., 22 Floor, Tel Aviv Israel 6423806	Recruitment for the oil and gas industry	Ordinary	100%

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

13. Investments (continued)

Subsidiary undertakings (continued)

All, of the above undertakings are direct subsidiaries with the exception of Oil Consultants Limited (China), Oil Consultants PTY, OGSR Consultants Inc, Oil Consultants Limited (Israel) and Oil & Gas Specialists S.R.L. The directors believe that the carrying value of the investments is supported by their underlying net assets.

Oil Arabia Consulting LLC is an entity incorporated during the 2018 financial year. The Company hold no shares in Oil Arabia Consulting LLC but have consolidated the results of the entity by virtue of control. On 8th September 2020 the entire issued share capital of Oil Arabia Consulting LLC were transferred to Oil Consultants Limited, for consideration of \$Nil.

14. Debtors

	Group 2019 \$	Group 2018 \$	Company 2019 £	Company 2018 £
Trade debtors	21,296,240	16,985,055	-	-
Other debtors	490,631	619,171	-	-
Corporation tax	-	93,044	-	-
Deferred taxation (note 19)	-	782	-	-
Prepayments and accrued income	5,121,031	6,821,815	-	-
	<u>26,907,902</u>	<u>24,519,867</u>	<u>-</u>	<u>-</u>

Trade debtors are stated after provisions for impairments of \$Nil (2018: \$Nil).

15. Cash at bank and in hand

	Group 2019 \$	Group 2018 \$	Company 2019 £	Company 2018 £
Cash at bank and in hand	1,189,911	1,044,658	-	-
	<u>1,189,911</u>	<u>1,044,658</u>	<u>-</u>	<u>-</u>

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

16. Creditors: amounts falling due within one year

	Group 2019 \$	Group 2018 \$	Company 2019 £	Company 2018 £
Bank loans and overdrafts	8,057,167	7,164,895	-	-
Loan notes	323,242	-	455,397	-
Trade creditors	7,394,177	7,073,874	-	-
Amounts owed to group undertakings	-	-	2,862,271	2,016,307
Corporation tax	301,116	-	-	-
Taxation and social security	1,579,255	824,251	-	-
Other creditors	642,227	725,715	-	-
Accruals and deferred income	1,733,171	1,107,415	-	-
	20,030,355	16,896,150	3,317,668	2,016,307

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

17. Creditors: amounts falling due after more than one year

	Group 2019 \$	Group 2018 \$	Company 2019 £	Company 2018 £
Loan notes	4,906,571	5,996,237	3,486,421	4,699,169

Up until December 2014 interest was paid on the loan notes from the date of payment of the loan notes until the notes were to be redeemed. The interest was based on the principle amount of the loan, of £2,270,000, in line with the disclosure in note 23 and was charged to the Statement of Comprehensive Income in the period to which it related. Redemption of the loan notes was due on 30 November 2015 when the principle amount was due to be repaid by the Company along with any accrued interest".

On 29 May 2015 it was resolved by the Board of Directors to defer the repayment of the loan notes until 30 November 2018 by way of a deed-of-variation. It was also resolved that from 1 January 2015 interest will no longer be charged on the outstanding loan notes. It was further resolved by the Board of Directors on 14 July 2017 that the repayment of these loan notes would be deferred until 30 November 2023.

Default on any of the terms in the loan note agreement will result in immediate repayment of the principle amount of the loan along with any accrued interest.

On 14 July 2017, an additional balance of loan notes was taken out at the Oil Consultants Holdco Limited level to the value £1,000,000 (equivalent to \$1,350,291 in USD). These loan notes accrue interest at a rate of 20% and are due for redemption in full, including any accrued interest on 31 August 2020. Interest is based on the principle amount of the loan, in line with the disclosure in note 23, and is charged to the Consolidated Statement of Comprehensive Income in the period to which it relates.

Default on any of the terms in the loan note agreement will result in immediate repayment of the principle amount of the loan along with any accrued interest.

Interest of \$113,152 (2018: \$204,285) in total was paid in the period on these loans. Further details on the loan notes can be found in note 23 to these financial statements.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

18. Financial instruments

	Group 2019 \$	Group 2018 \$	Company 2019 £	Company 2018 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>21,786,871</u>	<u>17,604,226</u>	<u>-</u>	<u>-</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(23,056,555)</u>	<u>(22,065,136)</u>	<u>(6,804,089)</u>	<u>(6,715,476)</u>

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals, amounts owed to group undertakings, loan notes and bank loans.

