

Registration number 898391

**Halso Petroleum Limited**

**Abbreviated accounts**

**for the year ended 31 December 2001**



**HARBEN BARKER**  
Chartered Accountants  
Business Advisers and Registered Auditors



## **Halso Petroleum Limited**

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## Halso Petroleum Limited

### Directors' report for the year ended 31 December 2001

The directors present their report and the accounts for the year ended 31 December 2001.

#### Principal activity and review of the business

The principal activity of the company is that of the selling and distribution of fuel oils.

The company's balance sheet as detailed on page 4 shows a satisfactory position, shareholders' funds amounting to £494,907.

#### Results and dividends

The results for the year are set out on page 3. The directors do not recommend payment of a final dividend.

#### Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

		Ordinary shares	
		31/12/01	01/01/01
P A Osborn		-	-
S E Osborn	- resigned 19 September 2001	-	-
J R Cantrell		-	-

#### Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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.

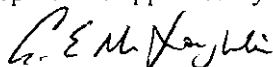
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Harben Barker be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 19 June 2002 and signed on its behalf by



G E McLoughlin - Secretary

**Auditors' report to Halso Petroleum Limited  
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 3 to 16 together with the financial statements of Halso Petroleum Limited for the year ended 31 December 2001 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31 December 2001, and the abbreviated accounts on pages 3 to 16 are properly prepared in accordance with that provision.



**Harben Barker  
Chartered Accountants and  
Registered Auditors**

**19 June 2002**

**Drayton Court  
Drayton Road  
Solihull  
West Midlands  
B90 4NG**

# **Halso Petroleum Limited**

## **Abbreviated profit and loss account for the year ended 31 December 2001**

### **Continuing operations**

		<b>2001</b>	<b>2000</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Gross profit</b>		1,067,378	874,867
Distribution costs		(369,934)	(375,150)
Administrative expenses		(606,560)	(404,559)
<b>Operating profit</b>	<b>2</b>	<u>90,884</u>	<u>95,158</u>
Other interest receivable and similar income	<b>4</b>	2,300	386
Interest payable and similar charges	<b>4</b>	<u>(16,922)</u>	<u>(17,288)</u>
<b>Profit on ordinary activities before taxation</b>		76,262	78,256
Tax on profit on ordinary activities	<b>6</b>	<u>(16,663)</u>	<u>(12,737)</u>
<b>Retained profit for the year</b>		59,599	65,519
Retained profit brought forward		430,308	364,789
<b>Retained profit carried forward</b>		<u><u>489,907</u></u>	<u><u>430,308</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 16 form an integral part of these financial statements.

# Halso Petroleum Limited

## Abbreviated balance sheet as at 31 December 2001

	Notes	2001 £	2000 £
<b>Fixed assets</b>			
Tangible assets	7	552,630	384,696
Investments	8	250	250
		<u>552,880</u>	<u>384,946</u>
<b>Current assets</b>			
Stocks	9	61,808	69,618
Debtors	10	887,319	1,331,844
Cash at bank and in hand		16,471	1,442
		<u>965,598</u>	<u>1,402,904</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(801,820)</u>	<u>(1,271,525)</u>
<b>Net current assets</b>		<u>163,778</u>	<u>131,379</u>
<b>Total assets less current liabilities</b>		<u>716,658</u>	<u>516,325</u>
<b>Creditors: amounts falling due after more than one year</b>	12	(205,717)	(74,478)
<b>Provisions for liabilities and charges</b>	13	(16,034)	(6,539)
<b>Net assets</b>		<u>494,907</u>	<u>435,308</u>
<b>Capital and reserves</b>			
Called up share capital	15	5,000	5,000
Profit and loss account		489,907	430,308
<b>Equity shareholders' funds</b>	16	<u>494,907</u>	<u>435,308</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies .

The abbreviated accounts were approved by the Board on 19 June 2002 and signed on its behalf by



**P A Osborn**  
Director

The notes on pages 6 to 16 form an integral part of these financial statements.

