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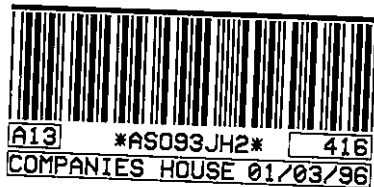
COMPANY NUMBER 1642534

**PETROLEUM ARGUS LIMITED**

**Financial statements**

**Year ended**

**30 June 1995**



# **PETROLEUM ARGUS LIMITED**

## **DIRECTORS' REPORT**

**30 June 1995**

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The directors submit their report and financial statements for the year ended 30 June 1995.

### **PRINCIPAL ACTIVITIES, REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

The principal activities of the company is the supply of information relating to the price and availability of crude oil and oil products.

The company has enjoyed another successful year of trading despite tough conditions in our market place.

Results have been boosted by investment in new products, additional sales staff and the opening of a Moscow office. Although conditions remain tough, the directors believe that the outlook for the company is favourable due to the level of investment already undertaken.

### **RESULTS AND DIVIDENDS**

The profit and loss account is set out on page 4 and shows the profit for the year.

Dividends for the year totalled £382,534 (1994: £346,560) leaving a retained profit of £328,019 (1994: £124,136).

### **FIXED ASSETS**

Movements in fixed assets are set out in note 8 to the financial statements.

### **DIRECTORS**

The directors who served during the year together with their interests in the ordinary shares of the company are as follows:

	A Ordinary shares		B Ordinary shares	
	30 June 1995	1 July 1994	30 June 1995	1 July 1994
	10p shares	10p shares	10p shares	10p shares
J.A. Nasmyth	60,000	60,000	-	-
M.A. Binks	15,000	15,000	75,000	75,000
P. Caddy	7,650	7,500	-	-
D.C. Massey	3,990	3,600	-	-
S. Nelson (appointed 18 July 1994)	360	-	-	-

P. Caddy, D.C. Massey and S. Nelson exercised their options to acquire 150, 390 and 360 "A" ordinary shares respectively for a cash consideration of £4.50 per share.

## PETROLEUM ARGUS LIMITED

### DIRECTORS' REPORT (continued) 30 June 1995

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#### 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 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 maintaining 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. 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

With effect from 1 October 1994 our auditors changed their name to BDO Stoy Hayward. BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the board



**M.A. BINKS**  
Director

<sup>14th</sup>  
12 September 1995

# **PETROLEUM ARGUS LIMITED**

## **REPORT OF THE AUDITORS**

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### **To the members of Petroleum Argus Limited**

We have audited the financial statements on pages 4 to 14 which have been prepared under the accounting policies set out on page 7.

#### *Respective responsibilities of directors and auditors*

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### *Basis of opinion*

We conducted our audit in accordance with Auditing Standards 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 show a true and fair view of the state of affairs of the company at 30 June 1995 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*BDO Stoy Hayward*

**BDO STOY HAYWARD**

*Chartered Accountants and Registered Auditors*

**RICHMOND UPON THAMES**

*26 September 1995*

**PETROLEUM ARGUS LIMITED****PROFIT AND LOSS ACCOUNT**

Year ended 30 June 1995

		1995	1994
	note	£	£
<b>TURNOVER</b>	2	3,853,515	3,020,096
Administrative expenses		2,892,879	2,383,258
<b>OPERATING PROFIT</b>		960,636	636,838
Rent receivable		3,035	1,944
Franked investment income		7,283	7,283
Interest receivable		85,152	49,261
		95,470	58,488
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAX</b>	4	1,056,106	695,326
Tax on profit on ordinary activities	5	345,553	224,630
<b>PROFIT FOR THE FINANCIAL YEAR</b>		710,553	470,696
Dividends	6	382,534	346,560
<b>RETAINED PROFIT FOR THE YEAR</b>		328,019	124,136
Retained profit brought forward		470,859	346,723
<b>RETAINED PROFIT CARRIED FORWARD</b>		798,878	470,859

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

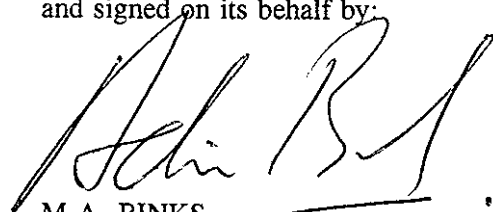
The notes on pages 7 to 14 form part of these financial statements.

