Company Registration No. SC205751 (Scotland)

OSPREY3 LTD

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

PAGES FOR FILING WITH REGISTRAR

OSPREY3 LTD

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OSPREY3 LTD

BALANCE SHEET

AS AT 30 JUNE 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible assets	3		993,171		1,018,299
Current assets					
Stocks		1,139,957		1,042,926	
Debtors	4	4,748,337		4,184,586	
Cash at bank and in hand		1,725,610		1,181,824	
		7,613,904		6,409,336	
Creditors: amounts falling due within one year	5	(1,316,096)		(1,501,316)	
Net current assets			6,297,808		4,908,020
Total assets less current liabilities			7,290,979		5,926,319
Provisions for liabilities			(164,046)		(162,340)
Net assets			7,126,933		5,763,979
Capital and reserves					
Called up share capital	6		100		100
Profit and loss reserves			7,126,833		5,763,879
Total equity			7,126,933		5,763,979

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

OSPREY3 LTD

BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2019

For the financial year ended 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 8 November 2019 and are signed on its behalf by:

L Hepburn
Director

Company Registration No. SC205751

1 Accounting policies

Company information

Osprey3 LTD is a private company limited by shares incorporated in Scotland. The registered office is and the business address is Kintore Business Park, Kintore, Aberdeenshire, AB51 0YQ.

1.1 Accounting convention

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 a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable for the manufacture and sale of oilfield filtration equipment and filters and the rental of filtration equipment to the oil and gas industry, net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Revenue from the rental of equipment is recognised by reference to the period of rental on the accruals basis.

1.3 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	- 20% straight line
Plant and machinery	- 10% reducing balance
Fixtures, fittings & equipment	- 20% reducing balance
Motor vehicles	- 25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the profit and loss account.

1 Accounting policies **(Continued)**

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and comprise deposits held at call with banks.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs. Financial assets are assessed for indicators of impairment at each reporting end date. Any impairment loss is recognised in the profit and loss account.

1 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies are recognised at transaction price.

Derecognition of financial liabilities

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

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 22 (2018 - 23).

3 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2018	86,385	1,928,803	2,015,188
Additions	5,127	165,959	171,086
Disposals	-	(116,827)	(116,827)
At 30 June 2019	91,512	1,977,935	2,069,447
Depreciation and impairment			
At 1 July 2018	86,385	910,504	996,889
Depreciation charged in the year	256	150,558	150,814
Eliminated in respect of disposals	-	(71,427)	(71,427)
At 30 June 2019	86,641	989,635	1,076,276
Carrying amount			
At 30 June 2019	4,871	988,300	993,171
At 30 June 2018	-	1,018,299	1,018,299

4 Debtors

	2019	2018
Amounts falling due within one year:	**£**	**£**
Trade debtors	1,616,131	1,045,211
Corporation tax recoverable	562,205	562,205
Other debtors	2,570,001	2,577,170
	4,748,337	4,184,586

5 Creditors: amounts falling due within one year

	Notes	2019	2018
		£	£
Trade creditors		83,861	135,040
Amounts owed to group undertakings		733,997	781,769
Corporation tax		223,358	91,574
Other taxation and social security		148,146	19,653
Deferred income		-	249,828
Other creditors		34,249	127,070
Accruals and deferred income		92,485	96,382
		1,316,096	1,501,316

6 Called up share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

7 Related party transactions

The company has taken advantage of the exemption with FRS 102 Section 33 paragraph 33.1A, not to disclose transactions entered into between two or more members of the group, as the company is a wholly owned subsidiary of the group to which it is party to the transactions.

8 Directors' transactions

Interest free loans have been granted by the company to its directors as follows:

Description	% Rate	Opening balance	Amounts advanced	Closing balance
		£	£	£
A Clark - Loan	-	1,060,821	140,268	1,201,089
L Hepburn - Loan	-	962,522	120,072	1,082,594
		2,023,343	260,340	2,283,683

No interest is charged on these balances and there are no fixed terms of repayment.

9 Parent company

The parent and ultimate parent company is Abenco Limited. The registered office is Strathdeveron House, Steven Road, Huntly, AB54 8SX.

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.