

Company Registration No. 2225820 (England and Wales)

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2006

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COMPANIES HOUSE

GAS STRATEGIES GROUP LTD

DIRECTORS AND ADVISERS

Directors

J R Ball
C M J Spottiswoode
R Ravimohan
S V Gokarn
P J Breen
H Y Joshi

Secretary

P J Breen

Company number

2225820

Registered office

35 New Bridge Street
London
EC4V 6BW

Registered auditors

Saffery Champness
Lion House
Red Lion Street
London
WC1R 4GB

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
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**GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2006**

The directors present their report and financial statements for the year ended 31 December 2006.

On 6 February 2006 the Company changed its name from EconoMatters Limited to Gas Strategies Group Limited.

Directors

The following directors have held office since 1 January 2006:

J R Ball
C M J Spottiswoode
R Ravimohan
S V Gokarn
P J Breen
H Y Joshi

Principal activities and review of the business

The principal activities of the group continued to be those of consulting services, management training and the provision of information and commentary services on the global energy industry.

With effect from 31st December 2005, the business operations of the Group were reorganised. On that date Gas Strategies Group Limited (then EconoMatters Limited) acquired the businesses, assets and commitments of its four subsidiary companies Gas Strategies Consulting Limited, Alphanatania Limited, Gas Matters Limited and Overview Outreach Limited. These businesses have traded, since 1st January 2006, as separate divisions of Gas Strategies Group Limited.

Highlights

During 2006, the global energy industry has continued to enjoy a positive business environment. Gas Strategies Group Limited has traded well and again achieved significant growth in revenue over all of its principal activities. Building upon the developments and strengthening in operational and financial control established in 2005, this has resulted in strong operating profit in the period of review.

The business has complemented its strong current year growth and profitability with continuing focus on developing our brands and the capabilities of our people.

Business Environment

During the period under review, the global energy industry enjoyed continuing high crude oil and gas prices, further records in demand and deepening recognition of the geo-political and natural challenges to be faced. The maturing of the LNG industry moved from project-boom to supply shortage, with confidence challenged by high project cost-escalations and environmental / political discontinuity and delay.

For Gas Strategies Group, this has resulted in continuing growth in demand for higher value, hands-on consulting and training services: demand-side players are challenged to respond to this new global world; global upstream players are re-examining their market strategies in pursuit of greater value; and new tools and skills are required to sustain success and manage risks at all points in the value-chain.

**GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
DIRECTORS REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006**

Principal activities and review of the business (continued)

We are confident that this positive business environment will be sustained into 2007.

Gas Strategies Consulting

Our consulting business has enjoyed another year of strong growth. The continuing focus for the Gas Strategies Consulting has been in increasing the value delivered from our work both to our clients and to our own organisation.

Our work during the year has seen us working with our clients in some of their most challenging business initiatives and projects. Amongst the major projects delivered, we have worked with one of Europe's largest gas buyers in the establishment of their group-wide LNG business; we have worked hands-on with a major liquefaction project in the development of their commercial operational skills and capabilities to meet the new risks and opportunities of multi-chain operation; and we have continued to work in a number of significant LNG re-gas terminal projects supporting their establishment and their supply contracting. Through such projects we support our clients in the delivery of major business change and major projects - matching client needs for a 'light hand' (through support in project direction and governance) or 'heavy lifting' input - with high value extended-duration involvement.

Our "Solutions" and "Advisory" consulting work continues to be built on fundamental data and understanding of the global industry that have been the benchmark of Gas Strategies Consulting for the past twenty years. Having achieved the "critical mass" now represented by our business scale, we will continue to develop and strengthen these data and analytical capabilities, while also enhancing our consulting capabilities and delivery in portfolio and risk management, project development, and operations.

Operational efficiency and control of the consulting business have continued to evolve, with further enhancement of operating profitability resulting in the year under review.

Alphatania

2006 was a year of consolidation for our training business.

Public course enrolment continued at a strong level throughout the year, particularly following improvements in marketing and sales processes introduced at the end of the second quarter. A new advanced LNG course was introduced in November following a number of months in development and has been well received by the training market.

