

Company Number: 2125855

**TEAM ENERGY RESOURCES LIMITED**

**ABBREVIATED ACCOUNTS**

**YEAR ENDED 30 JUNE 2003**

PKF

PKF



# **TEAM ENERGY RESOURCES LIMITED**

## **CONTENTS**

	<b>Page</b>
DIRECTORS' REPORT	1
REPORT OF THE AUDITORS	2
ABBREVIATED PROFIT AND LOSS ACCOUNT	3
BALANCE SHEET	4
NOTES TO THE ABBREVIATED ACCOUNTS	5 - 11

**TEAM ENERGY RESOURCES LIMITED**  
**DIRECTORS' REPORT**  
**YEAR ENDED 30 JUNE 2003**

The directors submit their report and the financial statements for the year ended 30 June 2003.

**Results and dividends**

The profit for the year, after taxation, amounted to **£447,585** (2002 - £311,016).

The directors recommend a dividend of £400,000 leaving a balance of £47,585 which is transferred to retained reserves.

**Principal activity and review of the business**

The principal activity of the company during the year continued to be that of the provision of engineering consultancy and management services and temporary staff to the oil and gas industry.

The directors consider the results for the year to be satisfactory, and plan to continue to develop the activities of the company.

**Directors**

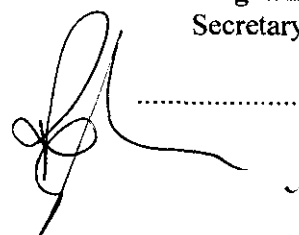
The directors who served during the year were:

R Higham  
I McFadyen

The directors did not hold any shares in the company during the year. The directors' interests in other group companies are disclosed in note 18 to the financial statements.

By order of the board

**R C Higham**  
Secretary

A handwritten signature in black ink, appearing to be 'R C Higham', written over a dotted line.

**INDEPENDENT AUDITORS' REPORT TO  
TEAM ENERGY RESOURCES LIMITED  
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts, which comprise the Profit and Loss Account, the Balance Sheet and the related notes, together with the financial statements of the company for the period ended 30 June 2003 prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the 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 to be delivered 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 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 and the abbreviated accounts are properly prepared in accordance with that provision.

Norwich, UK  
21/10/03

  
**PKF**  
Registered Auditors

**TEAM ENERGY RESOURCES LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 JUNE 2003**

	Notes	2003 £	2002 £
<b>GROSS PROFIT</b>		<b>1,027,410</b>	<b>888,129</b>
Administrative expenses		<b>(394,556)</b>	<b>(411,713)</b>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>632,854</b>	<b>476,416</b>
Interest receivable and similar income		<b>28,693</b>	<b>34,723</b>
Interest payable and similar charges	<b>5</b>	<b>(864)</b>	<b>-</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>660,683</b>	<b>511,139</b>
<b>TAXATION</b>	<b>6</b>	<b>(213,098)</b>	<b>(200,123)</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>447,585</b>	<b>311,016</b>
<b>DIVIDENDS</b>	<b>7</b>	<b>(400,000)</b>	<b>(1,000,000)</b>
		<b>47,585</b>	<b>(688,984)</b>

All amounts relate to continuing operations.

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

PKF

# TEAM ENERGY RESOURCES LIMITED

## BALANCE SHEET

30 JUNE 2003

	Notes	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible	8	29,116	26,717
<b>CURRENT ASSETS</b>			
Debtors	9	1,796,396	1,914,601
Cash at bank and in hand		463,346	1,030,221
		<u>2,259,742</u>	<u>2,944,822</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(1,519,863)</u>	<u>(2,250,207)</u>
<b>NET CURRENT ASSETS</b>		<u>739,879</u>	<u>694,615</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>768,995</u>	<u>721,332</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	11	<u>(395)</u>	<u>(317)</u>
<b>NET ASSETS</b>		<u><u>768,600</u></u>	<u><u>721,015</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	12	60,000	60,000
Profit and loss account	13	708,600	661,015
<b>SHAREHOLDERS' FUNDS</b>	14	<u><u>768,600</u></u>	<u><u>721,015</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the board on 10/10/03

Signed on behalf of the board of directors

R C Higham

Director

I McFadyen

Director



**TEAM ENERGY RESOURCES LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 30 JUNE 2003**

**1 ACCOUNTING POLICIES**

**(a) Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention.

**(b) Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax.

**(c) Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	25 % straight line
------------------	--------------------

**(d) Operating leases**

Operating lease rentals are charged in the profit and loss account as incurred.

