

**DRG OFFSHORE ENGINEERING SERVICES LTD**

**Company registration number SC166205**

**FILING FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

**DRG OFFSHORE ENGINEERING SERVICES LTD**

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## DRG OFFSHORE ENGINEERING SERVICES LTD

### COMPANY INFORMATION

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<b>Directors</b>	D Ross Goldie Andrew A Goldie
<b>Company secretary</b>	D Ross Goldie
<b>Registered number</b>	SC166205
<b>Registered office</b>	25 Bothwell Street Glasgow G2 6NL
<b>Accountants</b>	Scott-Moncrieff Chartered Accountants 25 Bothwell Street Glasgow G2 6NL

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**BALANCE SHEET  
AS AT 31 MARCH 2018**

	Note		2018 £	2017 £
<b>Fixed assets</b>				
Tangible assets	5		-	71,411
			<u>-</u>	<u>71,411</u>
<b>Current assets</b>				
Debtors: amounts falling due within one year	6	12,394	148,559	
Cash at bank and in hand		5,051	20,289	
		<u>17,445</u>	<u>168,848</u>	
Creditors: amounts falling due within one year	7	(80,704)	(198,262)	
			<u>(63,259)</u>	<u>(29,414)</u>
<b>Net current liabilities</b>				
			<u>(63,259)</u>	<u>41,997</u>
<b>Total assets less current liabilities</b>				
<b>Provisions for liabilities</b>				
Deferred tax	8	-	(1,859)	
			<u>-</u>	<u>(1,859)</u>
<b>Net (liabilities)/assets</b>				
			<u><u>(63,259)</u></u>	<u><u>40,138</u></u>
<b>Capital and reserves</b>				
Called up share capital			1,000	1,000
Profit and loss account			(64,259)	39,138
			<u>(63,259)</u>	<u>40,138</u>

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 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 Section 1A 'Small Entities' of Financial Reporting Standard 102.

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

As permitted by Section 444 of the Companies Act 2006, the directors have not delivered to the Registrar a copy of the company's Profit and Loss Account for the year ended 31 March 2018.

**DRG OFFSHORE ENGINEERING SERVICES LTD**  
**REGISTERED NUMBER:SC166205**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2018**

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

**D Ross Goldie**  
Director

Date: 2 July 2018  
The notes on pages 4 to 11 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**1. General information**

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which (the majority of) the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31 March 2018.

The continuing activities of DRG Offshore Engineering Services Limited ('the company') is the provision of engineering consultancy services to the oil industry.

The company is a private company limited by shares and is incorporated in United Kingdom and registered in Scotland. Details of the registered office can be found on the company information page of these financial statements. The company's registered number is SC166205.

**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 applicable law and United Kingdom Accounting Standards including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies.

The following principal accounting policies have been applied:

**2.2 Going concern**

It is the intention of the directors to wind up the company. At 31 March 2018, the company had net liabilities of £63,259 (2017: net assets of £40,138) including £66,058 (2017: £190,665) due to the directors of the company. On this basis the accounts have not been prepared on a going concern basis, but on a wind-up basis. Trade creditors and other current liabilities will continue to be met up to the date of cessation and all leases will be terminated.

**2.3 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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2. Accounting policies (continued)

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet 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 Balance Sheet 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 balance sheet date.

2.5 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, on the following basis:.

Depreciation is provided on the following basis:

Boats	- 10% reducing balance
Boat improvements	- 10% reducing balance
Motor vehicles	- 25% on cost
Office equipment	- 25% reducing balance
Computer equipment	- 33% on cost

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 the Statement of Income and Retained Earnings.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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2. Accounting policies (continued)

2.8 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 non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

3. Employees

The average monthly number of employees, including directors, during the year was 0 (2017 - 2).

4. Taxation

	2018 £	2017 £
<b>Corporation tax</b>		
Current tax on profits for the year	(2,347)	-
Adjustments in respect of previous periods	(10,126)	-
	<u>(12,473)</u>	<u>-</u>
<b>Total current tax</b>	<u>(12,473)</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1,859)	(7,700)
<b>Total deferred tax</b>	<u>(1,859)</u>	<u>(7,700)</u>
<b>Taxation on loss on ordinary activities</b>	<u>(14,332)</u>	<u>(7,700)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

4. Taxation (continued)

Factors affecting tax charge for the year

Due to the availability of losses brought forward, and losses in the year, there will be no corporation tax charge.

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

5. Tangible fixed assets

	Plant and machinery	Motor vehicles	Fixtures and fittings	Computer equipment	Other fixed assets	Total
	£	£	£	£	£	£
At 1 April 2017	26,636	62,908	2,765	1,377	11,051	104,737
Additions	10,400	-	-	-	2,668	13,068
Disposals	(37,036)	(62,908)	(2,765)	(1,377)	(13,719)	(117,805)
At 31 March 2018	-	-	-	-	-	-
At 1 April 2017	13,318	14,817	1,737	1,377	2,077	33,326
Charge for the year on owned assets	9,259	4,809	257	-	1,787	16,112
Disposals	(22,577)	(19,626)	(1,994)	(1,377)	(3,864)	(49,438)
At 31 March 2018	-	-	-	-	-	-
<b>Net book value</b>						
At 31 March 2018	-	-	-	-	-	-
<b>At 31 March 2017</b>	<u>13,318</u>	<u>48,091</u>	<u>1,028</u>	<u>-</u>	<u>8,974</u>	<u>71,411</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

6. Debtors

	2018 £	2017 £
Other debtors	12,394	148,097
Prepayments and accrued income	-	462
	<u>12,394</u>	<u>148,559</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Corporation tax	-	94
Other taxation and social security	9,824	295
Other creditors	66,058	190,665
Accruals and deferred income	4,822	7,208
	<u>80,704</u>	<u>198,262</u>

8. Deferred taxation

	2018 £
At beginning of year	(1,859)
Charged to profit or loss	1,859
<b>At end of year</b>	<u>-</u>

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	-	(9,559)
Tax losses carried forward	-	7,700
	<u>-</u>	<u>(1,859)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

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9. Related party transactions

Included within other creditors is a balance due to D Ross Goldie, director, of £66,058 (2017: £190,665). During the year the director withdrew £2,500 (2017: £20,090) from the company, paid expenses totalling £23,416 (2017: £68,973) on behalf of the company and the company paid expenses totalling £145,523 (2017: £1,988) on behalf of the director which included the transfer of assets to the director at market value of £73,581. A salary of £nil (2017: £4,200) was credited to his account during the year. The loan is interest free and there are no fixed repayment terms.

Included within other debtors is an amount due from AdcentivMedia Communications Limited totalling £nil (2017: £66,000). D Ross Goldie is a shareholder in this company. An impairment of £66,000 was written off to the profit and loss account.

Also included in other debtors is an amount due from Adcentiv Media Retail Limited totalling £nil (2017: £82,097). D Ross Goldie is a shareholder in this company. The balance was assigned to D Ross Goldie and set against his directors loan account.