Company Registration No. SC560913 (Scotland)

GEOFORCE TECHNICAL SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

PAGES FOR FILING WITH REGISTRAR

GEOFORCE TECHNICAL SERVICES LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 9

GEOFORCE TECHNICAL SERVICES LIMITED

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**3**		709,461		761,244
Current assets					
Stocks		121,821		92,172	
Debtors	**4**	446,392		447,638	
Cash at bank and in hand		922,686		380,759	
		1,490,899		920,569	
Creditors: amounts falling due within one year	**5**	(305,093)		(240,937)	
Net current assets			1,185,806		679,632
Total assets less current liabilities			1,895,267		1,440,876
Creditors: amounts falling due after more than one year	**6**		(17,640)		(31,407)
Provisions for liabilities	**9**		(85,303)		(82,816)
Net assets			1,792,324		1,326,653
Capital and reserves					
Called up share capital	**10**		10,000		10,000
Profit and loss reserves	**11**		1,782,324		1,316,653
Total equity			1,792,324		1,326,653

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

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 29 March 2023 and are signed on its behalf by:

K Hunter
Director

Company Registration No. SC560913

1 Accounting policies

Company information

Geoforce Technical Services Limited is a private company limited by shares incorporated in Scotland and domiciled in England. The registered office is C/O Oceanscan Limited, Denmore Road, Aberdeen, United Kingdom, AB23 8JW. The entity's principal place of business is Beccles, England.

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 amounts 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 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of services and rental of goods is recognised in the period in which the services are provided.

1.4 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 or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10 years
Fixtures and fittings	2 - 10 years
Motor vehicles	3 years

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 profit or loss.

1.5 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price. 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand and at bank.

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 balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

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 initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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.

1 Accounting policies **(Continued)**

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.

1.11 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the term of the relevant lease .

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 in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	5	4

3 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 July 2021	1,048,737	11,762	60,490	1,120,989
Additions	74,972	463	-	75,435
At 30 June 2022	1,123,709	12,225	60,490	1,196,424
Depreciation and impairment				
At 1 July 2021	342,420	7,705	9,620	359,745
Depreciation charged in the year	107,982	2,096	17,140	127,218
At 30 June 2022	450,402	9,801	26,760	486,963
Carrying amount				
At 30 June 2022	673,307	2,424	33,730	709,461
At 30 June 2021	706,317	4,057	50,870	761,244

Some motor vehicles are acquired under hire purchase finance agreements. The depreciation charge for the year ended 30 June 2022 was £16,530 (2021: £16,530) with a closing net book value of £33,060 (2021: £49,590).

4 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	194,689	343,547
Corporation tax recoverable	-	2,219
Prepayments and accrued income	243,531	101,872
Other debtors	8,172	-
	446,392	447,638

5 Creditors: amounts falling due within one year

	2022	2021
	£	£
Obligations under finance leases	14,957	15,703
Trade creditors	12,786	81,263
Amounts due to parent company	-	92,380
Corporation tax	167,358	-
Other taxation and social security	11,345	11,544
Other creditors	1,675	669
Accruals and deferred income	96,972	39,378
	305,093	240,937

The obligations under finance leases are secured against the motor vehicles to which they relate.

Amounts due to parent company are interest free and repayable on demand.

6 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Obligations under finance leases	17,640	31,407

The obligations under finance leases are secured against the motor vehicles to which they relate.

7 Finance lease obligations

	2022	2021
Future minimum lease payments due under finance leases:	£	£
Within one year	14,957	15,703
In two to five years	17,640	31,407
	32,597	47,110

Finance lease payments represent rentals payable by the company for some motor vehicles. The leases are secured on the assets to which they relate. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

8 Provisions for liabilities

		2022	2021
		£	£
Deferred tax liabilities	9	85,303	82,816

9 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2022	Liabilities 2021
Balances:	**£**	**£**
Accelerated capital allowances	85,303	82,816

	2022
Movements in the year:	**£**
Liability at 1 July 2021	82,816
Charge to profit or loss	2,487
Liability at 30 June 2022	85,303

10 Called up share capital

	2022	2021
	£	**£**
Ordinary share capital		
Issued and fully paid		
10,000 Ordinary Shares of £1 each	10,000	10,000
	10,000	10,000

11 Profit and loss reserves

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Wilson and the auditor was Johnston Carmichael LLP.

13 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2021
	£	£
	172,458	162,504

14 Related party transactions

At the year end, the company had an outstanding balance of £nil (2021: £92,380) due to its parent company, Oceanscan Limited. This balance represents recharges in relation to costs incurred by the parent company.

15 Parent company

The company is controlled by Oceanscan Limited who owns 85% of the issued ordinary share capital. Oceanscan Holdings Limited is the company's ultimate parent company and the consolidated financial statements of Oceanscan Holdings Limited are available from the Company's registered office: Denmore Road, Bridge of Don, Aberdeen, AB23 8JW.

The Directors regard Kenneth S. Hunter as the ultimate controlling party by virtue of his 100% interest in the ordinary share capital of Oceanscan Holdings Limited.

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.