

Registration number 898391

Halso Petroleum Limited

Abbreviated accounts

for the year ended 31 December 2002



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COMPANIES HOUSE 24/09/03
A15 COMPANIES HOUSE 12/09/03



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 2002

The directors present their report and the accounts for the year ended 31 December 2002.

Principal activity and review of the business

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

Results and dividends

The results for the year are set out on page 3. An interim dividend of £5.87 per share was paid on 9 April 2003. 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	
	31/12/02	31/12/01
P A Osborn	4,999	-
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.

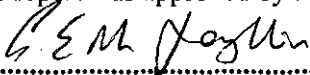
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets 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 Limited 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 18 August 2003 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 2002 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 2002, and the abbreviated accounts on pages 3 to 16 are properly prepared in accordance with that provision.


.....

**Harben Barker Limited
Chartered Accountants and
Registered Auditors**

18 August 2003

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

Halso Petroleum Limited

Abbreviated profit and loss account for the year ended 31 December 2002

Continuing operations

		2002	2001
	Notes	£	£
Gross profit		1,052,788	1,067,378
Distribution costs		(383,940)	(369,934)
Administrative expenses		(573,024)	(606,560)
Operating profit	2	<u>95,824</u>	<u>90,884</u>
Other interest receivable and similar income	4	3,208	2,300
Interest payable and similar charges	4	<u>(17,140)</u>	<u>(16,922)</u>
Profit on ordinary activities before taxation		81,892	76,262
Tax on profit on ordinary activities	6	<u>(20,377)</u>	<u>(16,663)</u>
Profit on ordinary activities after taxation		61,515	59,599
Dividends	7	<u>(29,333)</u>	-
Retained profit for the year		32,182	59,599
Retained profit brought forward		489,907	430,308
Retained profit carried forward		<u>522,089</u>	<u>489,907</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 2002

		2002		2001	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		542,162		552,630
Investments	9		250		250
			<u>542,412</u>		<u>552,880</u>
Current assets					
Stocks	10	109,651		61,808	
Debtors	11	745,634		887,319	
Cash at bank and in hand		152,428		16,471	
		<u>1,007,713</u>		<u>965,598</u>	
Creditors: amounts falling due within one year	12	<u>(882,321)</u>		<u>(801,820)</u>	
Net current assets			<u>125,392</u>		<u>163,778</u>
Total assets less current liabilities			667,804		716,658
Creditors: amounts falling due after more than one year	13		(126,715)		(205,717)
Provisions for liabilities and charges	14		<u>(14,000)</u>		<u>(16,034)</u>
Net assets			<u>527,089</u>		<u>494,907</u>
Capital and reserves					
Called up share capital	16		5,000		5,000
Profit and loss account			522,089		489,907
Equity shareholders' funds	17		<u>527,089</u>		<u>494,907</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 18 August 2003 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 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		95,824	90,884
Depreciation less profit on disposal of tangible assets		98,541	103,459
(Increase) /decrease in stocks		(47,843)	7,809
Decrease in debtors		141,685	444,525
Increase /(decrease) in creditors		35,314	(153,827)
Net cash inflow from operating activities		<u>323,521</u>	<u>492,850</u>
Cash flow statement			
Net cash inflow from operating activities		323,521	492,850
Returns on investments and servicing of finance	20	(13,932)	(14,622)
Taxation	20	(6,557)	(6,807)
Capital expenditure	20	(88,073)	10,635
		<u>214,959</u>	<u>482,056</u>
Equity dividends paid		(29,333)	-
		<u>185,626</u>	<u>482,056</u>
Financing	20	(79,002)	(104,405)
Increase in cash in the year		<u>106,624</u>	<u>377,651</u>
Reconciliation of net cash flow to movement in net funds (Note 21)			
Increase in cash in the year		106,624	377,651
Reduction in finance lease obligations due to instalments made		79,002	104,405
		<u>185,626</u>	<u>482,056</u>
Change in net funds resulting from cash flows		185,626	482,056
New finance leases and hire purchase contracts		-	(282,028)
Movement in net funds in the year		<u>185,626</u>	<u>200,028</u>
Net borrowings less bank balances at 31 December 2001		<u>(268,248)</u>	<u>(468,276)</u>
Net borrowings less bank balances at 31 December 2002		<u>(82,622)</u>	<u>(268,248)</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

