

Unaudited Financial Statements

for the Year Ended 31 July 2019

for

Downhole Energy Ltd

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for the Year Ended 31 July 2019

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Downhole Energy Ltd
Company Information
for the Year Ended 31 July 2019

DIRECTOR: J A Lindsay

REGISTERED OFFICE: The Smiddy
198 High Street
KINROSS
KY13 8DE

REGISTERED NUMBER: SC403021 (Scotland)

ACCOUNTANTS: T B Dunn & Co
308 Albert Drive
Pollokshields
GLASGOW
G41 5RS

Downhole Energy Ltd (Registered number: SC403021)

Balance Sheet
31 July 2019

	Notes	2019 £	£	2018 £	£
FIXED ASSETS					
Tangible assets	4		80,190		31
CURRENT ASSETS					
Debtors	5	6,032		980	
Cash at bank		<u>16,619</u>		<u>20,792</u>	
		22,651		21,772	
CREDITORS					
Amounts falling due within one year	6	<u>10,445</u>		<u>5,489</u>	
NET CURRENT ASSETS			<u>12,206</u>		<u>16,283</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			92,396		16,314
PROVISIONS FOR LIABILITIES			(6)		(6)
ACCRUALS AND DEFERRED INCOME			<u>(66,500)</u>		-
NET ASSETS			<u>25,890</u>		<u>16,308</u>
CAPITAL AND RESERVES					
Called up share capital	7		10		10
Retained earnings			<u>25,880</u>		<u>16,298</u>
SHAREHOLDERS' FUNDS			<u>25,890</u>		<u>16,308</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2019 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and 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.
- (b)

The notes form part of these financial statements

Downhole Energy Ltd (Registered number: SC403021)

Balance Sheet - continued
31 July 2019

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 director on 17 February 2020 and were signed by:

J A Lindsay - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 July 2019

1. STATUTORY INFORMATION

Downhole Energy Ltd 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Computer equipment	- 25% on cost

Government grants

The company has received a government grant to fund the acquisition of certain assets required for a specific research project. There are certain circumstances which could require the repayment of these funds in whole or in part. The funds received have been deferred and will be released to the company's profit and loss in line with the amortisation of the underlying assets.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2019

2. ACCOUNTING POLICIES - continued

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash and deposits with financial institutions repayable without penalty on notice of not more than twenty four 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.

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 1 (2018 - 1) .

4. TANGIBLE FIXED ASSETS

	Freehold property £	Computer equipment £	Totals £
COST			
At 1 August 2018	-	7,089	7,089
Additions	80,190	-	80,190
At 31 July 2019	<u>80,190</u>	<u>7,089</u>	<u>87,279</u>
DEPRECIATION			
At 1 August 2018	-	7,058	7,058
Charge for year	-	31	31
At 31 July 2019	<u>-</u>	<u>7,089</u>	<u>7,089</u>
NET BOOK VALUE			
At 31 July 2019	<u>80,190</u>	<u>-</u>	<u>80,190</u>
At 31 July 2018	<u>-</u>	<u>31</u>	<u>31</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Tax	-	840
VAT	<u>6,032</u>	<u>140</u>
	<u>6,032</u>	<u>980</u>

Downhole Energy Ltd (Registered number: SC403021)

Notes to the Financial Statements - continued
for the Year Ended 31 July 2019

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Tax	1,674	-
Social security and other taxes	59	59
Other creditors	984	984
Directors' loan accounts	3,763	591
Accrued expenses	3,965	3,855
	<u>10,445</u>	<u>5,489</u>

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
10	Ordinary	£1	<u>10</u>	<u>10</u>

Chartered Accountants' Report to the Director
on the Unaudited Financial Statements of
Downhole Energy Ltd

The following reproduces the text of the report prepared for the director 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 Director 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 Downhole Energy Ltd for the year ended 31 July 2019 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 ICAS, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the director of Downhole Energy Ltd in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Downhole Energy Ltd and state those matters that we have agreed to state to the director of Downhole Energy Ltd in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its director for our work or for this report.

It is your duty to ensure that Downhole Energy Ltd 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 Downhole Energy Ltd. You consider that Downhole Energy Ltd 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 Downhole Energy Ltd. 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.

T B Dunn & Co
308 Albert Drive
Pollokshields
GLASGOW
G41 5RS

17 February 2020

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.