

Company Registration No. 03838151 (England and Wales)

LAMBERT ENERGY ADVISORY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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LAMBERT ENERGY ADVISORY LIMITED

COMPANY INFORMATION

Directors	Philip Lambert Rodney Batchelor Sir Jeremy Greenstock Charles Hue Williams Alexander Landia Tan Sri Mohd Hassan Marican Tore Sandvold Onursal Soyer	(Appointed 20 March 2012)
Secretary	Gillian Pronger	
Company number	03838151	
Registered office	17 Hill Street London W1J 5LJ United Kingdom	
Auditors	The Gallagher Partnership LLP 69/85 Tabernacle Street London EC2A 4RR	
Business address	17 Hill Street, London W1J 5LJ United Kingdom	
Solicitors	Freshfields Bruckhaus Deringer 65 Fleet Street London EC4Y 1HS	

LAMBERT ENERGY ADVISORY LIMITED

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LAMBERT ENERGY ADVISORY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

Principal activities and review of the business

The principal activity of the company is the provision of corporate finance advice to the energy industry
The company is authorised and regulated by the Financial Conduct Authority

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

Results and dividends

The results for the year are set out on page 5

A dividend on ordinary shares was paid amounting to £1,438,696
It is proposed that the retained profit of £13,771 is transferred to reserves

Directors

The following directors have held office since 1 January 2012

Philip Lambert
Rodney Batchelor (Appointed 20 March 2012)
Sir Jeremy Greenstock
Charles Hue Williams
Alexander Landia
Tan Sri Mohd Hassan Mancan
Tore Sandvold
Onursal Soyer

Charitable donations	2012 £	2011 £
During the year the company made the following payments		
Charitable donations	247,050	146,730

Charitable donations - the recipients, amounts and purpose of the charitable donations are as follows

The Lambert Family Charitable Fund £200,000
Landia Stiftung £45,000
Sundry donations £2,050

Description of principal risks and uncertainties

In providing corporate finance advisory services the company is dependent upon its clients for its revenues. The company, therefore, faces the risk that these revenues might vary depending on the financial position of its clients, the level of competition in the corporate finance advisory sector and the level of merger and acquisition activity in the oil and gas industry. All these factors may affect the level of income the company may earn.

Financial risk management relates to risk to the company in respect of its own assets and liabilities. The company has very limited exposure to financial instruments in respect of its own assets and liabilities. They include cash deposits, trade receivables and payables.

The main risks arising from financial instruments are limited exposure to interest rate risk, liquidity risk, and credit risk. Each of these risks is discussed in detail below.

Liquidity risk

It is the company's policy to ensure that it has sufficient access to funds to cover all forecast committed requirements for the next 12 months.

LAMBERT ENERGY ADVISORY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

Interest rate risk

The company is exposed to interest rate risk with regard to its cash holdings. All cash holdings are at variable rates. The company does not have any borrowings and surplus funds are placed on short term deposits.

Credit risk

The majority of debtors arise from major energy corporations and governmental departments. As such the company has determined that the credit risk is minimal in relation to the majority of the debtors. The company invests available cash with various banks.

Auditors

The auditors, The Gallagher Partnership LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

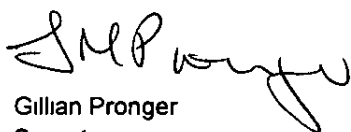
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Gillian Pronger
Secretary
15 April 2013

LAMBERT ENERGY ADVISORY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAMBERT ENERGY ADVISORY LIMITED

We have audited the financial statements of Lambert Energy Advisory Limited for the year ended 31 December 2012 set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

The information given in the directors' report is consistent with the financial statements.

