

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
OILFIELD MACHINERY LIMITED**

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for the Year Ended 31 December 2021**

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**OILFIELD MACHINERY LIMITED**

**COMPANY INFORMATION**  
**for the Year Ended 31 December 2021**

**DIRECTORS:**

Mr A J Fyfe  
Mr D Walker  
Mrs C J Cran  
Mr C G Hammond  
Mr S J Wallace

**SECRETARY:**

Mrs P J Smyth

**REGISTERED OFFICE:**

1 Prince of Wales Dock  
Edinburgh  
Midlothian  
EH6 7DX

**REGISTERED NUMBER:**

SC381803 (Scotland)

**ACCOUNTANTS:**

Acumen Accountants and Advisors Limited  
Unit 1, Office 1 & 8  
Blackhall Industrial Estate  
Burghmuir Circle  
Inverurie  
Aberdeenshire  
AB51 4FS

**OILFIELD MACHINERY LIMITED (REGISTERED NUMBER: SC381803)**

**BALANCE SHEET**

**31 December 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		4,513,911		5,266,647
Investments	6		100		100
Investment property	7		<u>691,313</u>		<u>691,313</u>
			5,205,324		5,958,060
<b>CURRENT ASSETS</b>					
Stocks		-		193,903	
Debtors	8	4,352,233		1,165,689	
Cash at bank		<u>628</u>		<u>484,272</u>	
		4,352,861		1,843,864	
<b>CREDITORS</b>					
Amounts falling due within one year	9	<u>2,530,279</u>		<u>726,962</u>	
<b>NET CURRENT ASSETS</b>			<u>1,822,582</u>		<u>1,116,902</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			7,027,906		7,074,962
<b>CREDITORS</b>					
Amounts falling due after more than one year	10		(3,723,859)		(4,199,245)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(272,016)</u>		<u>(552,021)</u>
<b>NET ASSETS</b>			<u><u>3,032,031</u></u>		<u><u>2,323,696</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			579		579
Share premium			99,921		99,921
Revaluation reserve	13		381,506		381,506
Capital redemption reserve			(494,500)		(494,500)
Retained earnings			<u>3,044,525</u>		<u>2,336,190</u>
			<u><u>3,032,031</u></u>		<u><u>2,323,696</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**BALANCE SHEET - continued**

**31 December 2021**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 12 May 2022 and were signed on its behalf by:

Mr A J Fyfe - Director

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2021**

**1. STATUTORY INFORMATION**

Oilfield Machinery Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

**2. STATEMENT OF COMPLIANCE**

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

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where the contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Improvements to property	- 10% on cost
Plant and machinery	- 20% on cost and 10% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

The gain or loss arising on the disposal of an asset is determined as the difference between the proceeds and the carrying value of the asset and is included in the profit and loss account.

**Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised as income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2021**

**3. ACCOUNTING POLICIES - continued**

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2021**

**3. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

**Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

Financial assets are derecognised when the contractual rights to cash flows from the asset expire or are settled or when the company transfers the risks and rewards of ownership to another entity.

**Basic financial liabilities**

Basic financial liabilities, which include trade and other creditors and bank loans, are initially recognised at transaction price and are subsequently carried at amortised cost.

Financial liabilities are derecognised when the company's contractual obligations are discharged.

**Provisions**

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**4. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 12 (2020 - 12) .

**5. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 January 2021	252,933	6,533,086	6,786,019
Additions	-	376,180	376,180
Disposals	-	(121,196)	(121,196)
At 31 December 2021	<u>252,933</u>	<u>6,788,070</u>	<u>7,041,003</u>
<b>DEPRECIATION</b>			
At 1 January 2021	24,447	1,494,925	1,519,372
Charge for year	5,059	1,089,369	1,094,428
Eliminated on disposal	-	(86,708)	(86,708)
At 31 December 2021	<u>29,506</u>	<u>2,497,586</u>	<u>2,527,092</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>223,427</u>	<u>4,290,484</u>	<u>4,513,911</u>
At 31 December 2020	<u>228,486</u>	<u>5,038,161</u>	<u>5,266,647</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021

## 5. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
<b>COST</b>	
At 1 January 2021	3,344,421
Disposals	(107,490)
At 31 December 2021	<u>3,236,931</u>
<b>DEPRECIATION</b>	
At 1 January 2021	505,057
Charge for year	663,509
Eliminated on disposal	(75,914)
At 31 December 2021	<u>1,092,652</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>2,144,279</u>
At 31 December 2020	<u>2,839,364</u>

## 6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2021 and 31 December 2021	<u>100</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>100</u>
At 31 December 2020	<u>100</u>

## 7. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 January 2021 and 31 December 2021	<u>691,313</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>691,313</u>
At 31 December 2020	<u>691,313</u>

The investment properties consist of storage units which were valued in February 2016 independently by D M Hall chartered surveyors. The directors have reviewed the purchase valuation along with values of similar properties in the area and advised that the value should increase to £691,313 at 31 December 2020. No adjustment for this has been made during the year ended 31 December 2021.