Significant development in our customised training also occurred during the second half of 2006 and culminated with the launch of a new series of Company Workshops addressing current hot-topics within global gas and LNG through pre-formed programmes for in-client delivery. An initial five workshops were launched in November 2006.

**GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
DIRECTORS REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006**

Principal activities and review of the business (continued)

News, Information and Analysis Services

The range of Gas Matters publications continued to increase their market penetration during 2006 following significant focus early in the year on the development of our subscriber management processes. The decision was taken during December 2006 to consolidate Gas Matters Today and Gas Matters Today Asia in recognition of the level of integration achieved in the global gas market.

The marketing and sales management of Gas Strategies Online products was integrated with those of publications during the year. An initial platform of client relationships was also established in the provision of research and analytical services to clients on a retained basis.

Operations and Structure

The framework for management and development of our businesses has continued to strengthen, building upon the foundations established in the prior year, and supporting the growth in scale and complexity of our client engagements and business overall.

Cash Flow, Borrowing and Liquidity

Gas Strategies Group Limited has achieved strong cash flow from its trading activities, with effective management of working capital. The business has been self-financing throughout the year.

Key Performance Indicators

Gas Strategies Group Limited considers its key performance indicators to be:

Sales Growth - (53.3%) representing strong development of the group against growth of the global gas industry and trends in the consulting, training and information services sectors that service our client industry of choice.

Gross Margin - (53.9%; 2005 47.5%) delivering sustained strong improvement in gross margins for a second successive year.

Operating Profit - (13.8%; 2005 0.4%) achieving net return on sales commensurate with the scale and value of our business.

Principal Risks and Uncertainties

The company is exposed to risks in the confidence and direction of the global gas and LNG industry, which is closely related to trends in global oil and gas prices. This risk may impact from time to time the scale and competitive remuneration rates available in the market for the company's services, in addition to the availability, salaries and fee levels of staff and consultants.

The company is also exposed to risks in the movement of £/US\$ exchange rates owing to a significant client requirement that the company's services are contracted in US\$. This may impact from time to time our competitiveness in the marketplace and the margins achieved on our services.

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
DIRECTORS REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

Principal activities and review of the business (continued)

Environment

The company recognises the importance of its environmental responsibilities and monitors its impact on the environment and designs and implements appropriate policies to minimise any damage that might be caused by the company's activities. Initiatives designed to minimise the company's impact on the environment include recycling and reducing energy consumption wherever possible.

Employees

Details of the number of employees are given in Note 29 in the financial statements.

Applications for employment by disabled persons are always considered. In the event of existing members of staff becoming disabled every effort would be made to ensure that their employment with the company continues and the appropriate support and training is available.

The company aims to keep employees informed of all relevant matters through regular staff meetings, both formal and informal, and through written communications and any staff issues are dealt with efficiently and fairly. The company feels it has transparent and appropriate policy for employee remuneration.

Results and dividends

The consolidated profit and loss account for the year is set out on page 8.

The directors do not recommend payment of an ordinary dividend.

Directors' interests

The directors' interests in the shares of the company and other group companies were as stated below:

	Ordinary shares of £ 1 each	
	31 December 2006	1 January 2006
J R Ball	-	-
C M J Spottiswoode	-	-
R Ravimohan	-	-
S V Gokarn	-	-
P J Breen	-	-
H Y Joshi	-	-

R Ravimohan, H Y Joshi and S V Gokarn have an interest in the shares of the company by virtue of their holding in shares and outstanding share options in CRISIL Limited, the company's immediate parent company. J R Ball has an interest in the shares of the company by virtue of his holding of outstanding share options in CRISIL Limited.

**GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
DIRECTORS REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006**

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Saffery Champness be reappointed as auditors of the company will be put to the Annual General Meeting.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group 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 inappropriate to presume that the group 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

By order of the board


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**GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GAS STRATEGIES GROUP LTD**

We have audited the financial statements of Gas Strategies Group Ltd on pages 8 to 21 for the year ended 31 December 2006. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 5, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 and the group'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 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.

