

ECONOMATTERS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1999

COMPANY REGISTRATION NUMBER 2225820



AUDITORS' REPORT TO ECONOMATTERS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the attached abbreviated accounts with the full financial statements of Economatters Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1999.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions 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 audited 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 sections 246(5) and (6) of the Companies Act 1985, and the attached abbreviated accounts are properly prepared in accordance with those provisions.

Other information

On ~~29/1/2000~~ we reported, as auditors of Economatters Limited, to the members on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31 March 1999, and our audit report was as follows:

"We have audited the financial statement on pages 6 to 12 which has been prepared under the historical cost convention.

Respective responsibilities of directors and auditors

As described on page 3 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 the 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.

AUDITORS' REPORT TO ECONOMATTERS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

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 give a true and fair view of the state of the company's affairs at 31 March 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the companies Act 1985.

Boroumand & Associates

Boroumand & Associates
Registered auditors
48 Conduit Street
London W1R 9FB

29/1/2000

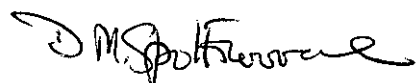
ECONOMATTERS LIMITED
BALANCE SHEET
AS AT 31 MARCH 1999

	<u>NOTES</u>	<u>1998</u>
<u>FIXED ASSETS</u>		
Tangible assets	(6)	47,696
		12,117
<u>CURRENT ASSETS</u>		
Debtors & prepayments	(5)	680,205
Cash at bank		507,521
		<u>279,318</u>
		<u>254,006</u>
		<u>959,523</u>
		<u>761,527</u>
<u>CURRENT LIABILITIES</u>		
Creditors due within one year		
Creditors & accruals	(7)	894,637
		<u>668,273</u>
		<u>668,273</u>
<u>NET CURRENT ASSETS</u>		<u>64,886</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>93,254</u>
		<u>112,582</u>
		<u>105,371</u>
<u>NET ASSETS</u>		<u>£112,582</u>
		<u>£105,371</u>
<u>REPRESENTED BY:</u>		
<u>CAPITAL & RESERVES</u>		
Share capital	(1)	1,000
Profit & Loss Account	(10)	1,000
		<u>111,582</u>
<u>SHAREHOLDERS' FUNDS</u>	(9)	<u>104,371</u>
		<u>£112,582</u>
		<u>£105,371</u>

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.

25 JAN 2000

Signed on behalf of the board on.....by:



David Mervyn Spottiswoode

Chairman

Date

25 JAN 2000

ECONOMATTERS LIMITED
ACCOUNTING POLICIES
YEAR ENDED 31 MARCH 1999

1- Accounting convention

The financial statements are prepared under the historical cost convention.

2- Turnover

Turnover represents the net amount of invoices less credit notes excluding VAT, generated from the company's four key activities:

- 1- The Consulting arm, Gas Strategies is an energy consultancy offering an extensive range of skills to clients with gas markets worldwide.
- 2- Management Training. The company organises and administers the natural gas training courses owned and run by the Alphatania Partnership.
- 3- Overview Gas Conferences organises regular annual conferences on the natural gas industry. They focus on the directions which the gas industries in different regions and countries are taking.
- 4- The Gas Matters publications and Gas e-Matters suite of electronic products (Gas Matters and its sister publications Gas Briefing International and Gas Briefing Europe) brings together the skills of a team of special writers. These reliable information sources provide business insight and informed analysis that helps keep abreast of developments as they unfold in the gas industry.

3- Depreciation

Depreciation is provided on all fixed assets using the straight line basis. The following rates have been applied:

Office equipment	25%
Fixtures, furniture & fittings	25%
Computers	25%

4- Foreign currencies

Foreign currencies at the end of the year are converted to sterling at the rate of exchange prevailing at the balance sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All exchange differences are taken to profit and loss account.

5- Pension

The company has a defined contribution pension scheme. The cost of the contributions made by the company to the scheme are charged to profit and loss account as incurred.

6- Leased assets

Operating lease rentals are charged to profit and loss accounts as incurred.

ECONOMATTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1999

1- Share capital

1998

Authorised share capital:		
1000 ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
Issued and fully paid:		
1000 ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>

6- Tangible assets

	<u>Fixtures & fittings</u>	<u>Office equipment</u>	<u>Computers</u>	<u>Total</u>
<u>Cost</u>				
Balance brought forward	56,875	42,222	161,150	260,247
Write offs		(22,750)	(17,331)	(40,081)
Additions	<u>12,479</u>	<u>18,607</u>	<u>32,509</u>	<u>63,595</u>
	<u>69,354</u>	<u>38,079</u>	<u>176,328</u>	<u>283,761</u>
<u>Depreciation</u>				
Balance brought forward	56,875	38,895	152,360	248,130
Re: Write offs		(22,750)	(17,331)	(40,081)
Charge for the year	<u>3,120</u>	<u>7,980</u>	<u>16,916</u>	<u>28,016</u>
	<u>59,995</u>	<u>24,125</u>	<u>151,945</u>	<u>236,065</u>
<u>Net book value</u>				
At 31 March 1999	<u>9,359</u>	<u>13,954</u>	<u>24,383</u>	<u>47,696</u>

9- Reconciliation between shareholders funds

Profit (loss) for financial year	<u>7,211</u>	<u>(7,804)</u>
Net addition (reduction) to shareholders funds	<u>7,211</u>	<u>(7,804)</u>
Opening shareholders funds	<u>105,371</u>	<u>113,175</u>
Closing shareholders funds	<u>£112,582</u>	<u>£105,371</u>

10- Reserves

At 31 March 1998	104,371
Profit for the year	<u>7,211</u>
At 31 March 1999	<u>£111,582</u>

12- Transactions involving the directors

During the year the company had transactions with Alphatania Partnership. The directors of the company are partners in Alphatania Partnership.