LAMBERT ENERGY ADVISORY LIMITED

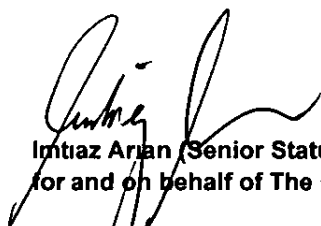
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF LAMBERT ENERGY ADVISORY LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Imtiaz Arian (Senior Statutory Auditor)
for and on behalf of The Gallagher Partnership LLP
Chartered Accountants
Statutory Auditor

15 April 2013

69/85 Tabernacle Street
London
EC2A 4RR

LAMBERT ENERGY ADVISORY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover	2	12,413,790	9,443,097
Administrative expenses		(10,518,372)	(7,441,539)
Operating profit	3	1,895,418	2,001,558
Other interest receivable and similar income	4	43,438	21,632
Interest payable and similar charges	5	(136)	-
Profit on ordinary activities before taxation		1,938,720	2,023,190
Tax on profit on ordinary activities	6	(486,253)	(550,011)
Profit for the year	15	1,452,467	1,473,179

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

LAMBERT ENERGY ADVISORY LIMITED

BALANCE SHEET

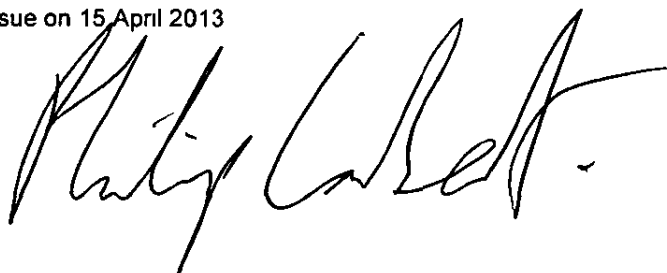
AS AT 31 DECEMBER 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	8		27,747		13,572
Current assets					
Debtors	9	1,306,360		1,566,227	
Cash at bank and in hand		8,225,226		4,835,772	
		9,531,586		6,401,999	
Creditors, amounts falling due within one year	10	(7,330,258)		(4,203,587)	
Net current assets			2,201,328		2,198,412
Total assets less current liabilities			2,229,075		2,211,984
Provisions for liabilities	11		(3,320)		-
			2,225,755		2,211,984
Capital and reserves					
Called up share capital	14		1,115		1,115
Share premium account	15		266,370		266,370
Other reserves	15		214,819		214,819
Profit and loss account	15		1,743,451		1,729,680
Shareholders' funds	16		2,225,755		2,211,984

Approved by the Board and authorised for issue on 15 April 2013

Philip Lambert
Director

Company Registration No. 03838151



LAMBERT ENERGY ADVISORY LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	£	£
Net cash inflow from operating activities	5,389,999	2,389,037
Returns on investments and servicing of finance		
Interest received	43,438	21,632
Interest paid	(136)	-
	<hr/>	<hr/>
Net cash inflow for returns on investments and servicing of finance	43,302	21,632
Taxation	(582,838)	(606,058)
Capital expenditure		
Payments to acquire tangible assets	(22,313)	-
	<hr/>	<hr/>
Net cash outflow for capital expenditure	(22,313)	-
Equity dividends paid	(1,438,696)	(1,438,696)
	<hr/>	<hr/>
Net cash inflow before management of liquid resources and financing	3,389,454	365,915
	<hr/>	<hr/>
Increase in cash in the year	3,389,454	365,915

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Reconciliation of operating profit to net cash outflow from operating activities		2012	2011
		£	£
Operating profit		1,895,418	2,001,558
Depreciation of tangible assets		8,138	8,410
Decrease/(increase) in debtors		214,617	(320,108)
Increase in creditors within one year		3,271,826	665,310
Other reserve movement		-	33,867
Net cash inflow from operating activities		5,389,999	2,389,037

2 Analysis of net funds	1 January 2012	Cash flow	Other non-cash changes	31 December 2012
	£	£	£	£
Net cash				
Cash at bank and in hand	4,835,772	3,389,454	-	8,225,226
Bank deposits	-	-	-	-
Net funds	4,835,772	3,389,454	-	8,225,226