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF GAS STRATEGIES GROUP LTD

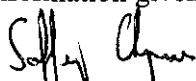
Opinion

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's and the group's affairs as at 31 December 2006 and of the group's profit for the year then ended; and

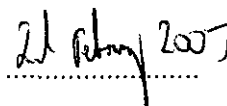
have been properly prepared in accordance with the Companies Act 1985; and

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



Saffery Champness

Chartered Accountants
Registered Auditors


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Lion House
Red Lion Street
London
WC1R 4GB

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2006

		Year ended 31 December 2006 £	Period ended 31 December 2005 £
	Notes		
Turnover	2	6,485,123	3,634,934
Cost of sales		(2,990,410)	(1,905,759)
Gross profit		3,494,713	1,729,175
Administrative expenses		(2,601,309)	(1,714,087)
Operating profit	3	893,404	15,088
Other interest receivable and similar income		9,263	-
Profit on ordinary activities before taxation		902,667	15,088
Tax on profit on ordinary activities	4	(99,429)	-
Profit on ordinary activities after taxation		803,238	15,088

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.

The notes on pages 10 to 21 form part of these financial statements.

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
BALANCE SHEETS
AS AT 31 DECEMBER 2006

		Group		Company	
		2006	2005	2006	2005
	Notes	£	£	£	£
Fixed assets					
Intangible assets	6	37,976	40,440	37,976	40,440
Tangible assets	7	152,256	166,401	152,256	166,401
Investments	8	-	-	214,901	314,522
		<u>190,232</u>	<u>206,841</u>	<u>405,133</u>	<u>521,363</u>
Current assets					
Debtors	9	1,667,410	1,016,587	1,667,410	1,227,233
Cash at bank and in hand		844,594	183,635	844,594	183,635
		<u>2,512,004</u>	<u>1,200,222</u>	<u>2,512,004</u>	<u>1,410,868</u>
Creditors: amounts falling due within one year	10	(1,783,988)	(1,292,053)	(1,998,889)	(1,865,566)
Net current assets/(liabilities)		<u>728,016</u>	<u>(91,831)</u>	<u>513,115</u>	<u>(454,698)</u>
Total assets less current liabilities		<u>918,248</u>	<u>115,010</u>	<u>918,248</u>	<u>66,665</u>
Capital and reserves					
Called up share capital	12	400,000	400,000	400,000	400,000
Share premium account	13	43,012	43,012	43,012	43,012
Revaluation reserve	13	25,330	25,330	-	-
Profit and loss account	13	449,906	(353,332)	475,236	(376,347)
Shareholders' funds - equity interests	14	<u>918,248</u>	<u>115,010</u>	<u>918,248</u>	<u>66,665</u>

The notes on pages 10 to 21 form part of these financial statements.

The financial statements were approved by the board on 2 Feb 2007



Director

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2006. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.6 Trade Marks

Patents are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

1.7 Tangible fixed assets and depreciation

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

Leasehold improve- ments	over the term of the lease
Fixtures, fittings & equipment	25%, 33% and 50% using the straight line basis

1.8 Leasing

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

1.9 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.10 Pensions

The company contributes towards a group personal pension scheme for its employees. The cost of the contributions made by the company to the scheme are charged to the profit and loss account as incurred.

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

1 Accounting policies

(continued)

1.11 Deferred taxation

Deferred tax 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.

1.12 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

In the opinion of the directors it would be seriously prejudicial to disclose the turnover by geographical area.

