Registration number: 03080778

Cirque Energy (UK) Limited

Unaudited abbreviated accounts

for the year ended 31 December 2014

Cirque Energy (UK) Limited
Contents

Cirque Energy (UK) Limited
(Registration number: 03080778)
Abbreviated balance sheet at 31 December 2014

	Note	2014 £	2013 £
Fixed assets			
Intangible fixed assets	2	335,706	338,108
Tangible fixed assets	2	930	-
		336,636	338,108
Current assets			
Stock		5,216	5,960
Debtors		47,659	92,577
Cash at bank and in hand		21,802	109,200
		74,677	207,737
Creditors: amounts falling due within one year		(3,490,877)	(3,559,093)
Net current liabilities		(3,416,200)	(3,351,356)
Total assets less current liabilities		(3,079,564)	(3,013,248)
Provisions for liabilities		(177,525)	(161,386)
Net liabilities		(3,257,089)	(3,174,634)
Capital and reserves			
Called up share capital	3	100	100
Profit and loss account		(3,257,189)	(3,174,734)
Shareholders' deficit		(3,257,089)	(3,174,634)

The notes on pages 3 to 5 form an integral part of these abbreviated accounts.

For the year ended 31 December 2014 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the board on 25 September 2015 and signed on its behalf by:

....
Mr S Polowick
Director

The notes on pages 3 to 5 form an integral part of these abbreviated accounts.

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, are prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting for Oil and Gas Exploration, Development, Production and Decommissioning Activities" issued by the Oil Industry Accounting Committee incorporating and updating guidance set out in the SORP issued January 2000 and any subsequent Guidance Notes.

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement.

Going concern

The shareholders' deficit at 31 December 2014 is £(3,257,089) (2013 - £(3,174,634)). The directors are of the opinion that the company has adequate resources to continue in operational existence for the foreseeable future, being not less than one year from the approval of these financial statements. The four investing companies have undertaken to continue to give such financial support as the company requires to enable it to continue to trade in the foreseeable future. For this reason the directors have adopted a going concern basis in preparing the financial statements.

Turnover

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

Oil exploration and development costs

Oil exploration and development costs are accounted for in accordance with the full cost method. Expenditures are capitalised, to the extent that they relate directly to the cost of oil exploration and development. Where exploration expenditures so capitalised are not subsequently considered likely to result in the commercial exploitation of hydrocarbons, such expenditures are written off in full against income in the year that this view arises, following an annual review of all capitalised exploration expenditures by management.

Capitalised expenditures are classified as an intangible asset and are stated at cost less provision for impairment. The carrying value of capitalised oil exploration and development costs is assessed annually by way of ceiling tests, having regard to estimated reserves to determine whether the value is excessive. Provision is made for any permanent impairments so identified.

Capitalised expenditures are depleted on the unit-of-production method using estimated gross proven petroleum and natural gas reserves as determined by management. Costs of acquiring and evaluating unproven properties are excluded from the depletion calculation until it is determined whether or not proven reserves are attributable to the properties or impairment occurs.

Proceeds from the sale of petroleum and natural gas properties and related equipment are applied against capitalised costs with any excess being credited to the profit and loss account.

Future decommissioning costs

The company follows the recommendations of FRS 12 for the determination of future decommissioning costs. This standard requires the recognition and measurement of liabilities related to the legal obligation to abandon and reclaim property, plant and equipment incurred upon acquisition, construction, development and/or normal use of the asset. The initial liability is measured at fair value and subsequently adjusted for the unwinding of discount and changes in the fair value. Future decommissioning costs are capitalised as part of oil exploration and development costs and depleted into earnings on the unit-of-production method. Actual costs incurred upon settlement of the obligations are charged against the liability.

Site restoration

The company is obliged to restore the site to its original condition upon cessation of oil extraction and accordingly the directors have estimated the costs of removing equipment from the site and restoring the field on an undiscounted basis. The company's oil extraction licence agreement ceases on 30 March 2026 and this is the anticipated date the costs will crystallize.

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:

Asset class	Depreciation rate and method
Computer equipment	33.33% straight line

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stock. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. Deferred tax balances are discounted.

Foreign currency

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 rate of exchange prevailing at the date of the transactions. All exchange differences are taken to the profit and loss account.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

2 Fixed assets

	Intangible assets £	Tangible assets £	Total £
Cost			
At 1 January 2014	4,450,137	-	4,450,137
Additions	35,598	1,240	36,838
At 31 December 2014	4,485,735	1,240	4,486,975
Impairment and depreciation			
At 1 January 2014	4,112,029	-	4,112,029
Charge for the year	38,000	310	38,310
At 31 December 2014	4,150,029	310	4,150,339
Net book value			
At 31 December 2014	335,706	930	336,636
At 31 December 2013	338,108	-	338,108

3 Share capital

Allotted, called up and fully paid shares

	2014		2013	
	No.	£	No.	£
Ordinary shares of £ 1 each	100	100	100	100