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REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006
FOR
THAMES PETROLEUM (SCOTLAND) LIMITED



THAMES PETROLEUM (SCOTLAND) LIMITED

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for the Year Ended 31 May 2006

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THAMES PETROLEUM (SCOTLAND) LIMITED

COMPANY INFORMATION
for the Year Ended 31 May 2006

DIRECTORS:

C Gold
C G Hinks
K P Ambrus

SECRETARY:

C Gold

REGISTERED OFFICE:

Briars
Woodside Road
Wootton Bridge
Ryde
Isle of Wight
PO33 4JR

REGISTERED NUMBER:

868795 (England and Wales)

AUDITORS:

Thomas Barrie & Co.
Registered Auditors
Chartered Accountants
Atlantic Chambers
1a Cadogan Street
Glasgow
G2 6QE

THAMES PETROLEUM (SCOTLAND) LIMITED

REPORT OF THE DIRECTORS **for the Year Ended 31 May 2006**

The directors present their report with the financial statements of the company for the year ended 31 May 2006.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the wholesale distribution of petroleum products.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

We consider that our key performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and operating profit.

	2006	2005
	£	£
Turnover	50,728,536	46,100,501

Sales have increased by over 10.04% during the year and this has left the company in a good financial position at the end of the year, in line with expectations. Part of this increase is represented by increased in the cost of fuel.

Overall operating profit has decreased from £143,247 to £127,481 and profit before tax has decreased from £132,224 to £131,769. After taxation £88,721 has been retained to be added to reserves. The results of this year include a one off charge for an impairment loss on one of the company's sites of £31,398. This site was sold after the year end.

As for many businesses of our size, the business environment in which we operate continues to be challenging. The fuel market in the UK is highly competitive and margins continue to be tight. We are of course also subject to consumer spending patterns and consumers' overall level of disposable income within our economy.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

DIVIDENDS

No dividends will be distributed for the year ended 31 May 2006.

FIXED ASSETS

The directors have given consideration to the impact of accounting standard FRS 15 which deals with the measurement of tangible fixed assets in the accounts. The directors have formed the opinion that, if the company continues its policy of maintaining its property in the manner it has up to now, that the freehold land & buildings will have long economic lives with residual values close to book values. The depreciation charge based on reasonable assumptions has been calculated and is not material and as such need not be charged through the profit and loss account. The board will carry out annual impairment reviews on the estate to determine if it is appropriate to continue with this policy in the future.

FUTURE DEVELOPMENTS

The site that the company owns at Kincardine Bridge is the subject of a compulsory purchase order. The value that will be attributed to the site is uncertain at the moment but the directors anticipate that this will give rise to a gain on the book value of this site during the current financial year.

The directors are actively seeking sites for expansion within the company's operating area,

THAMES PETROLEUM (SCOTLAND) LIMITED

REPORT OF THE DIRECTORS
for the Year Ended 31 May 2006

DIRECTORS

The directors during the year under review were:

C Gold	
D M French	- resigned 22.8.05
C G Hinks	- appointed 1.6.05
K P Ambrus	- appointed 1.6.05

The directors holding office at 31 May 2006 did not hold any beneficial interest in the issued share capital of the company at 1 June 2005 (or date of appointment if later) or 31 May 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 estimates that are reasonable and prudent;
- 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 proper accounting records which 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 1985. 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Thomas Barrie & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



C Gold - Secretary

6 December 2006

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
THAMES PETROLEUM (SCOTLAND) LIMITED

We have audited the financial statements of Thames Petroleum (Scotland) Limited for the year ended 31 May 2006 on pages five to eighteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 May 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



Thomas Barrie & Co.
Registered Auditors
Chartered Accountants
Atlantic Chambers
1a Cadogan Street
Glasgow
G2 6QE

6 December 2006

THAMES PETROLEUM (SCOTLAND) LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 31 May 2006