3 Operating profit

2006

2005

£

£

Operating profit is stated after charging:

Depreciation of intangible assets

2,464

2,436

Depreciation of tangible assets

47,900

32,614

Loss on disposal of tangible assets

2,048

-

Loss on foreign exchange transactions

33,630

-

Operating lease rentals

48,080

48,080

- audit services (company £13,000; 2005:£12,000)

13,000

12,000

- other taxation services (company £16,400; 2005: £5,985)

16,400

5,985

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

4 Taxation	2006	2005
	£	£
Domestic current year tax		
U.K. corporation tax	99,429	-
Current tax charge	<u>99,429</u>	<u>-</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	<u>902,667</u>	<u>15,088</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2005: 19.00%)	<u>270,800</u>	<u>2,867</u>
Effects of:		
Non deductible expenses	2,026	1,564
Depreciation add back	14,370	6,658
Capital allowances	(14,842)	(4,704)
Tax losses utilised	(185,071)	(6,385)
Other tax adjustments	<u>12,146</u>	<u>-</u>
	<u>(171,371)</u>	<u>(2,867)</u>
Current tax charge	<u>99,429</u>	<u>-</u>

5 Profit/(loss) for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit/(loss) for the financial year is made up as follows:

	2006	2005
	£	£
Holding company's profit/(loss) for the financial year	<u>851,583</u>	<u>(50,192)</u>

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

6 Intangible fixed assets
Group

	Trade Marks £	Goodwill £	Total £
Cost			
At 1 January 2006 & at 31 December 2006	2,910	49,365	52,275
Amortisation			
At 1 January 2006	1,771	10,064	11,835
Charge for the year	573	1,891	2,464
At 31 December 2006	2,344	11,955	14,299
Net book value			
At 31 December 2006	566	37,410	37,976
At 31 December 2005	1,139	39,301	40,440

Intangible fixed assets (continued)
Company

	Trade Marks £	Goodwill £	Total £
Cost			
At 1 January 2006 & at 31 December 2006	2,910	39,301	42,211
Amortisation			
At 1 January 2006	1,771	-	1,771
Charge for the year	573	1,891	2,464
At 31 December 2006	2,344	1,891	4,235
Net book value			
At 31 December 2006	566	37,410	37,976
At 31 December 2005	1,139	39,301	40,440

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

7 Tangible fixed assets
Group

	Leasehold improve- ments £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 January 2006	98,968	213,920	312,888
Additions	-	35,803	35,803
Disposals	-	(59,718)	(59,718)
	<hr/>	<hr/>	<hr/>
At 31 December 2006	98,968	190,005	288,973
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2006	15,449	131,038	146,487
On disposals	-	(57,670)	(57,670)
Charge for the year	16,782	31,118	47,900
	<hr/>	<hr/>	<hr/>
At 31 December 2006	32,231	104,486	136,717
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2006	66,737	85,519	152,256
	<hr/>	<hr/>	<hr/>
At 31 December 2005	83,519	82,882	166,401
	<hr/>	<hr/>	<hr/>

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

7 Tangible fixed assets (continued)
Company

	Leasehold improve- ments £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 January 2006	98,968	177,939	276,907
Additions	-	35,803	35,803
Disposals	-	(55,741)	(55,741)
	<hr/>	<hr/>	<hr/>
At 31 December 2006	98,968	158,001	256,969
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2006	15,449	95,057	110,506
On disposals	-	(53,693)	(53,693)
Charge for the year	16,782	31,118	47,900
	<hr/>	<hr/>	<hr/>
At 31 December 2006	32,231	72,482	104,713
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2006	66,737	85,519	152,256
	<hr/>	<hr/>	<hr/>
At 31 December 2005	83,519	82,882	166,401
	<hr/>	<hr/>	<hr/>

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

Fixed asset investments
Company

	Shares in group undertakings
	£
Cost	
At 1 January 2006 & at 31 December 2006	314,522
Provisions for diminution in value	
At 1 January 2006	-
Charge for the year	99,621
At 31 December 2006	99,621
Net book value	
At 31 December 2006	214,901
At 31 December 2005	314,522

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Gas Matters Limited	United Kingdom	Ordinary	100
Gas Strategies Consulting Limited	United Kingdom	Ordinary	100
Overview Outreach Limited	United Kingdom	Ordinary	100
Alphatania Limited	United Kingdom	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Gas Matters Limited	Dormant
Gas Strategies Consulting Limited	Dormant
Overview Outreach Limited	Dormant
Alphatania Limited	Dormant

