

Emstech Oil Services Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2019

Mint Accounting Ltd
56 King Street
Aberdeen
AB24 5AX

Emstech Oil Services Ltd

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Emstech Oil Services Ltd

Company Information

Director Mr Gary Emslie

Registered office Europa House
Exploration Drive
Aber Science & Energy Pk
Aberdeen
AB23 8GX

Accountants Mint Accounting Ltd
56 King Street
Aberdeen
AB24 5AX

Emstech Oil Services Ltd

(Registration number: SC356622)
Balance Sheet as at 31 May 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>3</u>	147,713	153,501
Current assets			
Debtors	<u>4</u>	314,630	450,674
Other financial assets		80	80
Cash at bank and in hand		681,745	278,929
		996,455	729,683
Creditors: Amounts falling due within one year	<u>5</u>	(188,073)	(177,621)
Net current assets		808,382	552,062
Total assets less current liabilities		956,095	705,563
Provisions for liabilities		(197,483)	(107,817)
Net assets		758,612	597,746
Capital and reserves			
Called up share capital		100	100
Revaluation reserve		28,715	31,080
Profit and loss account		729,797	566,566
Total equity		758,612	597,746

For the financial year ending 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 4 to 10 form an integral part of these financial statements.

Emstech Oil Services Ltd

(Registration number: SC356622)

Balance Sheet as at 31 May 2019

Approved and authorised by the director on 27 February 2020

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Mr Gary Emslie
Director

The notes on pages 4 to 10 form an integral part of these financial statements.

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Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

1 General information

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

Europa House
Exploration Drive
Aber Science & Energy Pk
Aberdeen
AB23 8GX
Scotland

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Emstech Oil Services Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

The current income 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 taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% on cost
Fixtures and fittings	20% on cost
Motor vehicles	25% on cost
Computer equipment	33% on cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

Trade creditors

Trade 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions

The company has appointed assets to an Employer Financed Retirement Benefit Scheme. The company is liable for PAYE/NIC that may arise on awards made by the Trustees. An APN has been received relating to an EFRBS created in 2013. The director believes that, on balance, this amount should be increased and should be shown as a liability in the accounts.

Leases

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

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

Financial instruments

Recognition and measurement

Employer-Financed Retirement Benefit Scheme (EFRBS)

The company has established trusts for the benefit of employees and persons connected with them. Monies held in these trusts are held by independent trustees and managed at their discretion. The trustees are empowered to provide both retirement and other employee benefits.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and are payable after completion of the employment, such monies are charged to the profit and loss account in the period during which services are rendered by employees.

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Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

3 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 June 2018	104,627	355,283	41,482	501,392
Additions	-	800	29,450	30,250
Disposals	-	(81,087)	(28,300)	(109,387)
At 31 May 2019	104,627	274,996	42,632	422,255
Depreciation				
At 1 June 2018	-	328,949	18,942	347,891
Charge for the year	-	10,881	8,560	19,441
Eliminated on disposal	-	(76,755)	(16,035)	(92,790)
At 31 May 2019	-	263,075	11,467	274,542
Carrying amount				
At 31 May 2019	104,627	11,921	31,165	147,713
At 31 May 2018	104,627	26,334	22,540	153,501

Included within the net book value of land and buildings above is £104,627 (2018 - £104,627) in respect of freehold land and buildings.

4 Debtors

	2019 £	2018 £
Trade debtors	312,040	438,806
Prepayments	2,590	11,868
	314,630	450,674

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Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

5 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	4,188	5,233
Taxation and social security	174,763	166,788
Accruals and deferred income	7,380	4,608
Other creditors	1,742	992
	<u>188,073</u>	<u>177,621</u>

6 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Revaluation reserve £	Total £
Surplus/(deficit) on revaluation of other assets	<u>(2,365)</u>	<u>(2,365)</u>

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	Revaluation reserve £	Total £
Surplus/(deficit) on revaluation of other assets	<u>(1,920)</u>	<u>(1,920)</u>

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Notes to the Unaudited Financial Statements for the Year Ended 31 May 2019

7 Dividends

Interim dividends paid

	2019 £	2018 £
Interim dividend of £1,237 (2018 - £52) per each Ordinary	120,000	5,000
Interim dividend of £15,000 (2018 - £2,500) per each Ordinary A	30,000	5,000
Interim dividend of £Nil (2018 - £5,000) per each Ordinary B	-	5,000
	<u>150,000</u>	<u>15,000</u>

8 Related party transactions

Directors' remuneration

The director's remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	<u>60,000</u>	<u>60,000</u>

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This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.