**(e) Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the profit before taxation.

**(f) Deferred taxation**

Deferred tax is recognised in respect of all timing differences that give rise to an obligation to pay tax in the future. Deferred tax assets are not recognised where the basis of their recoverability is uncertain. Deferred tax is measured on a non discounted basis.

**2 OPERATING PROFIT**

The operating profit is stated after charging:

	2003	2002
	£	£
Depreciation of tangible fixed assets:		
- owned by the company	9,008	5,495
Audit fees	3,300	3,300
Operating lease rentals:		
- property	21,000	21,000
Loss/(gain) on exchange	17,774	22,280
	<u>          </u>	<u>          </u>

**TEAM ENERGY RESOURCES LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 30 JUNE 2003**

**3 DIRECTORS' EMOLUMENTS AND BENEFITS**

	2003	2002
	£	£
Directors' emoluments	-	6,870
	<u>          </u>	<u>          </u>

No directors (2002 - none) were members of company pension schemes.

**4 STAFF COSTS**

Staff costs, including directors' emoluments, were as follows:

	2003	2002
	£	£
Wages and salaries	115,956	108,146
Social security costs	13,893	16,224
	<u>129,849</u>	<u>124,370</u>

The average monthly number of employees, including executive directors, during the year was:

	No	No
Project management	1	1
Administration	3	3
	<u>4</u>	<u>4</u>

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	2003	2002
	£	£
Bank loans and overdrafts	864	-
	<u>          </u>	<u>          </u>

PKF



**TEAM ENERGY RESOURCES LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 30 JUNE 2003**

**6 TAXATION**

(a) Analysis of charge in year	2003 £	2002 £
<b>UK corporation tax</b>		
Current tax on income for the year	198,964	154,854
Adjustments in respect of prior periods	-	18,176
	<u>198,964</u>	<u>173,030</u>
Double taxation relief	(31,307)	(57,538)
Total UK taxation	<u>167,657</u>	<u>115,492</u>
<b>Foreign tax</b>		
Current tax on income for the year	<u>45,363</u>	<u>84,314</u>
<b>Total current tax</b>	<u>213,020</u>	<u>199,806</u>
<b>Deferred tax</b>		
Changes in deferred tax balances arising from:		
Origination or reversal of timing differences	78	317
	<u>213,098</u>	<u>200,123</u>

**(b) Factors affecting the tax charge for the year**

The tax assessed for the year is greater than would be expected by multiplying profit on ordinary activities by the standard rate of corporation tax in the UK of 30%. The differences are explained below:

	2003 £	2002 £
Profit on ordinary activities before tax	<u>660,683</u>	<u>511,139</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax of 30% (2002: 30%)	198,205	153,342
Effects of:		
Expenses disallowed (including depreciation)	3,539	2,250
Capital allowances	(2,780)	(2,795)
Chargeable gains arising on deemed disposal proceeds	-	2,057
Unrelieved foreign tax	14,056	26,776
Underprovision in 2001 in respect of double taxation relief	-	18,176
Current tax charge for the year	<u>213,020</u>	<u>199,806</u>

**TEAM ENERGY RESOURCES LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 30 JUNE 2003**

**7 DIVIDENDS**

	2003 £	2002 £
<b>Ordinary shares</b>		
Final proposed	<u>400,000</u>	<u>1,000,000</u>
of which:		
Dividends on equity shares	<u>400,000</u>	<u>1,000,000</u>