**PETROLEUM ARGUS LIMITED**

**BALANCE SHEET**  
**30 June 1995**

		<b>1995</b>		<b>1994</b>	
	<b>note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Intangible assets	7	-			20,000
Tangible assets	8	253,549			148,762
Investments	9	147,475			149,025
			401,024		317,787
<b>CURRENT ASSETS</b>					
Debtors:					
- due within one year	10	1,083,619		569,961	
- due after more than one year	10	-		57,719	
Cash at bank and in hand		1,642,411		1,761,804	
		2,726,030		2,389,484	
<b>CREDITORS:</b> amounts falling due within one year	11	2,250,756		2,163,102	
<b>NET CURRENT ASSETS</b>			475,274		226,382
			876,298		544,169
<b>CREDITORS:</b> amounts falling due after more than one year	12		11,700		15,330
			864,598		528,839
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14	32,392			32,220
Share premium account	15	33,328			25,760
Profit and loss account		798,878			470,859
			864,598		528,839

These financial statements were approved by the board on <sup>14th</sup>12 September 1995 and signed on its behalf by:

  
M.A. BINKS  
Director

The notes on pages 7 to 14 form part of these financial statements.

**PETROLEUM ARGUS LIMITED**

**CASH FLOW STATEMENT**

**30 June 1995**

		<b>1995</b>		<b>1994</b>	
	<b>note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	17(a)		840,086		826,141
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
Income from investments		10,318		9,227	
Interest received		72,688		46,361	
Dividends paid		(616,324)		(127,770)	
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			(533,318)		(72,182)
<b>TAXATION</b>					
UK corporation tax		(275,114)		(133,298)	
<b>TAX PAID</b>			(275,114)		(133,298)
<b>INVESTING ACTIVITIES</b>					
Purchase of tangible fixed assets		(159,042)		(88,788)	
Sale of tangible fixed assets		305		738	
<b>NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES</b>			(158,787)		(88,050)
<b>NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING</b>			(127,133)		532,611
<b>FINANCING</b>					
Issue of share capital		7,740		19,980	
<b>NET CASH INFLOW FROM FINANCING</b>	17(c)		7,740		19,980
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	17(b)		(119,393)		552,591

The notes on pages 7 to 14 form part of these financial statements.

**1 ACCOUNTING POLICIES**

**Basis of accounting**

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

**Goodwill**

Goodwill is the difference between the amount paid on the acquisition of the partnership "Petroleum Argus" and the aggregate fair value of the separate net assets. It is being written off in equal annual instalments over its estimated useful life of 10 years.

**Depreciation**

Depreciation is provided to write off the cost of tangible assets over their expected useful lives at 25% per annum on the reducing balance basis.

**Foreign currencies**

Transactions in foreign currencies are recorded at the average rate for the year.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences arising from changes in exchange rate are taken to the profit and loss account.

**Lease commitments**

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

**Turnover**

Turnover, which is stated net of value added tax, represents the total amount receivable in the ordinary course of business for goods sold and services provided, after deducting discounts given and credit notes issued.

Turnover is credited to the profit and loss account in accordance with the subscription period to which it relates.

**Deferred taxation**

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.



# PETROLEUM ARGUS LIMITED

## NOTES ON THE FINANCIAL STATEMENTS (continued) 30 June 1995

### 2 TURNOVER AND PROFITS

The turnover and profit before taxation is wholly attributable to the principal activities of the company. Turnover is analysed by market below:

	1995 £	1994 £
United Kingdom	1,013,474	794,285
United States	747,582	585,899
Europe	847,773	664,421
Rest of the World	1,244,686	975,491
	<u>3,853,515</u>	<u>3,020,096</u>

### 3 EMPLOYEES

The average number of employees, including directors, during the year was as follows:

	Number	Number
Editorial	35	30
Marketing	5	4
Management	17	16
	<u>57</u>	<u>50</u>
Staff costs consist of:	£	£
Wages and salaries	1,496,979	1,198,328
Social security costs	133,651	95,235
Other pension costs	40,092	28,658
	<u>1,670,722</u>	<u>1,322,221</u>