3 Reconciliation of net cash flow to movement in net funds	2012	2011
	£	£
Increase in cash in the year	3,389,454	365,915
Movement in net funds in the year	3,389,454	365,915
Opening net funds	4,835,772	4,469,857
Closing net funds	8,225,226	4,835,772

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year is set out below

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for services provided in the normal course of business. Revenue is recognised in line with accrual accounting based on fees received for services provided during the financial year

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Leasehold	Over the period of the lease
Fixtures, fittings & equipment	Over 3 years on a straightline basis

1.5 Leasing

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

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17

1.7 Taxation

Corporation tax is provided at current rates

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.8 Share-based payment transactions

The company has issued share options to certain employees. These must be measured at fair value and recognised as an expense in the profit and loss account with a corresponding increase in equity. The fair value of the options was estimated at the date of grant by the directors. The fair value will be charged as an expense in the profit and loss account over the vesting period. The charge is adjusted each year to reflect the expected and actual level of vesting

1.9 Going Concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3	Operating profit	2012 £	2011 £
	Operating profit is stated after charging		
	Depreciation of tangible assets	8,138	8,410
	Operating lease rentals	<u>216,463</u>	<u>168,720</u>

Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts
Corporation tax compliance
Other advisory work

5,248	5,248
1,500	1,500
1,500	1,350
<u>8,248</u>	<u>8,098</u>

4	Investment income	2012 £	2011 £
	Bank interest	43,438	21,632
		<u>43,438</u>	<u>21,632</u>

5	Interest payable	2012 £	2011 £
	On overdue tax	<u>136</u>	<u>-</u>

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

6	Taxation	2012 £	2011 £
	Domestic current year tax		
	U K corporation tax	437,683	597,323
	Adjustment for prior years	-	83
	Total current tax	<u>437,683</u>	<u>597,406</u>
	Deferred tax		
	Deferred tax charge/credit current year	48,570	(47,395)
		<u>486,253</u>	<u>550,011</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>1,938,720</u>	<u>2,023,190</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.00% (2011 - 26.00%)	<u>465,293</u>	<u>526,029</u>
	Effects of		
	Non deductible expenses	8,766	5,188
	Depreciation add back	1,953	2,187
	Capital allowances	(5,933)	(803)
	Change in corporation tax rates	8,884	10,598
	Adjustments to previous period	-	83
	Deferred tax movement re pension	(41,280)	45,250
	Share based payments	-	8,805
	Other tax adjustments	-	69
		<u>(27,610)</u>	<u>71,377</u>
	Current tax charge for the year	<u>437,683</u>	<u>597,406</u>
7	Dividends	2012 £	2011 £
	Ordinary interim paid	<u>1,438,696</u>	<u>1,438,696</u>

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

8 Tangible fixed assets

	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 January 2012	7,428	34,537	41,965
Additions	-	22,313	22,313
At 31 December 2012	7,428	56,850	64,278
Depreciation			
At 1 January 2012	7,428	20,965	28,393
Charge for the year	-	8,138	8,138
At 31 December 2012	7,428	29,103	36,531
Net book value			
At 31 December 2012	-	27,747	27,747
At 31 December 2011	-	13,572	13,572

9 Debtors

	2012 £	2011 £
Trade debtors	1,031,028	1,270,272
Prepayments and accrued income	275,332	250,705
Deferred tax asset (see note 11)	-	45,250
	1,306,360	1,566,227

10 Creditors amounts falling due within one year

	2012 £	2011 £
Corporation tax	161,483	306,638
Other taxes and social security costs	259,533	166,762
Accruals and deferred income	6,909,242	3,730,187
	7,330,258	4,203,587

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 January 2012	(45,250)
Profit and loss account	48,570
Balance at 31 December 2012	<u>3,320</u>

The deferred tax liability is made up as follows:

	2012 £	2011 £
Accelerated capital allowances	3,570	-
Other timing differences	(250)	(45,250)
	<u>3,320</u>	<u>(45,250)</u>