**8 TANGIBLE FIXED ASSETS**

	<b>Office equipment</b>
	£
<b>Cost</b>	
At 1 July 2002	80,771
Additions	11,407
At 30 June 2003	<u>92,178</u>
<b>Depreciation</b>	
At 1 July 2002	54,054
Charge for year	9,008
At 30 June 2003	<u>63,062</u>
<b>Net book amount</b>	
At 30 June 2003	<u>29,116</u>
At 30 June 2002	<u>26,717</u>

**9 DEBTORS**

	2003 £	2002 £
<b>Due within one year</b>		
Trade debtors	1,142,551	1,193,213
Amounts due from group undertakings	7,684	41,106
Prepayments & accrued income	646,161	680,282
	<u>1,796,396</u>	<u>1,914,601</u>

**TEAM ENERGY RESOURCES LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 30 JUNE 2003**

**10 CREDITORS**

	2003 £	2002 £
<b>Amounts falling due within one year</b>		
Trade creditors	465,036	431,000
Amounts owed to group undertakings	17,499	188,823
Corporation tax	167,656	97,316
Other tax and social security	63,422	12,713
Proposed dividends	400,000	1,000,000
Accruals and deferred income	406,250	520,355
	<u>1,519,863</u>	<u>2,250,207</u>

**11 PROVISIONS FOR LIABILITIES AND CHARGES**

	Deferred taxation £
At 1 July 2002	317
Charged to profit and loss	78
At 30 June 2003	<u>395</u>

Deferred tax is analysed as follows:

	2003 £	2002 £
Capital allowances	<u>395</u>	<u>317</u>

**12 SHARE CAPITAL**

	Authorised £	Allotted, called up and fully paid No	£
At 1 July 2002 and 30 June 2003			
Ordinary shares of £1 each	<u>100,000</u>	<u>60,000</u>	<u>60,000</u>

**13 RESERVES**

	£
<b>Profit and loss account</b>	
At 1 July 2002	661,015
Profit for the year	447,585
Dividends	(400,000)
At 30 June 2003	<u>708,600</u>

**TEAM ENERGY RESOURCES LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 30 JUNE 2003**

**14 SHAREHOLDERS' FUNDS**

	2003 £	2002 £
Shareholders' funds at 1 July 2002	721,015	1,409,999
Profit for the year	447,585	311,016
Dividends	(400,000)	(1,000,000)
Shareholders' funds at 30 June 2003	<u>768,600</u>	<u>721,015</u>

**15 OTHER COMMITMENTS**

At 30 June 2003 the company had annual commitments under operating leases as follows:

	Land and buildings 2003 £	2002 £
<b>Expiry date:</b>		
Within one year	7,750	-
Between one and five years	-	31,000
	<u>7,750</u>	<u>31,000</u>

**16 CONTINGENT LIABILITIES**

Any bank overdraft is secured by way of a debenture dated 5 December 2001 over the assets of the company.

The company has a cross guarantee with other group companies in respect of group borrowings.

**17 TRANSACTIONS WITH RELATED PARTIES**

The company has taken advantage of available exemptions from the disclosure of transactions with group companies where consolidated accounts have been prepared.

The company had the following transactions with BHHM Pension Scheme, an entity associated by common directors/trustees:

Rent charged by the BHHM Pension Scheme amounted to £31,000 (2002: £31,000). The balance outstanding with the BHHM Pension Scheme at 30 June 2003 was £NIL (2002: £NIL).

**18 DIRECTORS INTERESTS**

The directors had interests in UWG Group Limited, the ultimate parent undertaking, as follows:

	B Ordinary shares of 1p each 2003	2002
R Higham	380,952,368	380,952,368
I McFadyen	342,857,132	342,857,132

**TEAM ENERGY RESOURCES LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 30 JUNE 2003**

**19 PARENT UNDERTAKINGS**

The company is controlled by UWG Group Limited.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is UWG Group Limited. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

In the opinion of the directors this is the company's ultimate parent company.

There is no single ultimate controlling party of UWG Group Limited.

PKF