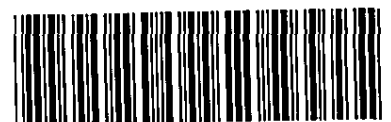


OIL CONSULTANTS HOLDCO LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

Company Registration Number 07444313

RSM Tenon Limited
The Poynt
45 Wollaton Street
Nottingham
NG1 5FW

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OIL CONSULTANTS HOLDCO LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

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OIL CONSULTANTS HOLDCO LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 30 JUNE 2012

The board of directors	Mr G Lennox Mr R Fielding Mr D E Spencer Mr M L Cooper Mrs H M Smith
Business address	Parsons House Parsons Industrial Estate Washington Tyne and Wear NE37 1EZ
Registered office	Parsons House Parsons Industrial Estate Washington Tyne and Wear NE37 1EZ
Auditor	RSM Tenon Audit Limited The Poynt 45 Wollaton Street Nottingham NG1 5FW
Accountants	RSM Tenon Limited The Poynt 45 Wollaton Street Nottingham NG1 5FW

OIL CONSULTANTS HOLDCO LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 30 JUNE 2012

The directors present their report and the consolidated financial statements of the group for the year ended 30 June 2012

Principal activity and business review

The principal activity of the company was that of a holding company. The principal activity of the group during the year continued to be that of the recruitment of personnel consultants to the oil and gas industry.

2012 has been another very successful year and the significant investment in people and infrastructure begun in 2011 has continued. The benefits from this investment have been seen in 2012 with a 56% increase in sales on an annualised basis in the year under review. Gross margin also increased by 2.1% although this was offset by an 82% increase in administrative costs on an annualised basis reflecting the continuing investment in staff and infrastructure. The average number of staff has doubled year on year. The number of consultants deployed during the year has also increased along with an expansion in the already wide range of technical disciplines provided by the group.

The group has increased its activity with all key existing customers and has also secured a number of new significant accounts during the year.

The growth of the business and consequent increase in the working capital requirement continues to be funded entirely by the shareholders with no reliance on third party finance. This gives the company the flexibility to make long-term strategic investments that are key to the ongoing success of the business.

The market outlook remains excellent with new long-term projects coming on stream at an ever increasing rate on a global basis. Following the significant investment in human resources and infrastructure the group is well placed to advantage in all of the key markets.

Results and dividends

The profit for the year, after taxation, amounted to £108,234. The directors have not recommended a dividend.

Financial instruments

The group makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cashflow risk is not material for the assessment of the assets, liabilities, financial position and profit and loss of the company.

Directors

The directors who served the company during the year were as follows:

Mr G Lennox
Mr R Fielding
Mr D E Spencer
Mr M L Cooper
Mrs H M Smith

Mrs H M Smith was appointed as a director on 31 October 2011.

Mrs D M Cooper resigned as a director on 17 October 2011.

Mrs J E Lennox was appointed as a director on 10 September 2012.

Mrs D M Cooper was appointed as a director on 16 July 2012.

OIL CONSULTANTS HOLDCO LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 JUNE 2012

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that year. In preparing those consolidated 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, and
- prepare the consolidated 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 adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the consolidated financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

RSM Tenon Audit Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



Mr D E Spencer
Director

Approved by the directors on



OIL CONSULTANTS HOLDCO LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OIL
CONSULTANTS HOLDCO LIMITED
YEAR ENDED 30 JUNE 2012

We have audited the group and parent company financial statements ("the consolidated financial statements") of Oil Consultants Holdco Limited for the year ended 30 June 2012 on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the consolidated financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the consolidated financial statements

An audit involves obtaining evidence about the amounts and disclosures in the consolidated financial statements sufficient to give reasonable assurance that the consolidated financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the consolidated financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited consolidated financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on consolidated financial statements

In our opinion the consolidated financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements.

OIL CONSULTANTS HOLDCO LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OIL
CONSULTANTS HOLDCO LIMITED *(continued)*
YEAR ENDED 30 JUNE 2012

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company consolidated financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Alistair Wesson, Senior Statutory Auditor
For and on behalf of

RSM Tenon Audit Limited

RSM Tenon Audit Limited
Statutory Auditors
The Poynt
45 Wollaton Street
Nottingham
NG1 5FW

Date - *26 MARCH 2013*

OIL CONSULTANTS HOLDCO LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2012

	Note	Year to 30 Jun 12 £	<i>Period from 18 Nov 10 to 30 Jun 11 £</i>
Turnover	2	17,992,246	7,778,402
Cost of sales		(14,828,118)	(6,554,936)
Gross profit		<u>3,164,128</u>	<u>1,223,466</u>
Administrative expenses		(1,688,940)	(727,152)
Operating profit	3	<u>1,475,188</u>	<u>496,314</u>
Interest receivable		—	70
Interest payable and similar charges	6	(360,112)	(204,203)
Profit on ordinary activities before taxation		<u>1,115,076</u>	<u>292,181</u>
Tax on profit on ordinary activities	7	(1,006,842)	(298,718)
Profit/(loss) for the financial year/period	8	<u><u>108,234</u></u>	<u><u>(6,537)</u></u>

All of the activities of the group are classed as continuing

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The prior period results relate to the period from 24 November, the date of acquisition of the share capital of Oil Consultants Limited, to 30 June 2011

The notes on pages 11 to 21 form part of these consolidated financial statements

OIL CONSULTANTS HOLDCO LIMITED
CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND
LOSSES

YEAR ENDED 30 JUNE 2012

	Year to 30 Jun 12 £	<i>Period from 18 Nov 10 to 30 Jun 11 £</i>
Profit/(loss) for the financial year/period		
Attributable to the shareholders of the parent company	108,234	(6,537)
Currency translation differences on foreign currency net investments	<u>—</u>	<u>(51,695)</u>
Total gains and losses recognised since the last annual report	<u>108,234</u>	<u>(58,232)</u>

