

Regency Oils Limited

Abbreviated accounts

For the year ended 31 May 2007

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Company information

Directors	R S Milne R S Milne, Jnr
Secretary	M Bruce
Company number	SC71949
Registered office	15 Marine Place Buckie AB56 1UT
Auditors	Ernst & Young LLP Barony House Stoneyfield Business Park Stoneyfield Inverness IV2 7PA
Bankers	The Royal Bank of Scotland plc 12 East Church Street Buckie AB56 1AE
Solicitors	Paull & Williamsons 6 Union Row Aberdeen AB10 1DQ

Independent Auditors' report to Regency Oils Limited
Under section 247B of the Companies Act 1985

We have examined the company's abbreviated accounts for the year ended 31 May 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 4, which have been prepared in accordance with applicable United Kingdom law, together with the company's financial statements for the year ended 31 May 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company pursuant to section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

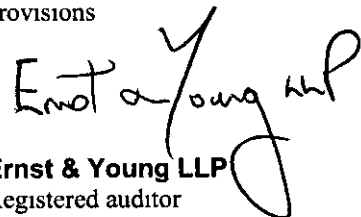
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.


Ernst & Young LLP
Registered auditor
Inverness

Date 5/12/2007

**Abbreviated Balance Sheet
As at 31 May 2007**

	Note	£	2007 £	£	2006 £
Fixed assets					
Tangible fixed assets	2		1,020,025		1,071,268
Current assets					
Stocks		190,340		114,895	
Debtors		1,193,205		857,411	
Investments		47,392		44,167	
Cash at bank		113,133		7,607	
		<u>1,544,070</u>		<u>1,024,080</u>	
Creditors* amounts falling due within one year	3	<u>(1,542,176)</u>		<u>(1,117,861)</u>	
Net current assets/(liabilities)			<u>1,894</u>		<u>(93,781)</u>
Total assets less current liabilities			<u>1,021,919</u>		<u>977,487</u>
Creditors. amounts falling due after more than one year			<u>(77,578)</u>		<u>(115,243)</u>
Provisions for liabilities					
Deferred tax			<u>(35,958)</u>		<u>(38,037)</u>
Net assets			<u><u>908,383</u></u>		<u><u>824,207</u></u>
Capital and Reserves					
Called up share capital	4		150,000		150,000
Revaluation reserve			103,625		103,404
Profit and loss account			<u>654,758</u>		<u>570,803</u>
Shareholders' funds			<u><u>908,383</u></u>		<u><u>824,207</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 23/11/07



R S Milne, Jnr
Director

The notes on pages 3 to 5 form part of these financial statements

Notes to the abbreviated accounts

For the year ended 31 May 2007

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases

Heritable property	2%	straight line
Short term leasehold property		over the period of the lease
Plant & machinery	15%	straight line
Motor vehicles	25%	reducing balance
Commercial vehicles	10%	reducing balance
Fixtures and fittings	15%	straight line

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Notes to the abbreviated accounts

For the year ended 31 May 2007

1. Accounting policies (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.7 Current asset investments

Current asset investments are valued at their current cost at the period end. In the case of investments listed on recognised stock exchanges, current cost has been taken to equate to their market value at that date

2 Tangible fixed assets

	£
Cost or valuation	
At 1 June 2006	1,403,602
Additions	6,145
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At 31 May 2007	1,409,747
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Depreciation	
At 1 June 2006	332,334
Charge for the year	57,388
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At 31 May 2007	389,722
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Net book value	
At 31 May 2007	1,020,025
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At 31 May 2006	1,071,268
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Included in land and buildings owned is land of £175,000 (2006 £175,000) which is not depreciated

3. Creditors

Amounts falling due within one year

Included within creditors due within one year are secured creditors of £258,371 (2006 £287,778)

Notes to the abbreviated accounts
For the year ended 31 May 2007

4. Share capital

	2007 £	2006 £
Authorised		
250,000 Ordinary shares of £1 each	250,000	250,000
Allotted, called up and fully paid		
150,000 Ordinary shares of £1 each	150,000	150,000