

REGISTERED NUMBER: 07176384 (England and Wales)

Financial Statements
for the Year Ended 31 March 2019
for
Isotek Oil And Gas Limited

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for the Year Ended 31 March 2019

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**Company Information
for the Year Ended 31 March 2019**

DIRECTORS:

Doctor M A P Armstrong
Doctor T M Barton
R A Boggs
Dr G R Firth
Mrs T H Fripp
S Z Fripp
J D Rhodes
Professor J D Rhodes
Mrs B M Rhodes

SECRETARY:

C E Schofield

REGISTERED OFFICE:

Unit 9, Clayton Wood Bank
West Park Ring Road
Leeds
West Yorkshire
LS16 6QZ

REGISTERED NUMBER:

07176384 (England and Wales)

AUDITORS:

Lindley Adams Limited Chartered Accountants
Statutory Auditor
28 Prescott Street
Halifax
West Yorkshire
HX1 2LG

Balance Sheet
31 March 2019

	Notes	31.3.19 £	£	31.3.18 £	£
FIXED ASSETS					
Intangible assets	4		139,213		159,883
Tangible assets	5		19,969		30,754
Investments	6		-		258,454
			<u>159,182</u>		<u>449,091</u>
CURRENT ASSETS					
Stocks		17,487		83,804	
Debtors	7	1,487,215		1,402,420	
Investments	8	-		70,860	
Cash at bank and in hand		<u>676,776</u>		<u>374,596</u>	
		<u>2,181,478</u>		<u>1,931,680</u>	
CREDITORS					
Amounts falling due within one year	9	<u>638,105</u>		<u>564,738</u>	
NET CURRENT ASSETS			<u>1,543,373</u>		<u>1,366,942</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,702,555</u>		<u>1,816,033</u>
PROVISIONS FOR LIABILITIES			<u>3,794</u>		<u>35,523</u>
NET ASSETS			<u>1,698,761</u>		<u>1,780,510</u>
CAPITAL AND RESERVES					
Called up share capital			93		93
Revaluation reserve	11		-		16,840
Retained earnings			<u>1,698,668</u>		<u>1,763,577</u>
			<u>1,698,761</u>		<u>1,780,510</u>

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 Board of Directors on 7 February 2020 and were signed on its behalf by:

S Z Fripp - Director

**Notes to the Financial Statements
for the Year Ended 31 March 2019**

1. STATUTORY INFORMATION

Isotek Oil And Gas Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements are presented in £ sterling and rounded to the nearest £.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

Computer software is being amortised evenly over its estimated useful life of three years.

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Patent costs and the attributable development costs are recognised as intangible assets when feasibility has been established. These are measured initially at cost and amortised to the profit and loss account over the estimated useful economic life. The company has committed technical, financial and other resources to complete the development and it is probable that the asset will generate probable future economic benefits. The development costs capitalised include the cost of materials and direct labour costs incurred up to the date the asset is available for use.

Tangible fixed assets

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

Plant and machinery	- Straight line over 5 years
Fixtures and fittings	- Straight line over 7 years
Computer equipment	- Straight line over 3 years

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss.

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

2. ACCOUNTING POLICIES - continued

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Fixed asset investments

Investments in joint ventures are measured under the cost model, at cost less impairment.

Leasing

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Current asset investments

Investment in listed shares are measured at fair value, with changes recognised in profit or loss.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 19 (2018 - 19).