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 2002

..... continued

2. Operating profit	2002	2001
	£	£
Depreciation and other amounts written off tangible assets	123,703	118,389
Remediation work at Ashbourne depot	22,574	94,001
Operating lease rentals		
- Motor vehicles	-	1,440
- Land and buildings	1,500	1,500
Auditors' remuneration	5,250	4,800
and after crediting:		
Profit on disposal of tangible fixed assets	25,162	14,930
	<u> </u>	<u> </u>
 3. Interest receivable and similar income	 2002	 2001
	£	£
Bank interest	1,157	2,298
Other interest	2,051	2
	<u> </u>	<u> </u>
	3,208	2,300
	<u> </u>	<u> </u>
 4. Interest payable and similar charges	 2002	 2001
	£	£
On bank loans and overdrafts	808	1,125
Hire purchase interest	16,332	15,761
On overdue tax	-	36
	<u> </u>	<u> </u>
	17,140	16,922
	<u> </u>	<u> </u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

5. Employees

Number of employees

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

	2002	2001
Drivers and mechanics staff	9	10
Office and management staff	3	4
Administration staff	7	6
	<u>19</u>	<u>20</u>

Employment costs

Wages and salaries
Social security costs

2002	2001
£	£
431,447	382,793
39,776	35,760
<u>471,223</u>	<u>418,553</u>

5.1. Directors' emoluments

Remuneration and other emoluments

2002	2001
£	£
<u>78,405</u>	<u>109,521</u>

6. Taxation

UK current year taxation

UK corporation tax
Transfer from deferred taxation

2002	2001
£	£
17,272	6,559
(2,034)	9,495
<u>15,238</u>	<u>16,054</u>

Prior years

UK corporation tax

5,139	609
<u>20,377</u>	<u>16,663</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

7. Dividends				2002	2001
				£	£
Dividends on equity shares:					
Ordinary shares - interim paid				29,333	-
				<u> </u>	<u> </u>
8. Tangible fixed assets	Land and buildings freehold	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 31 December 2001	181,928	92,445	60,605	557,672	892,650
Additions	-	9,179	46,680	62,719	118,578
Disposals	-	(2,300)	-	(50,534)	(52,834)
At 31 December 2002	<u>181,928</u>	<u>99,324</u>	<u>107,285</u>	<u>569,857</u>	<u>958,394</u>
Depreciation					
At 31 December 2001	17,906	87,794	26,523	207,797	340,020
On disposals	-	(1,548)	-	(45,943)	(47,491)
Charge for the year	1,920	2,838	14,538	104,407	123,703
At 31 December 2002	<u>19,826</u>	<u>89,084</u>	<u>41,061</u>	<u>266,261</u>	<u>416,232</u>
Net book values					
At 31 December 2002	<u>162,102</u>	<u>10,240</u>	<u>66,224</u>	<u>303,596</u>	<u>542,162</u>
At 31 December 2001	<u>164,022</u>	<u>4,651</u>	<u>34,082</u>	<u>349,875</u>	<u>552,630</u>

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

	2002		2001	
Asset description	Net book value	Depreciation charge	Net book value	Depreciation charge
	£	£	£	£
Motor vehicles	<u>227,557</u>	<u>72,248</u>	<u>320,069</u>	<u>70,783</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

9. Fixed asset investments

	Listed investments £	Total £
Cost		
At 31 December 2001		
At 31 December 2002	250	250
Net book values		
At 31 December 2002	250	250
At 31 December 2001	250	250