2005				2006
£	£		Notes	£
46,100,501		TURNOVER		50,728,536
175,180		Other operating income		184,000
46,275,681				50,912,536
44,882,793		Raw materials and consumables		49,466,604
1,392,888				1,445,932
	249,442	Staff costs	2	253,546
	74,998	Depreciation		95,857
	925,201	Other operating charges		969,048
1,249,641				1,318,451
143,247		OPERATING PROFIT	3	127,481
19,271		Interest receivable and similar income		28,913
162,518				156,394
30,294		Interest payable and similar charges	4	24,625
132,224		PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		131,769
36,041		Tax on profit on ordinary activities	5	43,048
96,183		PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		88,721

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

THAMES PETROLEUM (SCOTLAND) LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the Year Ended 31 May 2006

2005 £		2006 £
96,183	PROFIT FOR THE FINANCIAL YEAR	88,721
	Decrease in revaluation reserve	
<u>96,183</u>	TOTAL RECOGNISED GAINS AND LOSSES	<u>88,721</u>
	RELATING TO THE YEAR	

NOTE OF HISTORICAL COST PROFITS AND LOSSES
for the Year Ended 31 May 2006

2005 £		2006 £
132,224	REPORTED PROFIT	131,769
	ON ORDINARY ACTIVITIES BEFORE TAXATION	
	Decrease in revaluation reserve	
<u>132,224</u>	HISTORICAL COST PROFIT	<u>131,769</u>
	ON ORDINARY ACTIVITIES BEFORE TAXATION	
<u>96,183</u>	HISTORICAL COST PROFIT	<u>88,721</u>
	FOR THE YEAR RETAINED AFTER TAXATION	

THAMES PETROLEUM (SCOTLAND) LIMITED

BALANCE SHEET

31 May 2006

2005				2006
£	£		Notes	£
		FIXED ASSETS		
1,945,684		Tangible assets	6	1,905,842
		CURRENT ASSETS		
	1,772	Stocks	7	-
	3,092,812	Debtors	8	3,559,206
	508,812	Cash at bank and in hand		1,344,980
	<u>3,603,396</u>			<u>4,904,186</u>
		CREDITORS		
	3,476,589	Amounts falling due within one year	9	4,713,682
	<u>126,807</u>	NET CURRENT ASSETS		<u>190,504</u>
		TOTAL ASSETS LESS CURRENT LIABILITIES		
2,072,491				2,096,346
		CREDITORS		
406,959		Amounts falling due after more than one year	10	342,093
	<u>1,665,532</u>	NET ASSETS		<u>1,754,253</u>
		CAPITAL AND RESERVES		
20,000		Called up share capital	14	20,000
470,000		Revaluation reserve	15	470,000
1,175,532		Profit and loss account	15	1,264,253
	<u>1,665,532</u>	SHAREHOLDERS' FUNDS	20	<u>1,754,253</u>

The financial statements were approved by the Board of Directors on 6 December 2006 and were signed on its behalf by:



C Gold - Director

The notes form part of these financial statements

THAMES PETROLEUM (SCOTLAND) LIMITED

CASH FLOW STATEMENT
for the Year Ended 31 May 2006

2005			Notes		2006
£	£			£	£
		Net cash inflow			
452,553		from operating activities	1		939,222
		Returns on investments and			
(11,023)		servicing of finance	2		4,288
(17,764)		Taxation			(36,041)
(73,577)		Capital expenditure	2		(56,015)
350,189					851,454
(59,912)		Financing	2		(15,286)
290,277		Increase in cash in the period			836,168
<hr/>					
		Reconciliation of net cash flow			
		to movement in net funds	3		
		Increase			
	290,277	in cash in the period		836,168	
		Cash outflow			
	59,911	from decrease in debt and lease financing		68,286	
350,188		Change in net funds resulting			904,454
(12,795)		from cash flows			
		New finance leases			-
337,393					
(299,348)		Movement in net funds in the period			904,454
		Net funds/(debt) at 1 June			38,045
38,045		Net funds at 31 May			942,499