# Halso Petroleum Limited

## Cash flow statement for the year ended 31 December 2001

	Notes	2001 £	2000 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		90,884	95,158
Depreciation		103,459	66,150
Decrease in stocks		7,810	45,898
Decrease in debtors		444,525	166,474
(Decrease) in creditors		(153,827)	(413,429)
<b>Net cash inflow from operating activities</b>		<u>492,851</u>	<u>(39,749)</u>
<b>Cash flow statement</b>			
Net cash inflow from operating activities		492,851	(39,749)
Returns on investments and servicing of finance	20	(14,622)	(16,902)
Taxation	20	(6,807)	(138)
Capital expenditure	20	10,635	(16,603)
		<u>482,057</u>	<u>(73,392)</u>
Financing	20	(104,405)	(45,055)
<b>Increase in cash in the year</b>		<u>377,652</u>	<u>(118,447)</u>
<b>Reconciliation of net cash flow to movement in net funds (Note 21)</b>			
<b>Increase in cash in the year</b>		377,652	(118,447)
Cash outflow from increase in debts and lease financing		104,405	45,055
Change in net funds resulting from cash flows		<u>482,057</u>	<u>(73,392)</u>
New finance leases and hire purchase contracts		(282,028)	(87,360)
<b>Movement in net funds in the year</b>		<u>200,029</u>	<u>(160,752)</u>
<b>Net debt at 1 January 2001</b>		<u>(468,276)</u>	<u>(307,524)</u>
<b>Net debt at 31 December 2001</b>		<u>(268,247)</u>	<u>(468,276)</u>

## **Halso Petroleum Limited**

### **Notes to the abbreviated financial statements for the year ended 31 December 2001**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The accounts are prepared under the historical cost convention .

##### **1.2. Turnover**

Turnover represents the total invoice value, after deducting trade discounts and value added tax, of sales made during the year.

##### **1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold land	-	Nil
Freehold buildings	-	Straight line over fifty years
Plant and machinery	-	20% Straight Line
Fixtures, fittings and equipment	-	16.67% Straight Line
Motor vehicles	-	20% and 25% Straight Line

##### **1.4. Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

##### **1.5. Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

##### **1.6. Stock**

Stock is valued at the lower of cost and net realisable value.

##### **1.7. Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.



# **Halso Petroleum Limited**

## **Notes to the abbreviated financial statements for the year ended 31 December 2001**

..... continued

<b>2. Operating profit</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	118,389	74,907
Remediation work at Ashbourne depot	94,001	-
Operating lease rentals		
- Plant and machinery	1,440	4,922
- Land and buildings	1,500	1,525
Auditors' remuneration	4,800	4,750
and after crediting:		
Profit on disposal of tangible fixed assets	14,930	8,757
<b>3. Interest receivable and similar income</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank interest	2,298	3
Other interest	2	383
	2,300	386
<b>4. Interest payable and similar charges</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	1,125	8,727
Hire purchase interest	15,761	8,330
On overdue tax	36	231
	16,922	17,288

# **Halso Petroleum Limited**

## **Notes to the abbreviated financial statements for the year ended 31 December 2001**

..... continued

### **5. Employees**

#### **Number of employees**

The average monthly numbers of employees  
(including the directors) during the year were:

	<b>2001</b>	<b>2000</b>
Drivers and mechanics staff	10	8
Office and management staff	4	4
Administration staff	6	7
	<u>20</u>	<u>19</u>

#### **Employment costs**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Wages and salaries	382,793	310,974
Social security costs	35,760	26,594
	<u>418,553</u>	<u>337,568</u>

### **5.1. Directors' emoluments**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Remuneration and other emoluments	<u>109,521</u>	<u>91,218</u>

