

KINGDOM DRILLING SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

KINGDOM DRILLING SERVICES LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| DIRECTORS | Peter Aird Joyce Aird |
| REGISTERED NUMBER | SC146024 |
| REGISTERED OFFICE | Pentland House Saltire Centre Glenrothes Fife KY6 2AH |
| ACCOUNTANTS | EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH |

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

| | | 2019 £ | 2018 £ |
|--|---|-----------------------|-----------------------|
| FIXED ASSETS | | | |
| Tangible assets | 4 | 5,517 | 7,032 |
| Investments | 5 | 249,827 | 257,249 |
| | | <u>255,344</u> | <u>264,281</u> |
| CURRENT ASSETS | | | |
| Debtors: amounts falling due within one year | 6 | 5,829 | 7,842 |
| Cash at bank and in hand | | 8,587 | 10,197 |
| | | <u>14,416</u> | <u>18,039</u> |
| Creditors: amounts falling due within one year | 7 | (74,836) | (16,190) |
| | | <u>(60,420)</u> | <u>1,849</u> |
| NET CURRENT (LIABILITIES)/ASSETS | | | |
| | | <u>194,924</u> | <u>266,130</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | |
| PROVISIONS FOR LIABILITIES | | | |
| Deferred tax | | (1,047) | (1,335) |
| | | <u>(1,047)</u> | <u>(1,335)</u> |
| NET ASSETS | | | |
| | | <u><u>193,877</u></u> | <u><u>264,795</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 8 | 300 | 300 |
| Share premium account | | 4,900 | 4,900 |
| Profit and loss account | | 188,677 | 259,595 |
| | | <u><u>193,877</u></u> | <u><u>264,795</u></u> |

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2019

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 FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

Peter Aird
Director

Date: 4 August 2019

The notes on pages 3 to 7 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. GENERAL INFORMATION

Kingdom Drilling Services Limited is a private company, limited by shares and incorporated in Scotland, registration number SC146024. The registered office address is Pentland House, Saltire Centre, Glenrothes, Fife, KY6 2AH.

The business address is 8 Berryhill, Finglassie, Glenrothes, Fife, KY7 4TQ.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. ACCOUNTING POLICIES (continued)

2.3 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 a reducing balance basis.

Depreciation is provided on the following basis:

| | | |
|-----------------------|---|----------------------|
| Fixtures and fittings | - | 20% reducing balance |
| Office equipment | - | 33% reducing balance |

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.

2.4 VALUATION OF INVESTMENTS

Investments held as fixed assets are shown at cost less provision for impairment. Profit and losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

2.5 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.

2.6 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. ACCOUNTING POLICIES (continued)

2.7 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 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 income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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 reporting date.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 2 (2018 - 3).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

4. TANGIBLE FIXED ASSETS

| | Fixtures and fittings £ | Office equipment £ | Total £ |
|-------------------------------------|-------------------------------|--------------------------|------------|
| COST OR VALUATION | | | |
| At 1 April 2018 | 17,752 | 7,196 | 24,948 |
| At 31 March 2019 | 17,752 | 7,196 | 24,948 |
| DEPRECIATION | | | |
| At 1 April 2018 | 11,552 | 6,364 | 17,916 |
| Charge for the year on owned assets | 1,240 | 275 | 1,515 |
| At 31 March 2019 | 12,792 | 6,639 | 19,431 |
| NET BOOK VALUE | | | |
| At 31 March 2019 | 4,960 | 557 | 5,517 |
| <i>At 31 March 2018</i> | 6,200 | 832 | 7,032 |

5. FIXED ASSET INVESTMENTS

| | Unlisted investments £ |
|--------------------------|------------------------------|
| COST OR VALUATION | |
| At 1 April 2018 | 257,249 |
| Additions | 15,432 |
| Disposals | (22,854) |
| At 31 March 2019 | 249,827 |

6. DEBTORS

| | 2019 £ | 2018 £ |
|--------------------------------|-----------|-----------|
| Other debtors | 329 | 842 |
| Prepayments and accrued income | 5,500 | 7,000 |
| | 5,829 | 7,842 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

7. CREDITORS: Amounts falling due within one year

| | 2019 £ | 2018 £ |
|------------------------------|---------------|---------------|
| Taxation and social security | 7,351 | 11,170 |
| Other creditors | 62,248 | 650 |
| Accruals and deferred income | 5,237 | 4,370 |
| | <u>74,836</u> | <u>16,190</u> |

8. SHARE CAPITAL

| | 2019 £ | 2018 £ |
|---|------------|------------|
| Allotted, called up and fully paid | | |
| 100 Ordinary A shares of £1.00 each | 100 | 100 |
| 100 Ordinary B shares of £1.00 each | 100 | 100 |
| 50 Ordinary C shares of £1.00 each | 50 | 50 |
| 50 Ordinary D shares of £1.00 each | 50 | 50 |
| | <u>300</u> | <u>300</u> |

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