

**SPECIALISED PETROLEUM SERVICES LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED**  
**30 NOVEMBER 1997**

**Registered Number : 2661838**

**MORGAN BROWN & SPOFFORTH**  
*Chartered Accountants*

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**AUDITORS' REPORT TO**  
**SPECIALISED PETROLEUM SERVICES LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of the company prepared under Section 226 of the Companies Act 1985 for the year ended 30 November 1997.

**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 the company's entitlement to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985 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**

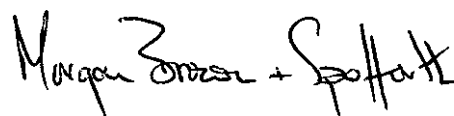
We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with the 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 246(6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with those provisions.

The White Cottage  
19 West Street  
Epsom  
Surrey  
KT18 7BS

24 September 1998



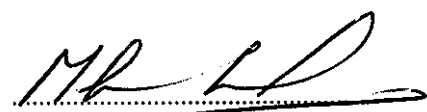
MORGAN BROWN & SPOFFORTH  
*Chartered Accountants*  
*Registered Auditor*

**SPECIALISED PETROLEUM SERVICES LIMITED****BALANCE SHEET****AS AT 30 NOVEMBER 1997**

		1997		1996	
	Notes	£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	2		319,049		152,057
<b>Current Assets</b>					
Stocks		174,981		61,750	
Debtors		<u>861,254</u>		<u>812,653</u>	
		1,036,235		874,403	
<b>Creditors: amounts falling due within one year</b>	3	<u>1,194,510</u>		<u>1,113,367</u>	
<b>Net Current Liabilities</b>			<u>(158,275)</u>		<u>(238,964)</u>
<b>Net Assets/(Liabilities)</b>			<u>160,774</u>		<u>(86,907)</u>
<b>Capital and Reserves</b>					
Called up share capital	4		400		400
Profit and loss account			<u>160,374</u>		<u>(87,307)</u>
<b>Shareholders' Funds - (equity interests only)</b>			<u>160,774</u>		<u>(86,907)</u>

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

The abbreviated accounts on pages 2 to 4 were approved by the board of directors on the date shown below and were signed on its behalf by:



M. Carmichael

24 September 1998

# **SPECIALISED PETROLEUM SERVICES LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 30 NOVEMBER 1997**

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### **1. ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **Turnover**

The turnover derives from the principal activity of the company and is stated exclusive of value added tax and trade discounts.

#### **Fixed assets and depreciation**

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Plant and equipment	- 10/25% straight line
Motor vehicles	- 25% reducing balance

#### **Foreign currencies**

Transactions in foreign currencies are converted into sterling using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted into sterling using the rate of exchange ruling at the balance sheet date. Gains or losses on foreign currency transactions are included in the profit and loss account.

#### **Cash flow**

The financial statements do not include a cash flow statement because the company is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'cash flow statements'. A consolidated cash flow statement is presented with the consolidated financial statements of the ultimate parent company.

#### **Pension costs**

The company contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

#### **Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

#### **Finance lease and hire purchase agreements**

Assets acquired under finance lease and hire purchase agreements are capitalised and depreciated in accordance with the provisions of Statement of Standard Accounting Practice 21. The related obligations, net of future finance charges, are included in creditors. The related finance charges are charged to the profit and loss account proportionally over the length of the respective finance agreements.

Rental charges on leases accounted for as operating leases as defined by Statement of Standard Accounting Practice 21 are charged to the profit and loss account in the period incurred.

## SPECIALISED PETROLEUM SERVICES LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (continued)

FOR THE YEAR ENDED 30 NOVEMBER 1997

## 2. TANGIBLE FIXED ASSETS

	Tangible Fixed Assets £
<b>Cost</b>	
At 1 December 1996	198,486
Additions	287,485
Disposals	<u>(9,700)</u>
At 30 November 1997	<u>476,271</u>
<b>Depreciation</b>	
At 1 December 1996	46,429
Charge for the year	118,068
Eliminated on disposal	<u>(7,275)</u>
At 30 November 1997	<u>157,222</u>
<b>Net Book Value</b>	
At 30 November 1997	<u>319,049</u>
At 30 November 1996	<u>152,057</u>

## 3. SECURED CREDITORS

Bank borrowings totalling £581,594 (1996 - £331,976) are secured.

## 4. SHARE CAPITAL

	1997 £	1996 £
Authorised		
5,000 Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>
Allotted, called up and fully paid		
400 Ordinary shares of £1 each	<u>400</u>	<u>400</u>