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 December 2021

## 7. INVESTMENT PROPERTY - continued

Fair value at 31 December 2021 is represented by:

	£
Valuation in 2019	231,667
Valuation in 2020	459,646
	<u>691,313</u>

## 8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	32,643	76,174
Amounts owed by group undertakings	4,224,141	952,968
Other debtors	33,734	354
Directors' current accounts	-	587
Tax	13,910	-
Prepayments and accrued income	47,805	135,606
	<u>4,352,233</u>	<u>1,165,689</u>

## 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts	1,116,892	166,331
Hire purchase contracts (see note 11)	317,183	290,161
Trade creditors	85,291	68,195
Tax	-	2,206
Social security and other taxes	22,094	27,961
VAT	855,564	11,586
Pension Creditor	2,894	2,248
Directors' current accounts	7,365	-
Accruals and deferred income	3,933	50,120
Accrued expenses	67,634	48,975
Deferred government grants	51,429	59,179
	<u>2,530,279</u>	<u>726,962</u>

## 10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Clydesdale Loan	532,650	332,662
Clydesdale Loan	172,596	629,659
Other loans - 2-5 years	750,000	750,000
Hire purchase contracts (see note 11)	2,050,041	2,216,924
Deferred government grants	218,572	270,000
	<u>3,723,859</u>	<u>4,199,245</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2021**

**11. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	317,183	290,161
Between one and five years	<u>2,050,041</u>	<u>2,216,924</u>
	<u>2,367,224</u>	<u>2,507,085</u>
	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	14,448	13,359
Between one and five years	<u>2,564</u>	<u>7,699</u>
	<u>17,012</u>	<u>21,058</u>

**12. SECURED DEBTS**

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	971,571	1,128,652
Other loans	<u>750,000</u>	<u>750,000</u>
	<u>1,721,571</u>	<u>1,878,652</u>

The Clydesdale bank have a standard security over the property. there is also a bond and floating charges against the assets which are satisfied on 11th February 2022.

Polymer N2 Limited have a floating charge against the crane and all other assets which is satisfied on 11th February 2022.

**13. RESERVES**

	Revaluation reserve
	£
At 1 January 2021 and 31 December 2021	<u>381,506</u>

**14. CONTINGENT LIABILITIES**

The MK1500 crane capitalised under fixed assets at £2,244,181.04 under Plant & Machinery, was bought with support from government funding. If this crane is sold within 6 years from 31 March 2019 then the Scottish Ministers shall be entitled to the proceeds of the disposal, or relevant proportion of the proceeds based on the percentage of grant funding used in the connection with acquisition or improvement of the asset against the whole proceeds. This is capped at £590,785.

The SPMT capitalised under fixed assets at £1,249,597 under Plant and Machinery, was bought with support from government funding. If this crane is sold within 6 years from 14 April 2020 then the Scottish Ministers shall be entitled to the proceeds of the disposal, or relevant proportion of the proceeds based on the percentage of grant funding used in connection with the acquisition or improvement of the asset against the whole proceeds. This is capped at £360,000.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 December 2021**

**15. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 December 2021 and 31 December 2020:

	2021 £	2020 £
<b>Mr A J Fyfe</b>		
Balance outstanding at start of year	587	431
Amounts advanced	-	6,969
Amounts repaid	(7,952)	(6,813)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>(7,365)</u>	<u>587</u>

These amounts bear no interest and have no fixed repayment terms.

**16. RELATED PARTY DISCLOSURES**

The company owns 100% of the share capital in OM Heavy Lift Ltd, of which there is money owed to Oilfield Machinery Limited from OM Heavy Lift Ltd of £2,282,920 (2020: £952,968).

O M Holdings Ltd is the holding company which owns Oilfield Machinery Limited, of which there is money owed to Oilfield Machinery Limited from O M Holdings Ltd of £1,400,221 (2020: nil).

**17. POST BALANCE SHEET EVENTS**

In February 2022 this business was sold to Forth Ports Ltd along with the other connecting companies.

**18. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is O M Holdings Ltd, registered office address of:  
 1 Prince of Wales Dock  
 Edinburgh  
 Midlothian  
 Scotland  
 EH6 7DX

**CHARTERED CERTIFIED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
OILFIELD MACHINERY LIMITED (REGISTERED NUMBER: SC381803)**

**The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Oilfield Machinery Limited for the year ended 31 December 2021 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/rulebook>.

This report is made solely to the Board of Directors of Oilfield Machinery Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Oilfield Machinery Limited and state those matters that we have agreed to state to the Board of Directors of Oilfield Machinery Limited, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/factsheet163>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Oilfield Machinery Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Oilfield Machinery Limited. You consider that Oilfield Machinery Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Oilfield Machinery Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Acumen Accountants and Advisors Limited  
Unit 1, Office 1 & 8  
Blackhall Industrial Estate  
Burghmuir Circle  
Inverurie  
Aberdeenshire  
AB51 4FS

12 May 2022

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.