The notes form part of these financial statements

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 May 2006

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006	2005
	£	£
Operating profit	127,481	143,247
Depreciation charges	64,459	78,998
Profit on disposal of fixed assets	-	(4,000)
Impairment of property	31,398	-
Decrease/(Increase) in stocks	1,772	(1,772)
(Increase)/Decrease in debtors	(519,394)	207,113
Increase in creditors	1,233,506	28,967
Net cash inflow from operating activities	939,222	452,553

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2006	2005
	£	£
Returns on investments and servicing of finance		
Interest received	28,913	19,271
Interest paid	(22,228)	(28,357)
Interest element of hire purchase payments	(2,397)	(1,937)
Net cash inflow/(outflow) for returns on investments and servicing of finance	4,288	(11,023)
Capital expenditure		
Purchase of tangible fixed assets	(56,015)	(86,077)
Sale of tangible fixed assets	-	12,500
Net cash outflow for capital expenditure	(56,015)	(73,577)
Financing		
Loan repayments in year	-	(53,001)
Capital repayments in year	(15,286)	(6,911)
Net cash outflow from financing	(15,286)	(59,912)

The notes form part of these financial statements

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 May 2006

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.05 £	Cash flow £	At 31.5.06 £
Net cash:			
Cash at bank and in hand	508,812	836,168	1,344,980
	<u>508,812</u>	<u>836,168</u>	<u>1,344,980</u>
Debt:			
Hire purchase	(33,517)	15,286	(18,231)
Debts falling due within one year	(53,000)	-	(53,000)
Debts falling due after one year	(384,250)	53,000	(331,250)
	<u>(470,767)</u>	<u>68,286</u>	<u>(402,481)</u>
Total	<u>38,045</u>	<u>904,454</u>	<u>942,499</u>

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 May 2006

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- at varying rates on cost
Fixtures and fittings	- at varying rates on cost
Rebranding	- 100% on cost

It is the company's policy to maintain the properties comprising the freehold land and buildings in such a condition that the residual values of the properties, based on prices prevailing at time of acquisition or subsequent revaluation, are at least equal to their book values. Having regard to this, it is the opinion of the directors that depreciation of any such property as required by the Companies Act 1985 and generally accepted accounting practice would not be material and need not be provided.

Stocks

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

Deferred tax

Provision is made for deferred taxation using the full provision method in accordance with Financial Reporting Standard 19 'Deferred Taxation'.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	2006	2005
	£	£
Wages and salaries	223,011	219,455
Social security costs	25,224	25,612
Other pension costs	5,311	4,375
	<u>253,546</u>	<u>249,442</u>

The average monthly number of employees during the year was as follows:

	2006	2005
Office and distribution	<u>7</u>	<u>7</u>

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2006

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2006	2005
	£	£
Depreciation - owned assets	54,678	64,967
Depreciation - assets on hire purchase contracts	9,781	14,031
Profit on disposal of fixed assets	-	(4,000)
Auditors' remuneration	8,400	9,025
Impairment of property	31,398	-
	<u>145,632</u>	<u>86,847</u>
Directors' emoluments	145,632	86,847
Directors' pension contributions to money purchase schemes	3,175	1,800
	<u>148,807</u>	<u>88,647</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>1</u>
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4. INTEREST PAYABLE AND SIMILAR CHARGES

	2006	2005
	£	£
Bank interest	183	3,407
Loan interest	22,045	24,844
Interest on corporation tax	-	106
Hire purchase	2,397	1,937
	<u>24,625</u>	<u>30,294</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2006	2005
	£	£
Current tax:		
UK corporation tax	43,048	36,041
	<u>43,048</u>	<u>36,041</u>
Tax on profit on ordinary activities	<u>43,048</u>	<u>36,041</u>