### **6. Taxation**

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
<b>UK current year taxation</b>		
UK corporation tax at 20.00% (2000 - 20.00%)	6,559	6,198
Transfer to deferred taxation	9,495	6,539
	<u>16,054</u>	<u>12,737</u>
<b>Prior years</b>		
UK corporation tax	609	-
	<u>16,663</u>	<u>12,737</u>

# Halso Petroleum Limited

## Notes to the abbreviated financial statements for the year ended 31 December 2001

..... continued

7. Tangible fixed assets	Land and buildings freehold £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2001	181,928	91,245	60,147	421,642	754,962
Additions	-	1,200	458	291,562	293,220
Disposals	-	-	-	(155,532)	(155,532)
At 31 December 2001	181,928	92,445	60,605	557,672	892,650
<b>Depreciation</b>					
At 1 January 2001	15,986	85,998	17,839	250,443	370,266
On disposals	-	-	-	(148,635)	(148,635)
Charge for the year	1,920	1,796	8,684	105,989	118,389
At 31 December 2001	17,906	87,794	26,523	207,797	340,020
<b>Net book values</b>					
At 31 December 2001	164,022	4,651	34,082	349,875	552,630
At 31 December 2000	165,942	5,247	42,308	171,199	384,696

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	2001		2000	
	Net	Depreciation	Net	Depreciation
	book value £	charge £	book value £	charge £
Motor vehicles	320,069	70,783	146,597	32,912

# **Halso Petroleum Limited**

## **Notes to the abbreviated financial statements for the year ended 31 December 2001**

..... continued

### **8. Fixed asset investments**

	<b>Listed investments £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2001		
At 31 December 2001	250	250
<b>Net book values</b>		
At 31 December 2001	250	250
At 31 December 2000	250	250

### **9. Stocks**

	<b>2001 £</b>	<b>2000 £</b>
Raw materials and consumables	61,808	69,618

# Halso Petroleum Limited

## Notes to the abbreviated financial statements for the year ended 31 December 2001

..... continued

10. Debtors	2001 £	2000 £
Trade debtors	806,696	1,265,915
Other debtors	55,093	31,610
Prepayments and accrued income	25,530	34,319
	<u>887,319</u>	<u>1,331,844</u>

Other debtors included loans made to persons associated with directors of the company as follows:

a) S E Osborn (sister of P A Osborn - director) £6,838. This is the highest amount outstanding during the year. No terms are stated regarding interest or repayment.

b) S R Cantrell (wife of J R Cantrell - director) £27,800. A loan of £29,000 was made during the year to be repaid by monthly installments of £400 and the balance within four years, plus interest accrued equal to bank rate plus interest as directed by the company secretary.

Debtors are receivable as follows;	£
within one year	864,319
after more than one year	23,000
	<u>887,319</u>

11. Creditors: amounts falling due within one year	2001 £	2000 £
Bank overdraft	-	362,622
Net obligations under finance leases and hire purchase contracts	79,002	32,618
Trade creditors	698,393	843,610
Corporation tax	6,559	6,199
Other taxes and social security costs	12,507	15,738
Directors' accounts	559	5,988
Accruals and deferred income	4,800	4,750
	<u>801,820</u>	<u>1,271,525</u>

Bank overdraft is secured by a mortgage debenture which is limited to £150,000.

# **Halso Petroleum Limited**

## **Notes to the abbreviated financial statements for the year ended 31 December 2001**

..... continued

<b>12. Creditors: amounts falling due after more than one year</b>	<b>2001 £</b>	<b>2000 £</b>
Net obligations under finance leases and hire purchase contracts	<u>205,717</u>	<u>74,478</u>
 <b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	79,002	32,618
Repayable between one and five years	<u>205,717</u>	<u>74,478</u>
	<u>284,719</u>	<u>107,096</u>
 <b>13 Provisions for liabilities and charges</b>		
	<b>Deferred taxation (Note 14) £</b>	<b>Total £</b>
At 1 January 2001	6,539	6,539
Movements in the year	<u>9,495</u>	<u>9,495</u>
At 31 December 2001	<u>16,034</u>	<u>16,034</u>

