

**HALSO PETROLEUM LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**

**31 DECEMBER 1999**

**Registered number: 898391**



**JMA**  
**COMPANIES HOUSE**

**\*J3T74U78\***

**0293**  
**31/10/00**



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



**HALSO PETROLEUM LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**for the year ended 31 December 1999**

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# HALSO PETROLEUM LIMITED

## COMPANY INFORMATION

31 December 1999

NUMBER	898391
DIRECTORS	P A Osborn S E Osborn-Archer J R Cantrell (appointed 1 September 1999)
SECRETARY	G E McLoughlin
REGISTERED OFFICE	Fradley Park Lichfield Staffordshire WS13 8NG
BANKERS	Lloyds TSB Bank Plc P.O. Box 70 Victoria Square Birmingham B1 1BZ
AUDITORS	Harben Barker Chartered Accountants Registered Auditors Drayton Court Drayton Road Solihull West Midlands B90 4NG

## HALSO PETROLEUM LIMITED

## DIRECTORS' REPORT

31 December 1999

The directors present their report and the abbreviated financial statements for the year ended 31 December 1999.

**Principal activity**

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

**Business review**

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £369,789.

**Results and dividends**

The results for the year are shown in the profit and loss account on page 5. The directors do not propose payment of an ordinary dividend.

**Fixed assets**

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 8.

**Directors**

Mr J R Cantrell was appointed a director on 1 September 1999. There were no other changes in the board of directors during the period. The interests of the directors in the shares of the company as recorded in the register of directors' interests were as follows:

	31 December 1999 Ordinary shares	1 January 1999 Ordinary shares
P A Osborn	-	-
S E Osborn-Archer	-	-
J R Cantrell	-	-

continued .....

**DIRECTORS' REPORT**  
(continued)

31 December 1999

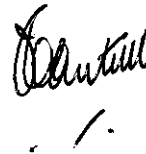
**Auditors**

The auditors, Harben Barker, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

On behalf of the board

Fradley Park  
Lichfield  
Staffordshire  
WS13 8NG

26 October 2000



J R Cantrell  
Director

**HALSO PETROLEUM LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

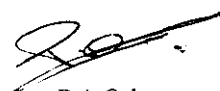
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

- 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.

26 October 2000

On behalf of the board



P A Osborn  
Director

**HALSO PETROLEUM LIMITED**

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

We have examined the abbreviated financial statements set out on pages 5 to 16, together with the financial statements of the company for the year ended 31 December 1999 prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

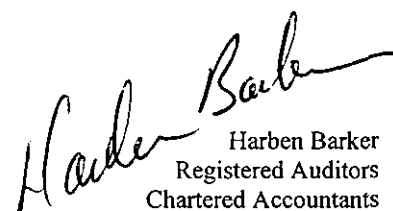
**Basis of opinion**

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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does 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 financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 5 to 16 are properly prepared in accordance with those provisions.

Solihull  
26 October 2000

  
Harben Barker  
Registered Auditors  
Chartered Accountants

**HALSO PETROLEUM LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 December 1999**

	Note	1999 £	1998 £
<b>Gross profit</b>		749,414	772,486
<b>Net operating expenses</b>			
Distribution costs		(343,929)	(306,436)
Administrative expenses		(458,209)	(349,408)
Other operating income		382	3,220
<b>Operating (loss)/profit</b>	3	(52,342)	119,862
Investment income	5	-	378
Interest payable	6	(19,020)	(14,158)
<b>(Loss)/profit on ordinary activities before taxation</b>		(71,362)	106,082
Taxation	7	7,956	(7,956)
<b>(Loss)/profit on ordinary activities after taxation</b>			
<b>retained for the year</b>	18	(63,406)	98,126

Movements in reserves are shown in note 18.

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains and losses in 1999 or 1998 other than the (loss)/profit for the year.



**HALSO PETROLEUM LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**at 31 December 1999**

	Note	£	1999 £	£	1998 £
<b>Fixed assets</b>					
Tangible assets	8		346,883		342,439
Investments	10		250		250
			<u>347,133</u>		<u>342,689</u>
<b>Current assets</b>					
Stocks	11	115,516		136,347	
Debtors	12	1,498,318		1,514,023	
Cash at bank and in hand		2,896		491	
			<u>1,616,730</u>	<u>1,650,861</u>	
<b>Creditors: amounts falling due within one year</b>			<u>13(1,578,950)</u>	<u>(1,523,461)</u>	
<b>Net current assets</b>			37,780		127,400
<b>Total assets less current liabilities</b>			<u>384,913</u>		<u>470,089</u>
<b>Creditors: amounts falling due after more than one year</b>	14		(15,124)		(36,894)
<b>Net assets</b>			<u>369,789</u>		<u>433,195</u>
<b>Capital and reserves</b>					
Called up share capital	17		5,000		5,000
Profit and loss account	18		364,789		428,195
<b>Total shareholders' funds</b>	16		<u>369,789</u>		<u>433,195</u>

continued .....

