

VENTURE OILFIELD SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

VENTURE OILFIELD SERVICES LIMITED

COMPANY INFORMATION

Directors	W J McCartney A T W McCartney
Company secretary	Purple Venture Secretaries Limited
Registered number	SC081796
Registered office	Viewfield Road Viewfield Industrial Estate Glenrothes Fife KY6 2RD
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2020

		2020 £	2019 £
Fixed assets			
Tangible assets	4	<u>242,941</u>	<u>346,805</u>
		242,941	346,805
Current assets			
Stocks		13,155	13,072
Debtors: amounts falling due within one year	5	204,577	270,913
Bank and cash balances		<u>429</u>	<u>16,519</u>
		218,161	300,504
Creditors: amounts falling due within one year	6	<u>(296,030)</u>	<u>(480,628)</u>
Net current liabilities		<u>(77,869)</u>	<u>(180,124)</u>
Total assets less current liabilities		165,072	166,681
Provisions for liabilities			
Deferred tax		<u>(21,831)</u>	<u>(2,290)</u>
		<u>(21,831)</u>	<u>(2,290)</u>
Net assets		<u>143,241</u>	<u>164,391</u>
Capital and reserves			
Called up share capital	7	4,050	4,050
Capital redemption reserve		950	950
Profit and loss account		<u>138,241</u>	<u>159,391</u>
		<u>143,241</u>	<u>164,391</u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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

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

A T W McCartney
Director

Date: 5 November 2020

The notes on pages 3 to 8 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. General information

Venture Oilfield Services Limited is a limited liability company incorporated in Scotland, registration number SC081796. The registered office is Viewfield Road, Viewfield Industrial Estate, Glenrothes, Fife, KY6 2RD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. To assist with the cashflow, the terms of the lease agreement have been renegotiated. The company has been granted a further deferment of rent from 1 July 2020 to and including 28 February 2021. Giving a period of 1 April 2020 to 28 February 2021 where no rent is payable. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

At the date of approval of the financial statements, the directors are aware of the potential impact on the company of COVID-19. As the country is still in the midst of the pandemic, it is not possible to assess the potential full impact. However, the directors have taken all steps necessary to mitigate any impact the virus may have on the company and has considered a period of at least 12 months from the date of approval of the financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.6 Pensions

Defined contribution pension plan

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 payment obligations.

The contributions are recognised as an expense in profit or loss 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

2.8 Tangible fixed assets

Tangible fixed 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	6.67% to 20% straight line
Motor vehicles	-	25% straight line
Office equipment	-	20% straight line

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 profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.9 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 first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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.

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 11 (2019 - 12).

4. Tangible fixed assets

	Plant and machinery	Motor vehicles	Office equipment	Total
	£	£	£	£
Cost or valuation				
At 1 April 2019	1,870,884	23,950	33,303	1,928,137
At 31 March 2020	1,870,884	23,950	33,303	1,928,137
Depreciation				
At 1 April 2019	1,524,804	23,950	32,578	1,581,332
Charge for the year on owned assets	103,139	-	725	103,864
At 31 March 2020	1,627,943	23,950	33,303	1,685,196
Net book value				
At 31 March 2020	242,941	-	-	242,941
At 31 March 2019	346,080	-	725	346,805

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. Debtors

	2020 £	2019 £
Trade debtors	196,652	208,209
Prepayments and accrued income	295	38,686
Amounts recoverable on long term contracts	7,630	24,018
	<u>204,577</u>	<u>270,913</u>

6. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank overdraft	1,146	-
Trade creditors	28,650	30,398
Other taxation and social security	101,970	98,058
Invoice finance	48,857	17,207
Other creditors	24,156	24,156
Accruals and deferred income	91,251	310,809
	<u>296,030</u>	<u>480,628</u>

Secured creditors

Invoice finance is secured by a floating charge covering all of the property or undertaking of the company.

Accruals and deferred income

During the year the rent accrual was reduced by £303,946 to reflect an agreed waiver of arrears to 30 June 2019.

7. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
4,050 (2019 - 4,050) Ordinary shares of £1.00 each	<u>4,050</u>	<u>4,050</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

8. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	109,194	90,694
Later than 1 year and not later than 5 years	428,895	362,778
Later than 5 years	1,457,398	1,264,316
	<u>1,995,487</u>	<u>1,717,788</u>

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