

PRESTON FUELS LIMITED

**Granic Filling Station
Harden Road
Harden
Bingley
BD16 1HT**

ACCOUNTS AND FINANCIAL STATEMENTS

for the year ended

31 DECEMBER 2002



PRESTON FUELS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

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PRESTON FUELS LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Company number

3289365

Director

S E Preston

Secretary

A Preston

Registered office

Granic Filling Station
Harden Road
Harden
Bingley
BD16 1HT

Auditor

J Turner
Chartered Accountant and Registered Auditor
Oakwood
104 Penistone Road
Kirkburton
Huddersfield
HD8 0TA

Bankers

Barclays Bank PLC
77 North Street
Keighley
BD21 3SA

PRESTON FUELS LIMITED

DIRECTOR'S REPORT

The director submits her report and accounts for the year ended 31 December 2002.

Results and dividend

The trading profit after taxation amounts to £72,372 (2001 £82,933).

This has been dealt with as follows:-

	2002 £	2001 £
Dividend to members	75,000	75,000
Transfer to/(from) reserves	(2,628)	7,933
	<hr/>	<hr/>
	72,372	82,933
	<hr/>	<hr/>

Review of the business

The company's business consists of the wholesale supply of industrial, agricultural and domestic fuel oils. There has been no change in these activities during the year.

Fixed assets

Details of the acquisition and disposal of fixed assets are shown in the notes to the accounts.

Future developments

No major alteration in the company's trading activities is envisaged.

Events since the end of the year

There have been no events since the end of the year of any material significance.

Director and her interests

The director at 31 December 2002 and her interest in the share capital of the company was as follows:-

	Ordinary £1 shares	
	2002	2001
S E Preston	1	1
	<hr/>	<hr/>
	1	1
	<hr/>	<hr/>

Auditor

Mr John Turner, Chartered Accountant & Registered Auditor, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the Board



A Preston – Secretary

1 September 2003

PRESTON FUELS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The company law requires the directors to prepare financial statements for each financial period 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 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;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is appropriate 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, as amended. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

AUDITOR'S REPORT TO THE MEMBERS OF

PRESTON FUELS LIMITED

We have audited the financial statements on pages 6 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

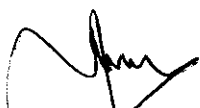
As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit on those statements and to report our opinion to you.

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 mis-statement, 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.

In our opinion the financial statements give a true and fair view of the company's state of affairs as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, as amended.



John Turner
Chartered Accountant & Registered Auditor
Oakwood
104 Penistone Road
Kirkburton
Huddersfield
HD8 0TA

1 September 2003

PRESTON FUELS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2002**

		Notes	£
2001			
1,403,237	Turnover	2	1,173,000
(1,259,005)	Less: Cost of sales		(1,031,448)
<hr/>			<hr/>
144,232	Gross profit		141,552
(42,685)	Less: Distribution and administrative expenses		(53,226)
<hr/>			<hr/>
101,547	Operating profit – continuing operations	3	88,326
-	Profit/(loss) on sale of fixed assets in continuing operations		78
<hr/>			<hr/>
101,547	Profit on ordinary activities before interest (payable)/ receivable		88,404
2,025	Interest (payable)/ receivable		818
<hr/>			<hr/>
103,572	Profit on ordinary activities before taxation		89,222
(20,639)	Less: Tax on profit on ordinary activities	4	(16,850)
<hr/>			<hr/>
82,933	Profit for the financial year		72,372
(75,000)	Dividend		(75,000)
<hr/>			<hr/>
7,933	Retained profit/(deficit) for the year	10	(2,628)
<hr/>			<hr/>

There were no recognised gains and losses other than those recognised in the profit and loss account.

The notes on pages 9 – 13 form part of these financial statements.

PRESTON FUELS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2002

2001		Notes	£	£
16,025	Fixed assets	5		17,061
	Current assets			
27,339	Stock	6	35,923	
52,716	Debtors	7	98,771	
157,219	Cash and bank balances	13	59,972	
237,274			194,666	
231,675	Creditors: amounts falling due within one year	8	192,731	
5,599	Net current assets/(liabilities)			1,935
21,624				18,996
	Capital and reserves			
2	Called up share capital	9		2
21,622	Profit and loss account	12		18,994
21,624	Shareholders' funds	11		18,996

These financial statements have been prepared in accordance with the special provisions of Part VII of the companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

On behalf of the Board:

S E Preston

 S E Preston - Director

Approved by the Board on 1 September 2003.

The notes on pages 9 – 13 form part of these financial statements.

PRESTON FUELS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2002

	2002		2001	
	£	£	£	£
Net cash inflow from operating activities		2,215		156,570
Returns on investments and servicing of finance				
Shares issued	-		1	
Interest received	818		2,025	
Dividend paid	(75,000)		(75,000)	
	<hr/>		<hr/>	
Net cash outflow from returns on investments and servicing of finance		(74,182)		(72,974)
Taxation paid	(20,644)		(20,112)	
	<hr/>		<hr/>	
		(20,644)		(20,112)
Investing activities				
Payments to acquire tangible fixed assets	(7,189)		(8,300)	
Receipts from sales of tangible fixed assets	2,553		465	
	<hr/>		<hr/>	
Net cash (outflow) from investing activities		(4,636)		(7,835)
		<hr/>		<hr/>
Increase/(decrease) in cash and cash equivalents		(97,247)		55,649
		<hr/>		<hr/>

PRESTON FUELS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2002

1. Accounting policies

a. Accounting convention

The accounts are prepared under the historical cost convention.

b. Depreciation

Depreciation of fixed assets has been charged as follows, by the reducing balance method.