**HALSO PETROLEUM LIMITED**  
**ABBREVIATED BALANCE SHEET**  
(continued)

**at 31 December 1999**

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The abbreviated financial statements on pages 5 to 16 were approved by the board of directors on 26 October 2000 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P A Osborn', with a long horizontal stroke extending to the right.

P A Osborn  
Director

## HALSO PETROLEUM LIMITED

## CASH FLOW STATEMENT

for the year ended 31 December 1999

	Note	1999 £	1998 £
<b>Net cash inflow/(outflow) from operating activities</b>	20	153,793	(123,511)
<b>Returns on investments and servicing of finance</b>			
Interest paid		(11,667)	(9,816)
Interest element of finance lease rental payments		(7,353)	(4,342)
Other returns		-	378
		<u>(19,020)</u>	<u>(13,780)</u>
<b>Taxation</b>			
Corporation tax received		139	4,714
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(105,976)	(149,226)
Sale of tangible fixed assets		30,801	26,024
		<u>(75,175)</u>	<u>(123,202)</u>
		59,737	(255,779)
<b>Financing</b>			
		<u>(8,672)</u>	<u>67,095</u>
		(8,672)	67,095
<b>Increase/(decrease) in cash</b>		<u>51,065</u>	<u>(188,684)</u>

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

**1 Accounting policies****Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

**Turnover**

Turnover represents the amount derived from the provision of goods and services after deduction of trade discounts and value added tax.

**Tangible fixed assets**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	Nil
Freehold buildings	2% Straight line basis
Plant and machinery	20% Straight line basis
Motor vehicles	20% to 25% Straight line basis
Fixtures and fittings	15% to 20% Straight line basis

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

Net realisable value is based on estimated selling price less the estimated cost of disposal.

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

**2 Turnover**

The turnover for the year was derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

**3 Operating (loss)/profit**

	1999 £	1998 £
Operating (loss)/profit is stated after crediting:		
Interest receivable	382	3,220
Profit on sale of assets	-	12,018
	<u>          </u>	<u>          </u>
and after charging:		
Staff costs (note 4)	397,237	331,436
Auditors' remuneration	3,750	1,325
Loss on sale of assets	95	-
	<u>          </u>	<u>          </u>
Depreciation of tangible fixed assets (note 8):		
Owned assets	33,334	36,213
Leased assets	37,302	15,669
	<u>          </u>	<u>          </u>
	<u>70,636</u>	<u>51,882</u>

**4 Directors and employees**

	1999 £	1998 £
Staff costs including directors' emoluments		
Wages and salaries	363,445	300,702
Social security costs	33,792	30,734
	<u>397,237</u>	<u>331,436</u>
	<u>          </u>	<u>          </u>
Average monthly number employed including executive directors:	Number	Number
Drivers and mechanics staff	10	9
Office and management	5	4
Administration staff	6	6
	<u>21</u>	<u>19</u>
	<u>          </u>	<u>          </u>
Directors	£	£
Emoluments	<u>76,018</u>	<u>69,156</u>

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

<b>5</b>	<b>Investment income</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Other non-trading income	-	378
		<u>-</u>	<u>378</u>
		<u>-</u>	<u>378</u>
<b>6</b>	<b>Interest payable</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Bank interest	11,667	9,816
	Hire purchase interest	7,353	4,342
		<u>19,020</u>	<u>14,158</u>
		<u>19,020</u>	<u>14,158</u>
<b>7</b>	<b>Taxation</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	<b>UK Corporation tax:</b>		
	Current tax on income for the period		
	at 21% (1998 21%)	(7,956)	7,956
		<u>(7,956)</u>	<u>7,956</u>
		<u>(7,956)</u>	<u>7,956</u>

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

## 8 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Land and Buildings £	Total £
1 January 1999	443,490	88,337	87,983	181,366	801,176
Additions	70,297	2,058	33,059	562	105,976
Disposals	(59,375)	-	-	-	(59,375)
31 December 1999	454,412	90,395	121,042	181,928	847,777
<b>Depreciation</b>					
1 January 1999	288,654	80,546	77,373	12,164	458,737
Charge for the year	56,955	3,036	8,734	1,911	70,636
Disposals	(28,479)	-	-	-	(28,479)
31 December 1999	317,130	83,582	86,107	14,075	500,894
<b>Net book amount</b>					
31 December 1999	137,282	6,813	34,935	167,853	346,883
1 January 1999	154,836	7,791	10,610	169,202	342,439

The net book amount of fixed assets includes £109,388 (1998 £95,920) in respect of assets held under finance leases and hire purchase contracts, the depreciation of which is shown in note 3.