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2006

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2006 £	2005 £
Profit on ordinary activities before tax	<u>131,769</u>	<u>132,224</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 - 30%)	39,531	39,667
Effects of:		
Expenses not deductible for tax purposes	308	532
Depreciation in excess of capital allowances and other timing differences	12,189	5,411
Adjustment to tax charge in respect of lower tax rates	(8,980)	(9,569)
	<u> </u>	<u> </u>
Current tax charge	<u>43,048</u>	<u>36,041</u>

6. TANGIBLE FIXED ASSETS

	Totals £	Freehold property £	Plant and machinery £
COST			
At 1 June 2005	2,755,856	1,845,669	489,191
Additions	56,015	8,910	16,069
Impairments	(31,398)	(31,398)	-
	<u>2,780,473</u>	<u>1,823,181</u>	<u>505,260</u>
At 31 May 2006	2,780,473	1,823,181	505,260
DEPRECIATION			
At 1 June 2005	810,172	-	424,027
Charge for year	64,459	-	19,306
	<u>874,631</u>	<u> </u>	<u>443,333</u>
At 31 May 2006	874,631	-	443,333
NET BOOK VALUE			
At 31 May 2006	<u>1,905,842</u>	<u>1,823,181</u>	<u>61,927</u>
At 31 May 2005	<u>1,945,684</u>	<u>1,845,669</u>	<u>65,164</u>

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2006

6. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Rebranding £
COST			
At 1 June 2005	86,479	39,122	295,395
Additions	1,735	-	29,301
	<hr/>	<hr/>	<hr/>
At 31 May 2006	88,214	39,122	324,696
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 June 2005	75,638	15,112	295,395
Charge for year	6,071	9,781	29,301
	<hr/>	<hr/>	<hr/>
At 31 May 2006	81,709	24,893	324,696
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 May 2006	6,505	14,229	-
	<hr/>	<hr/>	<hr/>
At 31 May 2005	10,841	24,010	-
	<hr/>	<hr/>	<hr/>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 June 2005 and 31 May 2006	39,122
	<hr/>
DEPRECIATION	
At 1 June 2005	15,112
Charge for year	9,781
	<hr/>
At 31 May 2006	24,893
	<hr/>
NET BOOK VALUE	
At 31 May 2006	14,229
	<hr/>
At 31 May 2005	24,010
	<hr/>

7. STOCKS

	2006 £	2005 £
Stocks	-	1,772
	<hr/>	<hr/>

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2006

8. DEBTORS

	2006	2005
	£	£
Amounts falling due within one year:		
Trade debtors	2,794,794	2,335,078
Amounts due by group companies	499,244	477,866
Other debtors	72,216	69,664
Prepayments and accrued income	4,528	1,720
	<u>3,370,782</u>	<u>2,884,328</u>
 Amounts falling due after more than one year:		
Loans & Advances	<u>188,424</u>	<u>208,484</u>
 Aggregate amounts	<u>3,559,206</u>	<u>3,092,812</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005
	£	£
Other loans (see note 11)	53,000	53,000
Hire purchase contracts (see note 12)	7,388	10,808
Trade creditors	4,800,777	3,763,958
Tax	43,048	36,041
VAT	27,720	30,852
Factoring Facility	(262,559)	(452,450)
Other creditors	17,086	17,086
Accrued expenses	27,222	17,294
	<u>4,713,682</u>	<u>3,476,589</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2006	2005
	£	£
Other loans (see note 11)	331,250	384,250
Hire purchase contracts (see note 12)	10,843	22,709
	<u>342,093</u>	<u>406,959</u>

11. LOANS

An analysis of the maturity of loans is given below:

	2006	2005
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>53,000</u>	<u>53,000</u>
 Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>53,000</u>	<u>53,000</u>

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2006

11. LOANS - continued

	2006 £	2005 £
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>159,000</u>	<u>159,000</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Other loans more 5yrs instal	<u>119,250</u>	<u>172,250</u>

One loan from B P Oil UK Ltd with a balance of £253,750 is repayable over ten years by capital instalments of £8,750 per quarter. Interest is charged at 5% per annum.

