Registered number: 03646098

Duke Oil Services (UK) Limited

Annual Financial Statements
for the year ended

31 December 2020

CONTENTS

DIRECTORS AND ADVISERS

Directors	M K Kyari	
	U I Ajya	appointed on 8 April 2020
	U Aminu	appointed on 8 April 2020
	L Ndupu	appointed on 8 April 2020
	L Sade	appointed on 8 April 2020
	M K Suleiman	appointed on 8 April 2020
	A Tombomieye	appointed on 8 April 2020
	P A Ikoko	appointed on 8 October 2020
Secretary	A S Adegun	
Registered office	Capitol House 159 Hammersmith Road London W6 8BS	
Auditor	Nexia Smith & Williamson Chartered Accountants 25 Moorgate London EC2R 6AY	
Solicitors	Curtis, Mallet-Prevost, Colt and Mosle LLP 99 Gresham Street, London EC 2V 7NG	

Duke Oil Services (UK) Limited
DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31 December 2020.

General information

Duke Oil Services (UK) Limited is a limited liability company incorporated and domiciled in the UK. The Company's registered number is 03646098.

Results and dividends

The profit for the year, after taxation, amounted to £247,649 (2019: £94,087).

No dividends were paid or proposed during the year (2019: £Nil).

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

M K Kyari	
I Waya	resigned on 8 April 2020
I Abdulrazaq	resigned on 8 April 2020
M K Baru	resigned on 8 April 2020
U A Musa	resigned on 8 April 2020
H I Obih	resigned on 8 April 2020
U I Ajya	appointed on 8 April 2020
U Aminu	appointed on 8 April 2020; resigned on 17 May 2021
L Ndupu	appointed on 8 April 2020
L Sade	appointed on 8 April 2020
M K Suleiman	appointed on 8 April 2020
A Tombomieye	appointed on 8 April 2020
P A Ikoko	appointed on 8 October 2020

Future developments

The directors confirm that there have been no significant changes to the Company's operations or business, and the company will therefore continue as a service organisation to DOCI, a fellow group company.

Financial risk management

Details of the Company's financial instruments and its policies with regard to financial risk management are given in note 16 to the financial statements.

Subsequent events

There are no subsequent events to report.

Disclosure of information to the auditor

In the case of each person who was a director at the time this report was approved:

- so far as that director was aware there was no relevant audit information of which the Company's auditor was unaware; and
- that director had taken all steps that the director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor was aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

A resolution to re-appoint the auditor, Nexia Smith & Williamson, will be proposed at the next Annual General Meeting.

This report has been prepared in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the board of directors and signed on behalf of the board

L Sade

Lawal
Lawal (Jul 28, 2021 07:48 GMT)

Registered number: 03646098 England and Wales

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006. 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs in conformity with the requirements of the Companies Act 2006 have 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 to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUKE OIL SERVICES (UK) LIMITED

Opinion

We have audited the financial statements of Duke Oil Services (UK) Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the 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 International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006

In our opinion, the financial statements:

· give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
· have been properly prepared in accordance with IFRSs in conformity with the requirements of the Companies Act 2006; 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Emphasis of matter

We draw attention to note 2 of the financial statements, which describes the impact of a letter of support upon the company's ability to continue trading as a going concern. Currently, to continue to trade, the Company is reliant upon the continued operational and financial assistance of a fellow group company, and an unconditional letter of support has been provided confirming this assistance for the foreseeable future, being a period of no less than 12 months from the date of the approval of these financial statements. Whilst currently there is no indication that assistance from the fellow group company would be withdrawn, in practical terms the Company cannot obligate that group company to continue to provide this support should the group company so desire to remove it. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the Annual Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinion on other matters 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 the 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;
· 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; or
· the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUKE OIL SERVICES (UK) LIMITED

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the Company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations; the entity's policies and procedures regarding compliance; and how they identify, evaluate and account for litigation. We also drew on our existing understanding of the Company's industry and regulation.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements and which are central to the Company's ability to conduct its business and where failure to comply could result in material consequences. We did not identify any specific laws and regulations as being of significance in the context of the Company. That being said, the Company must abide by the Companies Act 2006 and IFRSs in conformity with the Companies Act 2006 in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

· We enquired with the Company's management as to the existence of any instances of non-compliance or suspected instances of non-compliance with laws and regulations, or cases of claims and litigation;
· We made enquiries regarding any legal correspondence with solicitors and regulators during the year
· We reviewed minutes of meetings of the Board of Directors during the year.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur.