**PETROLEUM ARGUS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS (continued)**  
**30 June 1995**

**4 PROFIT ON ORDINARY ACTIVITIES  
BEFORE TAX**

is stated after charging:	1995 £	1994 £
Amortisation of goodwill	20,000	20,000
Depreciation	49,374	49,591
Loss on disposal of fixed assets	4,626	1,200
Diminution in value of investments	1,550	4,915
Auditors' remuneration	7,550	8,500
Hire of equipment	1,461	1,610

Directors emoluments:

Salaries and other emoluments	429,463	300,864
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Emoluments (excluding pension contributions) of:

Chairman	10,500	10,273
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Highest paid director	224,477	146,616
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The other directors' emoluments fall within the ranges:

	Number	Number
£30,001 - £35,000	-	1
£50,001 - £55,000	-	1
£55,001 - £60,000	1	1
£60,001 - £65,000	1	-
£65,001 - £70,000	1	-

**5 TAX ON PROFIT ON ORDINARY ACTIVITIES**

The charge is based on the profit for the year before tax and consists of:

Corporation tax at 32.3% (1994: 31.3%)	344,096	224,099
Tax on franked investment income	1,457	1,457

Adjustment relating to previous year:

Corporation tax	-	(926)
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345,553	224,630
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**PETROLEUM ARGUS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS (continued)**

**30 June 1995**

6	<b>DIVIDENDS</b>			<b>1995</b> £	1994 £
	"A" ordinary shares	- interim - final - interim - final		86,520	86,520
				200,380	173,040
	"B" ordinary shares			28,840	26,250
				66,794	60,750
				<hr/> 382,534	<hr/> 346,560
				<hr/> <hr/>	<hr/> <hr/>
7	<b>INTANGIBLE FIXED ASSET</b>			Goodwill £	
	At 1 July 1994			20,000	
	Amortisation for the year			20,000	
				<hr/>	
	At 30 June 1995			-	
				<hr/> <hr/>	
8	<b>TANGIBLE FIXED ASSETS</b>			Fixtures, fittings and office equipment £	Total £
	<b>Cost</b>	Motor vehicles £	Computer equipment £		
	At 1 July 1994			118,561	373,644
	Additions			92,819	158,787
	Disposals			-	(29,302)
		<hr/>	<hr/>	<hr/>	<hr/>
	At 30 June 1995			211,380	503,129
	<b>Accumulated depreciation</b>				
	At 1 July 1994			64,323	224,882
	Charge for the year			20,152	49,374
	Disposals			-	(24,676)
		<hr/>	<hr/>	<hr/>	<hr/>
	At 30 June 1995			84,475	249,580
	<b>Net book value:</b>				
	At 30 June 1995			126,905	253,549
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	At 30 June 1994			54,238	148,762
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

NOTES ON THE FINANCIAL STATEMENTS (continued)  
30 June 1995

9	<b>INVESTMENTS</b>	<b>1995</b>	<b>1994</b>
		£	£
	UK listed investments at cost	82,940	82,940
	Less: Provision	(2,965)	(1,415)
		<hr/>	<hr/>
	Market value	79,975	81,525
	Investment in freehold property	67,500	67,500
		<hr/>	<hr/>
		147,475	149,025
		<hr/>	<hr/>

The company holds a 75% interest in the freehold property. The freehold property was valued at 30 June 1995 by the directors at £90,000. The value attributable to the company's share is therefore £67,500.

10	<b>DEBTORS</b>	<b>1995</b>	<b>1994</b>
	Amounts receivable within one year:	£	£
	Trade debtors	1,015,270	531,851
	Other debtors	39,576	17,630
	Prepayments	28,773	20,480
		<hr/>	<hr/>
		1,083,619	569,961
		<hr/>	<hr/>
	Amounts receivable after more than one year:		
	Advance corporation tax	-	57,719
		<hr/>	<hr/>

11	<b>CREDITORS</b>		
	Amounts falling due within one year:		
	Trade creditors	199,493	118,002
	Taxation and social security	32,522	49,407
	Dividend proposed	-	233,790
	Corporation tax	258,742	246,022
	Prepaid subscriptions	1,582,198	1,416,482
	Other creditors	177,801	99,319
		<hr/>	<hr/>
		2,250,756	2,163,102
		<hr/>	<hr/>