A further loan from B P Oil UK Ltd with a balance of £130,500 is repayable over ten years by capital instalments of £4,500 per quarter. Interest is charged at 6% per annum.

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	2006 £	2005 £
	Hire purchase contracts	
Gross obligations repayable:		
Within one year	8,954	13,300
Between one and five years	<u>11,043</u>	<u>24,316</u>
	<u>19,997</u>	<u>37,616</u>
Finance charges repayable:		
Within one year	1,566	2,492
Between one and five years	<u>200</u>	<u>1,607</u>
	<u>1,766</u>	<u>4,099</u>
Net obligations repayable:		
Within one year	7,388	10,808
Between one and five years	<u>10,843</u>	<u>22,709</u>
	<u>18,231</u>	<u>33,517</u>

The following operating lease payments are committed to be paid within one year:

	2006 £	2005 £
	Land and buildings	
Expiring:		
In more than five years	<u>-</u>	<u>9,500</u>

THAMES PETROLEUM (SCOTLAND) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 May 2006

13. SECURED DEBTS

The following secured debts are included within creditors:

	2006	2005
	£	£
Other loans	384,250	437,250
Factoring facility	(262,559)	(452,450)
	<u>121,691</u>	<u>(15,200)</u>

The company has granted a floating charge in favour of Royal Bank Invoice Finance Limited over all the assets of the company. The company's trade debtors have been assigned to Royal Bank Invoice Finance Limited and are secured, in common with all invoice factoring agreements.

The company has granted standard securities to BP Oil UK Limited over Ravenspark Filling Station, Irvine, Bobbin Service Station, Galston and Tower Service Station, Mauchline to secure amounts due to that company.

14. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2006	2005
			£	£
90,000	Ordinary "A"	£1	90,000	90,000
10,000	Ordinary "B"	£1	10,000	10,000
			<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2006	2005
			£	£
20,000	Ordinary "A"	£1	20,000	20,000
			<u>20,000</u>	<u>20,000</u>

15. RESERVES

	Totals	Profit and loss account	Revaluation reserve
	£	£	£
At 1 June 2005	1,645,532	1,175,532	470,000
Profit for the year	88,721	88,721	
At 31 May 2006	<u>1,734,253</u>	<u>1,264,253</u>	<u>470,000</u>

16. PENSION COMMITMENTS

The company operates a defined contribution pension scheme, the assets of which are held independently from those of the company. The pension cost charge represents contributions paid by the company to the fund and amounted to £5,311 (2005 - £4,375). At 31st May 2006 £649 is included in creditors (2005- £2,471).

17. ULTIMATE PARENT COMPANY

The ultimate holding company is Thames Gold Holdings Limited, which is registered in Scotland.

THAMES PETROLEUM (SCOTLAND) LIMITED

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18. CONTINGENT LIABILITIES

Certain of the company's properties have been used as security, over the borrowings of the parent company, to the Royal Bank of Scotland plc and to Thames Petroleum Products Group Limited.

A debenture has been granted in favour of the Royal Bank of Scotland plc comprising fixed and floating charges over the assets of the company.

The company, together with the parent company and all subsidiaries within the Group, have entered into cross guarantees in respect of each company's indebtedness to the Royal Bank of Scotland plc.

19. RELATED PARTY DISCLOSURES

There were no material related party transactions in the year. The company has taken advantage of the exemption from presenting information about transactions within the group.

Control

The company is ultimately controlled by Mr Cameron Gold, a director of Thames Gold Holdings Limited, the company's holding company.

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit for the financial year	88,721	96,183
Net addition to shareholders' funds	88,721	96,183
Opening shareholders' funds	1,665,532	1,569,349
Closing shareholders' funds	1,754,253	1,665,532
Equity interests	1,754,253	1,665,532