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

4.	INTANGIBLE FIXED ASSETS				Other intangible assets £
	COST				
	At 1 April 2018 and 31 March 2019				<u>193,830</u>
	AMORTISATION				
	At 1 April 2018				33,947
	Charge for year				<u>20,670</u>
	At 31 March 2019				<u>54,617</u>
	NET BOOK VALUE				
	At 31 March 2019				<u>139,213</u>
	At 31 March 2018				<u>159,883</u>
5.	TANGIBLE FIXED ASSETS				
		Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
	COST				
	At 1 April 2018 and 31 March 2019	<u>27,067</u>	<u>12,366</u>	<u>57,174</u>	<u>96,607</u>
	DEPRECIATION				
	At 1 April 2018	13,410	5,062	47,381	65,853
	Charge for year	<u>4,014</u>	<u>1,776</u>	<u>4,995</u>	<u>10,785</u>
	At 31 March 2019	<u>17,424</u>	<u>6,838</u>	<u>52,376</u>	<u>76,638</u>
	NET BOOK VALUE				
	At 31 March 2019	<u>9,643</u>	<u>5,528</u>	<u>4,798</u>	<u>19,969</u>
	At 31 March 2018	<u>13,657</u>	<u>7,304</u>	<u>9,793</u>	<u>30,754</u>
6.	FIXED ASSET INVESTMENTS				Unlisted investments £
	COST				
	At 1 April 2018				258,454
	Additions				154,539
	Disposals				<u>(412,993)</u>
	At 31 March 2019				-
	NET BOOK VALUE				
	At 31 March 2019				-
	At 31 March 2018				<u>258,454</u>

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

7.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.19	31.3.18
		£	£
	Trade debtors	270,672	343,960
	Other debtors	999,243	876,930
	Tax recoverable	150,580	92,907
	VAT	5,377	22,092
	Prepayments	61,343	66,531
		<u>1,487,215</u>	<u>1,402,420</u>
8.	CURRENT ASSET INVESTMENTS		
	Listed Investments		
		31.03.19	31.03.18
	FAIR VALUE	£	£
	At 1 April	70,860	78,889
	Gain / (Loss) on financial asset	88,823	(8,029)
	Disposal	(159,683)	0
	At 31 March	<u>0</u>	<u>70,860</u>
9.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	31.3.19	31.3.18
		£	£
	Trade creditors	83,403	129,032
	Overseas tax due	9,478	2,607
	Other creditors	2,403	24,914
	Accrued expenses	542,821	408,185
		<u>638,105</u>	<u>564,738</u>
10.	LEASING AGREEMENTS		
	Minimum lease payments under non-cancellable operating leases fall due as follows:		
		31.3.19	31.3.18
		£	£
	Within one year	76,915	77,399
	Between one and five years	114,658	191,573
		<u>191,573</u>	<u>268,972</u>
11.	RESERVES		Revaluation reserve
			£
	At 1 April 2018		16,840
	Transfer to retained earnings		<u>(16,840)</u>
	At 31 March 2019		<u>-</u>

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was qualified on the following basis:

Basis for Qualified opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion. In the prior year the company's investment in 4C Solutions AS, a foreign joint venture is shown at a cost of £258,454 on the balance sheet. The realisation of this investment during the year to 31st March 2019 has confirmed that this asset had no value at 31st March 2018. Included in Debtors is a £835,009 loan due to the company from Isotek Microwave Limited, a company under common control. There is no provision against the loan in these accounts. In our opinion, recoverability of this loan is doubtful and a provision is needed against all of the loan value.

David Adams FCA (Senior Statutory Auditor)
for and on behalf of Lindley Adams Limited Chartered Accountants

13. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for the directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the balance sheet date there were no unpaid contributions due to the fund (2018: £25,025).

14. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £191,573 (2018 - £586,848).

15. RELATED PARTY DISCLOSURES

Professor J D Rhodes and his immediate family hold 61% of the issued ordinary shares in Isotek Microwave Limited and 55% of the issued ordinary shares in this company.

Included in debtors is a loan to Isotek Microwave Limited amounting to £835,009 (2018: 698,860) with an interest rate of 3.5%. In addition to this, during the year the company recharged £28,860 in respect of management charges to Isotek Microwave Limited. Also, £15,000 was recharged for the costs of a building sub-let to Isotek Microwave Limited by the company.

16. POST BALANCE SHEET EVENTS

The directors are unable to confirm that the company has sufficient resources to function for a 12 month period following the signing of these accounts due to continuing losses and consequently are looking at the possibility of a sale of the company.

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.