## 9 Land and Buildings

	1999 £	1998 £
Freehold	167,853	169,202

Freehold land and buildings includes land with a value of £86,358 on which no depreciation charge is made.

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

## 10 Fixed asset investments

Investments  
other than  
loans  
£

## Cost

1 January 1999

and at

31 December 1999

250

## Net book amount

31 December 1999

250

1 January 1999

250

## 11 Stocks

1999  
£1998  
£

Raw materials

115,516

136,347

115,516

136,347

## 12 Debtors

1999  
£1998  
£

## Amounts falling due within one year

Trade debtors

1,431,867

1,471,659

Other debtors

24,581

12,023

Prepayments and accrued income

41,870

30,341

1,498,318

1,514,023



## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

**13 Creditors: amounts falling due within one year**

	1999 £	1998 £
Bank overdraft (secured)	245,629	294,289
Trade creditors	1,243,658	1,110,444
Corporation tax	139	7,956
Other taxation and social security	21,710	22,256
Other creditors	8,316	47,669
Accruals and deferred income	9,831	4,278
Obligations under finance leases and hire purchase contracts - note 14	49,667	36,569
	<u>1,578,950</u>	<u>1,523,461</u>

**14 Creditors: amounts falling due after more than one year**

	1999 £	1998 £
<b>Other liabilities</b>		
Obligations under finance leases and hire purchase contracts	15,124	36,894
	<u>15,124</u>	<u>36,894</u>

**Obligations under finance leases and hire purchase contracts**

These are repayable over varying periods by monthly instalments as follows:

In the next year - see note 13	49,667	36,569
In the second to fifth years	15,124	36,894
	<u>64,791</u>	<u>73,463</u>

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

## 15 Deferred taxation

	1999		1998	
	Amount unprovided £	Amount provided £	Amount unprovided £	Amount provided £
Corporation tax deferred by				
Capital allowances in excess of depreciation	-	-	17,077	-
Other timing differences	-	-	-	-
Unrelieved taxation losses	-	-	-	-
Capital gains rolled over	-	-	-	-
	<u>-</u>	<u>-</u>	<u>17,077</u>	<u>-</u>
Advance corporation tax	-	-	-	-
	<u>-</u>	<u>-</u>	<u>17,077</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>17,077</u></u>	<u><u>-</u></u>

Deferred taxation is based on a corporation tax rate of 21% (1998 21%).

## 16 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
(Loss)/profit for the financial year representing a Net (subtraction from)/addition to shareholders' funds	(63,406)	98,126
Opening shareholders' funds	433,195	335,069
Closing shareholders' funds	<u>369,789</u>	<u>433,195</u>

## 17 Called up share capital

	1999		1998	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary Shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid				
Ordinary Shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

## 18 Profit and loss account

	1999 £
1 January 1999	428,195
Retained loss for the year	(63,406)
31 December 1999	<u>364,789</u>

## 19 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 December 2000:

	1999 Plant & Other £	1998 Plant & Other £
Expiring Within two to five years	5,369	-
	<u>5,369</u>	<u>-</u>

## 20 Notes to the cash flow statement

Reconciliation of operating (loss)/profit  
to operating cash flows

	1999 £	1998 £
Operating (loss)/profit	(52,342)	119,862
Depreciation charges	70,636	51,882
Loss/(profit) on sale of fixed assets	95	(12,018)
Decrease in stocks	20,831	43,460
Decrease/(increase) in debtors	15,705	(280,250)
Increase/(decrease) in creditors	98,868	(46,447)
Net cash inflow/(outflow) from operating activities	<u>153,793</u>	<u>(123,511)</u>

## HALSO PETROLEUM LIMITED

## NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31 December 1999

## 21 Notes to the cash flow statement (continued)

## Analysis of changes in net debt

	At start of year £	Cash flows £	At end of year £
Cash at bank and in hand	491	2,405	2,896
Bank overdrafts	(294,289)	48,660	(245,629)
		<u>51,065</u>	
Finance leases	(73,463)	8,672	(64,791)
		<u>8,672</u>	
<b>Total</b>	<u>(367,261)</u>	<u>59,737</u>	<u>(307,524)</u>

## Reconciliation of net cash flow to movement in net debt

	1999 £	1998 £
<b>Increase/(decrease) in cash in the year</b>	51,065	(188,684)
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	8,672	(67,095)
<b>Change in net debt resulting from cash flows</b>	<u>59,737</u>	<u>(255,779)</u>
Net debt at 1 January 1999	(367,261)	(111,482)
<b>Net debt at 31 December 1999</b>	<u>(307,524)</u>	<u>(367,261)</u>

## 22 Related parties

The company was controlled during the year by P A Osborn and S E Osborn-Archer. Following the distribution of the estate of the late S G Osborn, the share holdings of the directors will be registered as :

P A Osborn	2,500
S E Osborn-Archer	2,500
	<u>5,000</u>