12 Pension and other post-retirement benefit commitments Defined contribution

	2012 £	2011 £
Contributions payable by the company for the year	<u>6,000</u>	<u>198,448</u>

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

13 Share-based payment transactions

During the year ended 31 December 2012, the company had share-based payment arrangements, which are described below

Employees have been granted options under an Enterprise Management Incentive Scheme and an Unapproved Options Scheme which entitles the holders to hold options on ordinary shares in the company at a future date

The issue of ordinary shares constitutes a share-based payment under FRS 20 and the value of this payment reflects estimates of fair value of each share

The expense recognised for share-based payments in this respect during the year was £nil (2011 £33,867)

Further details of the share option plans are as follows:

	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	2012	2012 £	2011	2011 £
At 1 January 2012	23,916	-	23,916	-
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
At 31 December 2012	23,916	-	23,916	-

No options were granted during the year. The exercise price of options outstanding at the year end was £17.50 (2011 £17.50)

The fair value of equity-settled share options granted has been estimated at the date of the grant by the directors based on estimated maintainable post tax profits and taking into consideration private transactions in the shares of the company and agreements with HM Revenue & Customs regarding valuation of the shares granted under the EMI scheme

14 Share capital	2012 £	2011 £
Allotted, called up and fully paid		
111,588 Ordinary shares of 1p each	1,115	1,115

In addition to the above issued share capital the company has one "B" ordinary share of £0.01 issued and fully paid

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

15 Statement of movements on reserves

	Share premium account £	Other Profit and loss reserves (see below) £	account £
Balance at 1 January 2012	266,370	214,819	1,729,680
Profit for the year	-	-	1,452,467
Dividends paid	-	-	(1,438,696)
Balance at 31 December 2012	<u>266,370</u>	<u>214,819</u>	<u>1,743,451</u>

Other reserves

Reserves provided for by the Articles of Association

Balance at 1 January 2012 & at 31 December 2012

214,819

16 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year	1,452,467	1,473,179
Dividends	(1,438,696)	(1,438,696)
	<u>13,771</u>	<u>34,483</u>
Movements on other reserves	-	33,867
Net addition to shareholders' funds	13,771	68,350
Opening shareholders' funds	2,211,984	2,143,634
Closing shareholders' funds	<u>2,225,755</u>	<u>2,211,984</u>

17 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	Land and buildings	
	2012 £	2011 £
Operating leases which expire Between two and five years	<u>232,068</u>	<u>168,718</u>

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

18 Directors' remuneration	2012 £	2011 £
Remuneration for qualifying services	5,305,717	2,476,621
Company pension contributions to defined contribution schemes	6,000	148,448
	<u>5,311,717</u>	<u>2,625,069</u>

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	1,919,558	690,000
Company pension contributions to defined contribution schemes	-	6,000
	<u>-</u>	<u>6,000</u>

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2012 Number	2011 Number
Operations & administration	<u>17</u>	<u>17</u>

Employment costs

	2012 £	2011 £
Wages and salaries	7,489,049	4,835,087
Social security costs	943,522	580,534
Other pension costs	6,000	198,448
Costs of share option scheme	-	33,867
	<u>8,438,571</u>	<u>5,647,936</u>

20 Control

The ultimate controlling party is Mr P Lambert, an executive director

LAMBERT ENERGY ADVISORY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2012

21 Related party relationships and transactions

Dividends to Directors

The following directors were paid dividends during the year as outlined in the table below

	2012	2011
	£	£
Philip Lambert	943,764	943,764
Alexander Landia	60,000	60,000
Jeremy Greenstock	16,248	16,248
Tore Sandvold	60,000	60,000
Rodney Batchelor	71,640	-
	<u>1,151,652</u>	<u>1,080,012</u>

During the year the company paid £594,020 (2011 - £719,429) to Sandvold Energy AS, a company registered in Norway and controlled by Tore Sandvold, a non-executive director of the company