10. Stocks

	2002 £	2001 £
Raw materials and consumables	109,651	61,808

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

11. Debtors	2002	2001
	£	£
Trade debtors	680,255	806,696
Other debtors	37,126	55,093
Prepayments and accrued income	28,253	25,530
	<u>745,634</u>	<u>887,319</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) £Nil (2001 £6,838). The highest amount outstanding during the year was £77,269. Interest has been charged equal to bank rate plus interest as directed by the company secretary.

b) S R Cantrell (wife of J R Cantrell - director) £23,846 (2001 £27,800). A loan of £29,000 was made during 2001 to be repaid by monthly instalments 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	726,588
after more than one year	19,046
	<u>745,634</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

12. Creditors: amounts falling due within one year	2002 £	2001 £
Net obligations under finance leases and hire purchase contracts	79,002	79,002
Trade creditors	724,180	698,393
Corporation tax	22,413	6,559
Other taxes and social security costs	11,182	12,507
Directors' accounts	307	559
Accruals and deferred income	15,904	4,800
Proposed dividend	29,333	-
	<u>882,321</u>	<u>801,820</u>

The company's bank overdraft facility is secured by a mortgage debenture dated 18 July 2000.

13. Creditors: amounts falling due after more than one year	2002 £	2001 £
Net obligations under finance leases and hire purchase contracts	<u>126,715</u>	<u>205,717</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	79,002	79,002
Repayable between one and five years	126,715	205,717
	<u>205,717</u>	<u>284,719</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

14 Provisions for liabilities and charges

	Deferred taxation (Note 15) £	Total £
At 31 December 2001	16,034	16,034
Movements in the year	2,034	2,034
At 31 December 2002	<u>14,000</u>	<u>14,000</u>

15. Deferred taxation

Deferred tax is analysed over the following timing differences:

	Not provided		Provided	
	2002 £	2001 £	2002 £	2001 £
Accelerated capital allowances	<u>-</u>	<u>-</u>	<u>14,000</u>	<u>16,034</u>

Movements on the provision for deferred taxation are:

	2002 £	2001 £
At 31 December 2001	16,034	6,539
Transferred to profit and loss account	<u>(2,034)</u>	<u>9,495</u>
At 31 December 2002	<u>14,000</u>	<u>16,034</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

16. Share capital	2002	2001
	£	£
Authorised equity		
5,000 Ordinary shares of 1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid equity		
5,000 Ordinary shares of 1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
17. Reconciliation of movements in shareholders' funds	2002	2001
	£	£
Profit for the year	61,515	59,599
Dividends	(29,333)	-
	<u>32,182</u>	<u>59,599</u>
Opening shareholders' funds	494,907	435,308
	<u>494,907</u>	<u>435,308</u>
Closing shareholders' funds	527,089	494,907
	<u>527,089</u>	<u>494,907</u>
18. Capital commitments	2002	2001
	£	£
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	-	34,630
	<u>-</u>	<u>34,630</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... 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 2002	<u>43,831</u>
Sales to Spacespeedy Limited during the year ended 31 December 2002	<u>298,162</u>
Purchases from Spacespeedy Limited during the year ended 31 December 2002	<u>37,968</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 2002	<u>5,636</u>
Sales to Halso Heating Maintenance Limited during the year ended 31 December 2002	<u>21,994</u>
Purchases from Halso Heating Maintenance Limited during the year ended 31 December 2002	<u>10,824</u>

Halso Petroleum Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

..... continued

20. Gross cash flows

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	3,208	2,300
Interest paid	(17,140)	(16,922)
	<u>(13,932)</u>	<u>(14,622)</u>
Taxation		
Corporation tax paid	(6,557)	(6,807)
Capital expenditure		
Payments to acquire tangible assets	(118,578)	(11,192)
Receipts from sales of tangible assets	30,505	21,827
	<u>(88,073)</u>	<u>10,635</u>
Financing		
Capital element of finance leases and hire purchase contracts	(79,002)	(104,405)

21. Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	16,471	135,957	152,428
Finance leases and hire purchase contracts	(284,719)	79,002	(205,717)
Net funds	<u>(268,248)</u>	<u>214,959</u>	<u>(53,289)</u>