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2006

9 Debtors

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Trade debtors	1,527,993	911,642	1,527,993	911,643
Amounts owed by group undertakings	-	-	-	210,645
Other debtors	65,790	54,599	65,790	54,599
Prepayments and accrued income	73,627	50,346	73,627	50,346
	<u>1,667,410</u>	<u>1,016,587</u>	<u>1,667,410</u>	<u>1,227,233</u>

10 Creditors: amounts falling due within one year

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Trade creditors	317,160	263,692	317,160	263,692
Amounts owed to group undertakings	13,413	11,445	228,314	584,958
Corporation tax	94,111	58	94,111	58
Taxes and social security costs	30,901	27,278	30,901	27,278
Accruals and deferred income	1,328,403	989,580	1,328,403	989,580
	<u>1,783,988</u>	<u>1,292,053</u>	<u>1,998,889</u>	<u>1,865,566</u>

11 Pension costs

Defined contribution

	2006	2005
	£	£
Contributions payable by the group for the year	<u>40,846</u>	<u>25,151</u>

GAS STRATEGIES GROUP LTD
(FORMERLY KNOWN AS ECONOMATTERS LIMITED)
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FOR THE YEAR ENDED 31 DECEMBER 2006

12 Share capital	2006	2005
	£	£
Authorised		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
Allotted, called up and fully paid		
400,000 Ordinary shares of £1 each	<u>400,000</u>	<u>400,000</u>

13 Statement of movements on reserves
Group

	Share premium account	Revaluation reserve	Profit and loss account
	£	£	£
Balance at 1 January 2006	43,012	25,330	(353,332)
Retained profit for the year	-	-	803,238
	<u>43,012</u>	<u>25,330</u>	<u>449,906</u>

Company

	Share premium account	Profit and loss account
	£	£
Balance at 1 January 2006	43,012	(376,347)
Retained profit for the year	-	851,583
	<u>43,012</u>	<u>475,236</u>

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14 Reconciliation of movements in shareholders' funds	2006	2005
Group	£	£
Profit for the financial year	803,238	15,088
Proceeds from issue of shares	-	200,000
	<u>803,238</u>	<u>215,088</u>
Net addition to shareholders' funds	803,238	215,088
Opening shareholders' funds	115,010	(100,078)
	<u>918,248</u>	<u>115,010</u>
Closing shareholders' funds		
	<u>918,248</u>	<u>115,010</u>
Company	2006	2005
	£	£
Profit/(loss) for the financial year	851,583	(50,192)
Proceeds from issue of shares	-	200,000
	<u>851,583</u>	<u>349,808</u>
Net addition to shareholders' funds	851,583	349,808
Opening shareholders' funds	66,665	(283,143)
	<u>918,248</u>	<u>66,665</u>
Closing shareholders' funds		
	<u>918,248</u>	<u>66,665</u>

15 Financial commitments

At 31 December 2006 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2006	2005
	£	£
Expiry date:		
In over five years	<u>61,200</u>	<u>61,200</u>

At 31 December 2006 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2006	2005
	£	£
Expiry date:		
In over five years	<u>61,200</u>	<u>61,200</u>

GAS STRATEGIES GROUP LTD
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16 Directors' emoluments	2006	2005
	£	£
Emoluments for qualifying services	161,052	58,916
Company pension contributions to money purchase schemes	4,248	354
	<u>165,300</u>	<u>59,270</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005- 1).

17 Employees

Number of employees

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

	2006	2005
	Number	Number
Administration	<u>29</u>	<u>28</u>

Employment costs

	2006	2005
	£	£
Wages and salaries	1,247,742	942,738
Social security costs	117,382	79,383
Other pension costs	40,846	25,151
	<u>1,405,970</u>	<u>1,047,272</u>

18 Control

The company's immediate parent is CRISIL Limited, a company listed on the Indian Stock Exchange. Its ultimate parent and controlling party is The McGraw-Hill Companies, a company listed on the New York Stock Exchange.

GAS STRATEGIES GROUP LTD
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19 Related party transactions

Group

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

Company

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

P J Breen, a director of the company, is the principal shareholder in P J Breen Limited which has provided consultancy services to Gas Strategies Group Limited during the year to 31st December 2006.