

Registration number 299413

ODS International (UK) Limited

Abbreviated accounts

for the year ended 31 March 2010

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ODS International (UK) Limited

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**Independent auditors' report to ODS International (UK) Limited
under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 2 to 5 together with the financial statements of ODS International (UK) Limited for the year ended 31 March 2010 prepared under Section 396 of the Companies Act 2006.

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and the auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 444(1) and (3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with those provisions.



**Michael Bell (senior statutory auditor)
For and on behalf of Michael Bell & Co
Chartered Accountants and
Registered Auditors**

2 September 2010.

**4 Greenfield Road
Holmfirth
Huddersfield
HD9 2JT**

ODS International (UK) Limited

**Abbreviated balance sheet
as at 31 March 2010**

		2010		2009	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		2,329		1,517
Current assets					
Stocks		5,000		-	
Debtors		27,198		1,094,728	
Cash at bank and in hand		388		462,776	
		<u>32,586</u>		<u>1,557,504</u>	
Creditors: amounts falling due within one year		<u>(164,937)</u>		<u>(983,688)</u>	
Net current (liabilities)/assets			<u>(132,351)</u>		<u>573,816</u>
Total assets less current liabilities			<u>(130,022)</u>		<u>575,333</u>
Net (liabilities)/assets			<u>(130,022)</u>		<u>575,333</u>
Capital and reserves					
Called up share capital	4		1,000		1,000
Profit and loss account			<u>(131,022)</u>		<u>574,333</u>
Shareholders' funds			<u>(130,022)</u>		<u>575,333</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) relating to small companies.

The abbreviated accounts were approved by the Board on 2 September 2010 and signed on its behalf by



R Hancock (Snr)
Director

Registration number 299413

The notes on pages 3 to 5 form an integral part of these financial statements.

ODS International (UK) Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2010**

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 25% straight line
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1.4. Stock

Stock is valued at the lower of cost and net realisable value.

1.5. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

ODS International (UK) Limited

Notes to the abbreviated financial statements for the year ended 31 March 2010

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1.6. Going concern

These accounts have been prepared on the basis that the company is a going concern. This is based on the support of the parent company and HM Revenue and Customs.

On the 16 August 2010, the company received a charge for payment for monies owed to HMRC for £221,211. This relates to unpaid vat and corporation tax. The submission of these accounts will result in the cancellation of corporation tax due of approximately £120,000. The remainder remains due. At present the company is unable to pay this debt.

The sustained worldwide recession and consequential drop in demand for oil resulted in weaker commodity prices and subsequently less incentive to drill in deepwater. With lower demand for rigs and the threat of declining day rates the industry which we serve became reluctant to initiate capital improvements. As a result, ODS, a manufacturer of rig floor equipment, saw a drastic drop in demand for its products that caused the company to incur a loss in 2009. Subsequent to these events the price of oil has stabilized at USD 70+/bbl. In turn we have seen our clientele become more confident in the market and in turn have heightened the priority to upgrade equipment based upon the improved economics. As a result, in the last 3 months we have responded to more requests for quotes than we had in the previous 12 months and have indications that ODS will be awarded a minimum of 30% of these projects. Based upon this we have forecasted net income to be in the range of 900k over the next 12 months and a return to the profitability and liquidity we have enjoyed in previously years.

2. Auditors' remuneration

	2010	2009
	£	£
Auditors' remuneration - audit of the financial statements	<u>4,000</u>	<u>3,900</u>

ODS International (UK) Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2010**

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3. Fixed assets	Tangible fixed assets £
Cost	
At 1 April 2009	2,289
Additions	1,846
At 31 March 2010	<u>4,135</u>
Depreciation	
At 1 April 2009	772
Charge for year	1,034
At 31 March 2010	<u>1,806</u>
Net book values	
At 31 March 2010	<u>2,329</u>
At 31 March 2009	<u>1,517</u>

4. Share capital	2010 £	2009 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Equity Shares		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

5. Ultimate parent undertaking

The company is a subsidiary of ODS International Inc, which was incorporated in USA.