The areas identified in this discussion were:
· Unauthorised purchases being made on behalf of the Company.

The procedures we carried out to gain evidence in the above area included:
· Testing correct authorisation of expenditure and payments.

The senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, 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 members those matters we are required to state to them 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Peter Key
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants
Date: 29/07/2021

25 Moorgate
London
EC2R 6AY

Duke Oil Services (UK) Limited
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2020

	Notes	2020 £	2019 £
Revenue		81,188	759,442
Administrative expenses		235,007	(660,384)
Operating profit	3	316,195	99,058
Interest payable		(348)	-
Profit before taxation		315,847	99,058
Taxation	6	(68,198)	(4,971)
Profit for the year		247,649	94,087
Other comprehensive income		-	-
Total comprehensive income for the year		**247,649**	**94,087**

The notes on pages 12 to 17 form part of these financial statements.

Duke Oil Services (UK) Limited
STATEMENT OF FINANCIAL POSITION
as at 31 December 2020

	Notes	2020 £	2019 £
Current assets			
Trade and other receivables	7	2,485,469	2,556,427
Total current assets		2,485,469	2,556,427
Current liabilities			
Trade and other payables	8	(1,274,787)	(1,593,393)
Net current assets		1,210,683	963,034
Net assets		1,210,683	963,034
Equity			
Share capital	10	2	2
Retained earnings		1,210,681	963,032
		1,210,683	963,034

These accounts have been prepared 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 were signed on its behalf by:

L Sade
Director

Lawal
Lawal (Jul 28, 2021 07:48 GMT)

The notes on pages 12 to 17 form part of these financial statements.
Registered number: 03646098

Duke Oil Services (UK) Limited
STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2020

	Share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	2	868,945	868,947
Total comprehensive income for the year	-	94,087	94,087
Dividends	-		-
Balance at 31 December 2019	**2**	**963,032**	**963,034**
Balance at 31 December 2019 and 1 January 2020	2	963,032	963,034
Total comprehensive income for the year	-	247,649	247,649
Balance at 31 December 2020	**2**	**1,210,681**	**1,210,683**

The notes on pages 12 to 17 form part of these financial statements.

Duke Oil Services (UK) Limited
STATEMENT OF CASH FLOWS
for the year ended 31 December 2020

	Notes	2020 £	2019 £
Net cash generated from operating activities	13	-	(5,930)
Net increase in cash and cash equivalents		-	(5,930)
Cash and cash equivalents at the beginning of the year		-	5,930
Cash and cash equivalents at the end of the year		-	-

The notes on pages 12 to 17 form part of these financial statements.

1 General

Duke Oil Services (UK) Limited is a limited liability company incorporated and domiciled in England & Wales. The Company's registered office is Capitol House, 159 Hammersmith Road, London, W6 8BS. The Company is wholly owned by the Nigerian National Petroleum Company ("NNPC"), which is the state oil company of the Nigerian Federal Government.

The Company's sole purpose is to act as a provider of administrative services to Duke Oil Company Inc (DOCI), a Panamanian registered trading company, which is also a subsidiary of NNPC.

2 Accounting policies

The principal accounting policies are summarised below.

Basis of preparation

The financial statements have been prepared in accordance with IFRSs in conformity with the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention. The Company's functional and presentational currency is GBP.

Going concern

The Company continues to rely entirely on DOCI, a fellow group company, for financial support being that DOCI is its only customer. In order to support the going concern assumption, the directors have obtained from DOCI a letter of financial support which confirms DOCI's intention to continue acting as a treasury function and provide unconditional liquidity support. The directors of the Company are common with the directors of DOCI, and therefore they are able to assess that DOCI is able to provide all necessary financial support to the Company for at least 12 months from the date of approval of the accounts. The Company's fixed costs relate to salaries & annual office rental, which DOCI is able to fund from its available cash resources for a period well in excess of 12 months. Based on the above the directors believe that it is appropriate to consider the Company a going concern being a period of at least 12 months from the date of approval of the audit report.

