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Registration number: 07848743

DRILLSCENE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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DRILLSCENE LIMITED

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DRILLSCENE LIMITED

COMPANY INFORMATION

Directors

D C Farley
A J Sperrin

**Company
secretary**

J Naish

Registered office

12 Blacks Road
Hammersmith
London
W6 9EU

**Independent
Auditor**

Harmer Slater Limited
Statutory Auditor
Salatin House
19 Cedar Road
Sutton
Surrey
SM2 5DA

DRILLSCENE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report on the affairs of Drillscene Limited, together with the financial statements and the independent auditor's report for the year ended 31 March 2018.

Principal activity

The principal activity of the company is that of property investment.

Directors of the company

The directors who served throughout the year and up to date of authorisation of this report were as follows:

D C Farley

A J Sperrin

Going concern

The company has no significant financial commitments or funding requirements in the foreseeable future. Following a review of the company's available resources from the company's group, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Events after the financial period

There have been no significant events between the year end and the date of approval of these financial statements which would require a change to, or disclosure in, the financial statements.

Statement of disclosure to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information (as defined by section 418 of the Companies Act 2006) and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

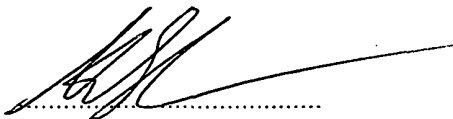
Reappointment of auditors

The auditors Harmer Slater Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies provision statement

The directors have taken advantage of the small companies exemptions provided by sections 414B and 415A of the Companies Act 2006 from the requirement to prepare a strategic report and in preparing the directors' report on the grounds that the company qualifies as a small company but for being a member of an ineligible group.

The directors' report was approved by the Board on 18 July 2018 and signed on its behalf by:



A J Sperrin
Director

DRILLSCENE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DRILLSCENE LIMITED

Opinion

We have audited the financial statements of Drillscene Limited (the 'company') for the year ended 31 March 2018, which comprise the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 Auditor's 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 opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DRILLSCENE LIMITED (CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 3], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

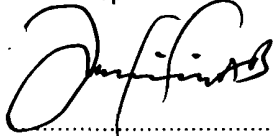
INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DRILLSCENE LIMITED (CONTINUED)

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
 - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Ransford Agyei-Boamah (Senior Statutory Auditor)
For and on behalf of Harmer Slater Limited
Statutory Auditor
Salatin House
19 Cedar Road
Sutton
Surrey
SM2 5DA

18 July 2018

DRILLSCENE LIMITED

INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Net valuation losses on investment properties		-	(49,999)
Loss before tax		-	(49,999)
Taxation	5	-	-
Loss for the financial year		-	(49,999)

Continuing operations

All results are derived wholly from continuing operations.

DRILLSCENE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2018**

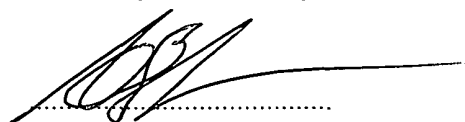
	2018	2017
	£	£
Loss for the year	-	(49,999)
Total comprehensive loss for the year	-	(49,999)

DRILLSCENE LIMITED

(REGISTRATION NUMBER: 07848743)
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2018

	Note	2018 £	2017 £
Non-current assets			
Investment properties	6	1	1
Payables: Amounts falling due within one year	7	<u>(29,999)</u>	<u>(29,999)</u>
Net liabilities		<u>(29,998)</u>	<u>(29,998)</u>
Equity			
Called up share capital	8	1	1
Other reserves	8	<u>(29,999)</u>	<u>(29,999)</u>
Total equity		<u>(29,998)</u>	<u>(29,998)</u>

The financial statements of Drillscene Limited were approved and authorised for issue by the Board on 18 July 2018 and signed on its behalf by:



A J Sperrin
Director

DRILLSCENE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital £	Other reserves £	Retained earnings £	Total £
At 1 April 2017	1	(29,999)	-	(29,998)
At 31 March 2018	1	(29,999)	-	(29,998)

	Share capital £	Other reserves £	Retained earnings £	Total £
At 1 April 2016	1	20,000	-	20,001
Loss for the year	-	-	(49,999)	(49,999)
Total comprehensive income	-	-	(49,999)	(49,999)
Transfers	-	(49,999)	49,999	-
At 31 March 2017	1	(29,999)	-	(29,998)

Retained earnings

The retained earnings represent cumulative profit or losses net of dividends paid and other adjustments.

Other reserves

The other reserve represents non-distributable reserves arising on the revaluation of investment properties.

DRILLSCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 GENERAL INFORMATION

Drillscene Limited (the 'company') is a private company limited by share capital incorporated in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 2.

2 ACCOUNTING POLICIES

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

Going concern

The directors have considered financial projections for the company over the foreseeable future and have also reviewed the ongoing committed financial support from the company's parent undertaking and are confident that this will be available for the foreseeable future. After making enquiries, the directors are satisfied that the company has sufficient resources to continue in operation for the foreseeable future, being at least 12 months from the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Statement of compliance

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' issued by the Financial Reporting Council and in accordance with the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of the company is considered to be pounds sterling (£) because that is the currency of the primary economic environment in which the company operates. The financial statements are presented in pound sterling (£).