12	<b>CREDITORS</b>		
	Amounts falling due after more than one year:		
	Prepaid subscriptions	11,700	15,330
		<hr/>	<hr/>

**PETROLEUM ARGUS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS (continued)**

**30 June 1995**

**13 DEFERRED TAXATION**

	<b>1995</b>		<b>1994</b>	
	Total potential liability £	Provided in accounts £	Total potential liability £	Provided in accounts £
Accelerated capital allowances	1,323	-	1,614	-
Timing differences	4,113	-	967	-
	<u>5,436</u>	<u>-</u>	<u>2,581</u>	<u>-</u>

**14 SHARE CAPITAL**

	<b>1995</b> £	<b>1994</b> £
Authorised:		
425,000 "A" ordinary shares of 10p each	42,500	42,500
75,000 "B" ordinary shares of 10p each	7,500	7,500
	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid:		
248,920 (1994: 247,200) "A" ordinary shares of 10p each	24,892	24,720
75,000 "B" ordinary shares of 10p each	7,500	7,500
	<u>32,392</u>	<u>32,220</u>

During the year 1,720 "A" ordinary shares of 10 pence each were issued at 450 pence per share under the employee share option scheme.

The directors granted 15,000 new options on 19 December 1994 which mature on 19 December 1997 and are exercisable at £16.00 each between 19 December 1997 and 18 March 1998.

**15 SHARE PREMIUM ACCOUNT**

	£
At 1 July 1994	25,760
Arising on issue of shares (see note 14)	7,568
	<u>33,328</u>
At 30 June 1995	<u>33,328</u>

**PETROLEUM ARGUS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS (continued)**  
**30 June 1995**

**16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	710,553	470,696
Dividends	382,534	346,560
	<hr/>	<hr/>
	328,019	124,136
Shares issued (see note 14)	7,740	19,980
Opening shareholders' funds	528,839	384,723
	<hr/>	<hr/>
Net assets at 30 June	864,598	528,839
	<hr/>	<hr/>

**17 NOTES ON THE CASH FLOW STATEMENT**

<b>a) Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Operating profit	960,636	636,838
Depreciation charges	49,374	49,591
Amortisation of intangible assets	20,000	20,000
Loss on sale of tangible fixed assets	4,626	1,200
Provision for diminution in value	1,550	4,915
Increase in debtors	(513,658)	(168,435)
Increase in creditors	317,558	282,032
	<hr/>	<hr/>
Net cash inflow from operating activities	840,086	826,141
	<hr/>	<hr/>
<b>b) Analysis of changes in cash and cash equivalents during the year</b>	<b>Cash at bank</b>	
	<b>1995</b>	<b>1994</b>
	<b>£</b>	<b>£</b>
Balance at 1 July	1,761,804	1,209,213
Net cash (outflow)/inflow	(119,393)	552,591
	<hr/>	<hr/>
Balance at 30 June	1,642,411	1,761,804
	<hr/>	<hr/>

**PETROLEUM ARGUS LIMITED**

**NOTES ON THE FINANCIAL STATEMENTS (continued)**  
**30 June 1995**

**17 NOTES ON THE CASH FLOW STATEMENT (continued)**

c) Analysis of changes in financing during the year	Share capital (including premium)	
	1995	1994
	£	£
Balance at 1 July	57,980	32,000
Cash inflow from financing	7,740	19,980
	<hr/>	<hr/>
Balance at 30 June	65,720	51,980
	<hr/>	<hr/>

**18 LEASE COMMITMENTS**

At 30 June 1995 the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	1995	1994
	£	£
Operating leases which expire:		
Within one year	-	19,539
Within two to five years	61,972	16,472
In over five years	31,777	23,752
	<hr/>	<hr/>
	93,749	59,763
	<hr/>	<hr/>

**19 CLOSE COMPANY**

The close company provisions of the Income and Corporation Taxes Act 1988 apply to the company.

**20 TRANSACTIONS WITH DIRECTORS**

The company holds a 75% interest in a freehold property. Mr Binks, a director of the company, continues to hold the remaining 25%.