Changes in accounting policies and disclosures

(a) New and amended Standards and Interpretations mandatory for the first time for the year beginning 1 January 2020 but not currently relevant to the Company

At the date of authorisation of these financial statements, there are no new standards that are expected to have a material effect on the financial statements of the Company when adopted.

(b) New and amended Standards and Interpretations issued but not effective for the financial year beginning 1 January 2020.

Amendments to the following accounting standards may have a significant impact in future years:

- Amendment to IFRS 9: "Financial Instruments"
- Amendment to IAS 39: "Recognition and Measurement"
- Amendment to IFRS 7: "Financial Disclosures"

These standards have not yet been enacted by the EU, but will be applied once they become mandatory which is expected to be during the year ended 31 December 2021.

2 Accounting policies (continued)

Revenue recognition

Performance obligations

The sole performance obligation of the Company is the provision of administrative services to Duke Oil Corporation Incorporated.

The Company is acting as a principal in its revenue transactions as it controls the services before transferring those to its customer.

Determining the transaction price

Revenue is measured based on a mark up of 15% charged on all expenditure incurred.

Allocating amounts to performance obligations

Revenue is recognised over time using the output method based on the provision of administrative services.

Practical Exemptions

The Company has taken advantage of the practical exemptions not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less.

Presentation

Trade receivables from related parties

A receivable depicts the Group's right to consideration that is unconditional. A right to consideration is unconditional if only the passage of time is required before payment of the consideration is due. The Company accounts for its receivables in accordance with IFRS 9.

Foreign currency

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each period end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the period end date. Exchange gains or losses on short-term foreign currency borrowings and deposits are included within net interest payable. Exchange differences on all other transactions are taken to operating profit.

Taxation

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

The current tax charge is based on the taxable profit for the year. Taxable profit may differ from net profit as reported in the Statement of Profit or Loss and Other Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods 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 year end date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

2 Accounting policies (continued)

Financial instruments

Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

Trade receivables from related parties and cash and cash equivalents are held in a business model with the objective to hold them until maturity and collect the contractual cash flows. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Cash and cash equivalents includes cash in hand and deposits held at call with banks.

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Impairment provisions for trade receivables from related parties are recognised based on a forward looking expected credit loss (ECL) model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses are recognised. For those that are determined to be credit impaired, lifetime expected credit losses are recognised.

For amounts owed by group undertakings, an ECL allowance of 2% has been applied to all outstanding balances at the year-end to give a total ECL allowance against these balances of £50,724. Were this ECL to change by 0.5%, the ECL recognised at the year-end would alter by £12,681.

Financial Liabilities

The Company initially recognises financial liabilities at fair value and subsequently amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3 Operating Profit

	2020 £	2019 £
Operating profit for the period is stated after charging:		
Wages and salaries recharges	16,287	378,515
Rental payments	-	42,240
Loss on disposal of tangible fixed assets	-	8,368
Legal and professional fees	-	114,300
Impairment of group balances	50,724	-
Foreign exchange	(356,329)	-

4 Auditor's remuneration

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the financial statements	23,730	34,500

5 Employees and Directors remuneration

The Company did not have any contractual employees during the current year. Staff were provided to the company by other group entities under service agreements and details of the total recharged are in the Related Party Transactions note 15. These staff related costs are included in Administrative expenses.

6 Taxation

	2020 £	2019 £
Current tax		
In respect of current year	69,715	20,859
Adjustments in respect of prior years	(1,517)	(15,180)
	68,198	5,679
Deferred tax		
In respect of current year	-	(708)
Total tax expense for the year	68,198	4,971

Tax has been calculated using the standard rate for small companies of UK corporation tax of 19% (2019: 19%) on profit before tax.

The difference between the total tax expense shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2020 £	2019 £
Profit before taxation	315,847	99,058
Tax on profit on ordinary activities at standard UK corporation tax rate of 19% (2019:19%)	60,011	18,821
Effects of:		
Expenses not allowable for taxation	9,704	2,038
Depreciation less capital allowances	-	-
Adjustments in respect of prior years	(1,517)	(15,180)
	68,198	5,679

7 Trade and other receivables

	2020 £	2019 £
Amounts due from group undertakings	2,536,193	2,556,427
Impairment	(50,724)	-
	2,485,469	2,556,427

Amounts due from group companies were extended without terms and are expected to be received within one year.