19. Deferred taxation

Group

	2019 \$
At beginning of the financial year	782
Credited to profit or loss	(857)
At end of the financial year	<u>(75)</u>

The deferred taxation balance is made up as follows:

	Group 2019 \$	Group 2018 \$
Accelerated capital allowances	(2,624)	(1,686)
Other timing differences	2,549	2,468
	<u>(75)</u>	<u>782</u>

OIL CONSULTANTS HOLDCO LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Called up share capital

	2019 \$	2018 \$
Allotted, called up and fully paid		
1,000 (2018: 1,000) Ordinary shares of £1 (2018: £1) each	1,573	1,573

21. Profit and loss account

The profit and loss account represents the cumulative profits and losses of the Group less any distributions made to the owners of the Group.

22. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to \$108,587 (2018: \$90,348).

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

23. Related party transactions

\$163,655 (2018: \$187,168) was paid for consultancy services to Pre Eminent Solutions LLP, a partnership controlled by R Fielding and G Lennox, which is registered in England and Wales. At 31 December 2019, Oil Consultants Limited owed Pre Eminent Solutions LLP \$18,997 (2018: \$16,545).

R Fielding, G Lennox and H M Smith are all directors and shareholders of Rust Resources Holdco Limited, a company registered in England & Wales. In addition, Oil Consultants Limited made recharges of \$Nil (2018: \$267.71) to Rust Resources Limited.

During the year, a subsidiary of the Company paid recharges \$Nil (2018: \$1,440) to Rust Inc, a 100% subsidiary of Rust Resources Holdco Limited (which was disposed of by the Oil Consultants group on 31 December 2017) in which R Fielding and G Lennox are directors. At 31 December 2019 the subsidiary was owed \$Nil (2018: \$190).

During the year, OGSR Consultants Inc. (which is 100% owned by Oil Consultants Limited) owed Rust Resources Limited \$37,719 (2018: \$Nil).

R Fielding and G Lennox are both directors of Oil Consultants Pty which is 95% owned by Oil Consultants Limited. During the year, recharges of \$238,086 (2018: \$313,297.41) were made by the Company. At the year end the Company owed Oil Consultants Limited \$679,684 (2018: \$961,120).

Included within other creditors at the Balance Sheet date, are loan notes payable to the directors and their partners to the value of:

	2019 \$	2018 \$
R Fielding	1,072,319	1,145,314
C Fielding	935,624	1,013,845
G Lennox	1,072,319	1,655,723
A Lennox	935,624	1,013,845
M Cooper	541,725	521,010
D Cooper	363,089	349,206
H Smith	147,937	142,281
R Smith	161,176	155,013
	<u>5,229,813</u>	<u>5,996,237</u>

From 1 January 2015, all the loan notes were converted to 0% interest.

On 14 July 2017, an additional balance of loan notes was taken out at the Oil Consultants Holdco Limited level to the value of \$1,350,291 (£1,000,000 in GBP). These loan notes accrue interest at a rate of 20%.

Interest of \$113,152 (2018: \$204,285) in total was paid in the period on these loans.

24. Ultimate parent undertaking and controlling party

The company is owned by a number of private shareholders and companies, none of whom own more than 20% of the issued share capital of the company. Accordingly there is no ultimate parent entity nor ultimate controlling party.

OIL CONSULTANTS HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

25. Post balance sheet events

Since the year end the global impact of Covid-19 has become apparent, especially with regards to travel. The difficulties of supplying temporary consultants throughout the world have become more difficult and have remained so. The Group has been impacted by this and the financial results in 2020 will continue to demonstrate this. For the purpose of these financial statements, the impact of Covid-19 is considered as a non-adjusting post balance sheet event. Whilst the trading impact has been substantial, we have not seen any impact on our outstanding trading balances due from customers and the directors have reviewed the balance sheet and are not aware of any significant impairment since 31 December 2019 as a result of Covid-19 that would be required to be disclosed.

On 8 September 2020 the entire issued share capital of Oil Arabia Consulting LLC was transferred to Oil Consultants Limited, for consideration of \$Nil.