Motor vehicles	25% p a
Office equipment	25% p a

c. Stocks

Stocks are valued at the lower of cost or net realisable value.

2. Turnover

Turnover represents the invoice value of goods sold, stated net of value added tax. All the turnover was attributable to sales in the United Kingdom.

3. Operating profit

	2002 £	2001 £
This is stated after charging the following:-		
Auditor's remuneration	1,100	1,050
Depreciation	3,678	5,340
	<hr/>	<hr/>
	4,778	6,390
	<hr/>	<hr/>

4. Taxation

Taxation charged in the accounts is as follows:-

Current year	16,856	20,650
Prior year	(6)	(11)
	<hr/>	<hr/>
	16,850	20,639
	<hr/>	<hr/>

No provision has been made in these accounts for taxation deferred due to capital allowances timing differences, as it is not considered that a material liability will arise in the foreseeable future.

PRESTON FUELS LIMITED

NOTES TO THE ACCOUNTS (CONT)

FOR THE YEAR ENDED 31 DECEMBER 2002

5. Fixed assets

	Office equipment	Motor vehicle	Total
	£	£	£
Cost			
Brought forward	1,118	22,881	23,999
Add	-	7,189	7,189
Sale	-	(3,300)	(3,300)
	<hr/>	<hr/>	<hr/>
	1,118	26,770	27,888
	<hr/>	<hr/>	<hr/>
Depreciation:-			
Balance brought forward	666	7,308	7,974
Charge for period	113	3,565	3,678
Sales	-	(825)	(825)
	<hr/>	<hr/>	<hr/>
	779	10,048	10,827
	<hr/>	<hr/>	<hr/>
Net book value:-			
At 31 December 2002	339	16,722	17,061
	<hr/>	<hr/>	<hr/>
At 31 December 2001	452	15,573	16,025
	<hr/>	<hr/>	<hr/>

The assets of the company have not been re-valued in the accounts. The directors have considered their value, and are satisfied that their aggregate value as at 31 December 2002 was not less than their net book value shown in the accounts.

6. Stocks

	2002	2001
	£	£
Goods for re-sale	35,923	27,339
	<hr/>	<hr/>

7. Debtors – amounts falling due within one year

Trade debtors	87,667	43,650
Customs & Excise VAT	11,104	9,066
	<hr/>	<hr/>
	98,771	52,716
	<hr/>	<hr/>

PRESTON FUELS LIMITED

NOTES TO THE ACCOUNTS (CONT)

FOR THE YEAR ENDED 31 DECEMBER 2002

8. Creditors: amounts falling due within one year

	2002	2001
	£	£
Corporation tax	16,856	20,650
Trade creditors and accruals	71,781	45,911
Dividend	75,000	75,000
Director's loan account	29,094	90,114
	<hr/>	<hr/>
	192,731	231,675
	<hr/>	<hr/>

9. Share capital

2001 & 2002

	Authorised	Allotted & called up
Ordinary £1 shares	1,000	2
	<hr/>	<hr/>

10. Profit and loss account

	2002	2001
	£	£
Balance 1 January 2002	21,622	13,689
Retained profit/(deficit) for year	(2,628)	7,933
	<hr/>	<hr/>
Balance 31 December 2002	18,994	21,622
	<hr/>	<hr/>

PRESTON FUELS LIMITED

NOTES TO THE ACCOUNTS (CONT)

FOR THE YEAR ENDED 31 DECEMBER 2002

11. Reconciliation of movement of shareholders' funds

	2002	2001
	£	£
Profit for year	72,372	82,933
Dividend	(75,000)	(75,000)
Issued share capital	-	1
	<hr/>	<hr/>
	(2,628)	7,934
Shareholders' funds/(deficit) 31 December 2001	21,624	13,690
	<hr/>	<hr/>
Shareholders' funds/(deficit) 31 December 2002	18,996	21,624
	<hr/> <hr/>	<hr/> <hr/>

12. Reconciliation of operating profit to net cash inflow from operations

Operating profit	88,326	101,547
Depreciation charge	3,678	5,340
(Increase)/decrease in stock	(8,584)	7,165
(Increase)/decrease in debtors	(46,055)	24,832
Increase/(decrease) in creditors	(35,150)	17,686
	<hr/>	<hr/>
	2,215	156,570
	<hr/> <hr/>	<hr/> <hr/>

13. Analysis of the balance of cash and cash equivalents as shown in the balance sheet

	2002	2001	2000
	£	£	£
Cash at bank and in hand	59,972	157,219	101,570
	<hr/>	<hr/>	<hr/>
Increase/(decrease)	(97,247)	55,649	
	<hr/> <hr/>	<hr/> <hr/>	

PRESTON FUELS LIMITED

NOTES TO THE ACCOUNTS (CONT)

FOR THE YEAR ENDED 31 DECEMBER 2002

14. Capital commitments

	2002	2001
	£	£
At the end of the financial year the company has capital commitments as follows:-		
Contracted for but not provided in these accounts	Nil	Nil
	==	==
Authorised by the directors but not contracted for	Nil	Nil
	==	==