The directors consider that the carrying amount of trade and other receivables is a reasonable approximation of their fair value.

8 Trade and other payables

	2020 £	2019 £
Amounts owed to group undertakings	1,167,752	1,509,305
Corporation tax	69,714	20,860
Accruals and deferred income	37,320	63,228
	1,274,787	1,593,393

Amounts due to group undertakings were received without terms and are liable to be repaid within one year.

The directors consider that the carrying amount of trade and other payables is a reasonable approximation of their fair value.

9 Deferred tax

	2020 £	2019 £
At 1 January 2020	-	708
Credited to the statement of profit or loss	-	(708)
At 31 December 2020	-	-

10 Called up share capital

	2020 £	2019 £
Authorised, allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

11 Reserves

Details of the movements in reserves are set out in the Statement of Changes in Equity. A description of reserves is set out below.

Retained earnings

This represents accumulated profits available for distribution.

12 Dividends

No dividend was declared during the year (2019: £nil).

13 Net cash (used in)/generated from operating activities

	2020 £	2019 £
Profit before tax	316,195	99,058
Adjustment for:		
Loss on disposal of fixed assets	-	8,368
Impairment of group balances	50,724	-
Increase in receivables	20,234	(78,216)
(Decrease)/Increase in payables	(367,462)	(28,699)
Net cash generated from operations	19,691	510
Tax paid	(19,691)	(6,440)
	-	(5,930)

14 Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	114,000	-

15 Related party transactions

Administration costs include recharges of salaries and office costs from the NNPC London Office of £10,115 (2019 - £359,981). As at 31 December 2020, £14,776 (2019 - £15,029 receivable) was due to the NNPC London Office.

As at 31 December 2020 £71,489 (2019 - £71,489) remained payable to the NNPC Nigeria Office.

Administration costs include recharges of office costs and staff salaries for Duke Global Energy Investment Limited (DUGEIL) of £8,742 (2019 - £129,442). As at 31 December 2020 £1,081,487 (2019 - £1,437,816) was payable to DUGEIL.

Turnover of £81,188 (2019 - £759,432) relates to management and administrative services charged to Duke Oil Company Inc. (DOCI), a subsidiary of NNPC. As at 31 December 2020, £2,536,192 (2019 - £2,541,396) was due from DOCI.

In accordance with the accounting policy of expected credit losses, the loss allowance in relation to intercompany balances amounted to £50,724 (2019: £nil).

In the opinion of the Directors, there is no one ultimate controlling party.

16 Financial instruments

The Company's financial instruments comprise loans and other receivables, cash and cash equivalents, notes and items such as trade payables and trade receivables which arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Company's operations.

The Company's operations expose it to a variety of financial risks including credit risk, liquidity risk, interest rate risk and foreign currency exchange rate risk. Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Company's finance department.

Credit risk

The Company's credit risk is primarily attributable to its trade receivables.

The carrying amount of financial assets represents the maximum credit exposure.

Foreign currency exchange rate risk

The Company is exposed to foreign currency exchange rate risk as a result of trade and other payables which will be settled in currencies other than Sterling. During the year the Company did not enter into any arrangements to hedge this risk, as the directors did not consider the exposure to foreign exchange losses to be significant. The Company will review this policy as appropriate in the future.

Liquidity risk

The Company monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due.

The following table shows the contractual maturities of the Company's financial liabilities (none of which are derivative financial liabilities), all of which are measured at amortised cost:

At 31 December 2020	**Amounts owed to group undertakings £**
6 months or less	1,167,752
Total contractual cash flows	1,167,752
Carrying amount of financial liabilities measured at amortised cost	1,167,752

The following table summarises the Company's financial assets, all of which are measured at amortised cost:

	Carrying value under at 31.12.2020 £	**Carrying value under at 31.12.2019 £**
Amounts owed by group undertakings	2,536,193	2,556,427
Carrying amount of financial assets measured at amortised cost	2,536,193	2,556,427

17 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's assets and manage its liabilities in order to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

The Company defines capital as being share capital plus reserves. The Board of Directors monitors the level of capital as compared to the Company's long-term debt commitments and adjusts the ratio of debt to capital as is determined to be necessary, by issuing new shares, reducing or increasing debt, paying dividends and returning capital to shareholders.

The Company is not subject to any externally imposed capital requirements.