Summary of disclosure exemptions

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The company is consolidated in the financial statements of its parent, Pineapple Corporation Plc, which may be obtained from 12 Blacks Road, Hammersmith, London, W6 9EU. Exemptions have been taken in these separate company financial statements in relation to financial instruments, presentation of a cash flow statement, transactions with group entities and remuneration of key management personnel.

DRILLSCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

Judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

Valuation of investment properties

The property portfolio was revalued at the year end to fair value on the basis of market value. Market value represents the figure that would appear in a hypothetical contract of sale between a willing buyer and a willing seller. Market value is estimated without regard to costs of sale. Property valuation is inherently subjective and contains a number of assumptions upon which the directors have based their valuation of the company's properties. The assumptions on which the valuation have been based include, but are not limited to, matters such as recent comparable market transactions on arm's length terms, the tenure and tenancy details for the properties, ground conditions at the properties and the structural condition of the properties. Any variation in the valuations would have a material effect on the profit after tax and the net asset value of the company. The carrying amount at the year end is £1 (2017 -£1)

Taxation

The company is a member of a UK Group Real Estate Investment Trust (GREIT). Consequently, the company no longer pays UK corporation tax on profits and gains from qualifying rental business provided it meets certain conditions. Non-qualifying profits and gains of the company continue to be subject to corporation tax as normal.

Deferred tax is not provided on timing differences arising from revaluation of investment properties as any gains realised would be exempt from taxation as long as the REIT conditions are met.

Investment property

Investment properties are properties owned by the company which are held for long-term rental income or for capital appreciation or both and are included in non-current assets at their latest valuation plus subsequent additions at cost. Surpluses and deficits arising on valuation are taken directly to the Income Statement.

The group property portfolio (which includes the company's investment properties) is valued annually. At least 25 per cent of the properties held at the previous year end together with any additions during the year are valued by an external valuation agent and the remainder by the directors so that within every four year period all properties would have been subject to an external valuation.

DRILLSCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

Payables

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 DIRECTORS' REMUNERATION

The directors did not receive any remuneration for services to the company during the year or preceding year. They are remunerated by other group companies.

4 AUDITORS' REMUNERATION

The auditor's remuneration for the year ended 31 March 2018 was borne by Pineapple Corporation Plc, the company's parent undertaking.

5 TAXATION

	2018 £	2017 £
UK corporation tax	-	-
Factors affecting tax charge for the year:		
	2018 £	2017 £
Loss before tax	-	(49,999)
Corporation tax at standard rate of 19% (2017 - 20%)	-	(10,000)
Effect of losses exempt from taxation	-	10,000
	-	-

DRILLSCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

6 INVESTMENT PROPERTIES

	Investment properties £
Valuation	
At 1 April 2017	<u>1</u>
At 31 March 2018	<u>1</u>
Carrying amount	
At 31 March 2018	<u><u>1</u></u>
At 31 March 2017	<u><u>1</u></u>

The company's investment properties were valued by the directors, with assistance from Willmotts Chartered Surveyors, qualified valuers, at 31 March 2018 on the basis of market value. Market value represents the figure that would appear in a hypothetical contract of sale between a willing buyer and a willing seller. Market value is estimated without regards to costs of sale.

The historical cost of these investment properties at 31 March 2018 is £30,000 (2017: £30,000).

7 PAYABLES

	2018 £	2017 £
Due within one year		
Amounts owed to parent undertaking	<u>29,999</u>	<u>29,999</u>

DRILLSCENE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018 (CONTINUED)

8 SHARE CAPITAL AND RESERVES

Allotted, called up and fully paid shares

	No.	2018 £	No.	2017 £
Ordinary share of £1	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

The company has one class of share capital which carries no right to fixed income.

Reserves

A description of each reserve within equity is disclosed on Page 10.

9 RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary member of its group and has therefore taken advantage of the provisions of Section 33. 1A of FRS 102 the "The Financial Reporting Standard applicable in the UK and Republic of Ireland" not to disclose transactions with entities that are wholly owned members of the group.

There were no other related party transactions to disclose.

10 PARENT AND ULTIMATE PARENT UNDERTAKING

The company's immediate and ultimate parent undertaking is Pineapple Corporation Plc; registered in England and Wales. The address of its registered office is 12 Blacks Road, Hammersmith, London W6 9EU.

The largest and smallest parent entity producing publicly available financial statements is Pineapple Corporation Plc. These financial statements are available on request from Pineapple Corporation Plc at 12 Blacks Road, Hammersmith, London W6 9EU.

11 EVENTS AFTER THE FINANCIAL PERIOD

There have been no significant events between the year end and the date of approval of these financial statements which would require a change to, or disclosure in, the financial statements.