# Halso Petroleum Limited

## Notes to the abbreviated financial statements for the year ended 31 December 2001

..... continued

### 14. Deferred taxation

Deferred tax is analysed over the following timing differences:

	Not provided		Provided	
	2001	2000	2001	2000
	£	£	£	£
Accelerated capital allowances	-	-	16,034	6,539

Movements on the provision for deferred taxation are:

	2001	2000
	£	£
At 1 January 2001	6,539	-
Transferred from profit and loss account	9,495	6,539
At 31 December 2001	16,034	6,539

### 15. Share capital

#### Authorised equity

5,000 Ordinary shares of 1 each

2001	2000
£	£
5,000	5,000

#### Allotted, called up and fully paid equity

5,000 Ordinary shares of 1 each

2001	2000
£	£
5,000	5,000

### 16. Reconciliation of movements in shareholders' funds

	2001	2000
	£	£
Profit for the year	59,599	65,519
Opening shareholders' funds	435,308	369,789
Closing shareholders' funds	494,907	435,308

# **Halso Petroleum Limited**

## **Notes to the abbreviated financial statements for the year ended 31 December 2001**

..... continued

### **17. Financial commitments**

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Other</b>	
	<b>Other 2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Between one and five years	-	5,369
	<u>          </u>	<u>          </u>

### **18. Capital commitments**

Details of capital commitments at the accounting date are as follows:

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided in the financial statements	<u>34,630</u>	<u>119,193</u>



# Halso Petroleum Limited

## Notes to the abbreviated financial statements for the year ended 31 December 2001

..... continued

### 19. Related party transactions

During the financial year, Halso Petroleum Limited traded with Spacespeedy Limited, a private company registered in England & Wales and a company in which P A Osborn is a director and shareholder. All of the following transactions were carried out at arm's length.

	£
Amounts due from Spacespeedy Limited at 31 December 2001	<u>19,821</u>
Sales to Spacespeedy Limited during the year ended 31 December 2001	<u>267,352</u>

During the financial year Halso Petroleum Limited also traded with Halso Heating Maintenance Limited, a private company registered in England & Wales and a company in which P A Osborn is a director and shareholder. All of the following transactions were carried out at arm's length.

	£
Amounts due from Halso Heating Maintenance Limited at 31 December 2001	<u>4,194</u>
Sales to Halso Heating Maintenance Limited during the year ended 31 December 2001	<u>17,741</u>
Purchases from Halso Heating Maintenance Limited during the year ended 31 December 2001	<u>2,162</u>

# **Halso Petroleum Limited**

## **Notes to the abbreviated financial statements for the year ended 31 December 2001**

..... continued

### **20. Gross cash flows**

	2001 £	2000 £
<b>Returns on investments and servicing of finance</b>		
Interest received	2,300	386
Interest paid	(16,922)	(17,288)
	<u>(14,622)</u>	<u>(16,902)</u>
<b>Taxation</b>		
Corporation tax paid	(6,807)	(8,094)
Corporation tax repaid	-	7,956
	<u>(6,807)</u>	<u>(138)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(11,192)	(48,503)
Receipts from sales of tangible assets	21,827	31,900
	<u>10,635</u>	<u>(16,603)</u>
<b>Financing</b>		
Capital element of finance leases and hire purchase contracts	(104,405)	(45,055)

### **21. Analysis of changes in net funds**

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	1,442	15,029		16,471
Overdrafts	(362,622)	362,622		-
	<u>(361,180)</u>	<u>377,651</u>		<u>16,471</u>
Finance leases and hire purchase contracts	(107,096)	104,405	(282,028)	(284,719)
<b>Net funds</b>	<u>(468,276)</u>	<u>482,056</u>	<u>(282,028)</u>	<u>(268,248)</u>