The notes on pages 11 to 21 form part of these consolidated financial statements

OIL CONSULTANTS HOLDCO LIMITED
CONSOLIDATED BALANCE SHEET
30 JUNE 2012

	Note	2012 £	£	2011 £	£
Fixed assets					
Intangible assets	9		2,259,513		2,382,202
Tangible assets	10		58,813		46,412
			<u>2,318,326</u>		<u>2,428,614</u>
Current assets					
Debtors	12	4,131,308		3,279,845	
Cash at bank		2,017,746		1,350,931	
			<u>6,149,054</u>	<u>4,630,776</u>	
Creditors: amounts falling due within one year	13	(3,556,517)		(2,564,822)	
Net current assets			2,592,537		2,065,954
Total assets less current liabilities			<u>4,910,863</u>		<u>4,494,568</u>
Creditors: amounts falling due after more than one year	14		(4,845,861)		(4,539,800)
Provisions for liabilities					
Deferred taxation	15		(14,000)		(12,000)
			<u>51,002</u>		<u>(57,232)</u>
Capital and reserves					
Called-up share capital	19		1,000		1,000
Profit and loss account	20		50,002		(58,232)
Shareholders' funds	21		<u>51,002</u>		<u>(57,232)</u>

These financial statements were approved by the directors and authorised for issue on and are signed on their behalf by

25 March 2013

David Spencer

Mr D E Spencer
Director

The notes on pages 11 to 21 form part of these consolidated financial statements

OIL CONSULTANTS HOLDCO LIMITED*Registered Number 07444313***COMPANY BALANCE SHEET****30 JUNE 2012**

	Note	2012 £	£	2011 £	£
Fixed assets					
Investments	11		4,536,685		4,536,685
Current assets					
Debtors	12	161,303		414,557	
Creditors' amounts falling due within one year	13	<u>(415,400)</u>		<u>(614,603)</u>	
Net current liabilities			(254,097)		(200,046)
Total assets less current liabilities			<u>4,282,588</u>		<u>4,336,639</u>
Creditors' amounts falling due after more than one year	14		<u>(4,845,861)</u>		<u>(4,539,800)</u>
			<u>(563,273)</u>		<u>(203,161)</u>
Capital and reserves					
Called-up share capital	19		1,000		1,000
Profit and loss account	20		(564,273)		(204,161)
Shareholders' funds			<u>(563,273)</u>		<u>(203,161)</u>

These financial statements were approved by the directors and authorised for issue on
and are signed on their behalf by

25 March 2013

David Spencer

Mr D E Spencer
Director

The notes on pages 11 to 21 form part of these consolidated financial statements

OIL CONSULTANTS HOLDCO LIMITED

CONSOLIDATED CASH FLOW

YEAR ENDED 30 JUNE 2012

		Year to 30 Jun 12		Period from 18 Nov 10 to 30 Jun 11	
	Note	£	£	£	£
Net cash inflow from operating activities	22		1,916,660		7,953
Returns on investments and Servicing of finance					
Interest received		—		70	
Interest paid		(564,315)		—	
Net cash (outflow)/inflow from returns on investments and servicing of finance			(564,315)		70
Taxation			(1,051,596)		(302,823)
Capital expenditure					
Payments to acquire intangible fixed assets		90,041		—	
Payments to acquire tangible fixed assets		(31,036)		(44,193)	
Receipts from sale of fixed assets		—		3,988	
Acquisition of investments		—		44,413	
Disposal of investments		—		(44,413)	
Net cash inflow/(outflow) from capital expenditure			59,005		(40,205)
Acquisitions and disposals					
Cash acquired on acquisition		—		1,271,421	
Acquisition of shares in group undertakings		(1,119,800)		(2,321,485)	
Net cash outflow from acquisitions and disposals			(1,119,800)		(1,050,064)
Cash outflow before financing			(760,046)		(1,385,069)
Financing					
Issue of equity share capital		—		1,000	
Increase in loan notes		1,426,861		2,735,000	
Net cash inflow from financing			1,426,861		2,736,000
Increase in cash	22		666,815		1,350,931

The notes on pages 11 to 21 form part of these consolidated financial statements

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

1. Accounting policies

Basis of accounting

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

The company relies on the shareholders and the loan note holders for financial support. The shareholders have undertaken to maintain the existing financial support to enable the company to meet its debts as they fall due. Accordingly, the financial statements have been prepared on a going concern basis

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over twenty years from the year of acquisition. The results of companies acquired or disposed of are included in the consolidated profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the consolidated financial statements by virtue of section 408 of the Companies Act 2006

Turnover

The turnover shown in the consolidated profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax

Amortisation

Amortisation is calculated so as to write off the cost of an asset over the estimated useful economic life of that asset as follows

Goodwill - 20 years

Tangible fixed assets and depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows

Plant & machinery - 20% straight line

Tangible fixed assets are stated at cost less depreciation. Cost represents purchase price together with any incidental costs of acquisition

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

1. Accounting policies (continued)

Pension costs

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the group in an independently administered fund.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Foreign branch

The group operates a foreign branch in Trinidad and Tobago. The branch is accounted for using the closing rate/net investment method.

2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the group.

An analysis of turnover is given below:

	Year to 30 Jun 12 £	Period from 18 Nov 10 to 30 Jun 11 £
United Kingdom	1,723,127	1,762,090
Overseas	16,269,119	6,016,312
	<u>17,992,246</u>	<u>7,778,402</u>

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

3. Operating profit

Operating profit is stated after charging/(crediting)

	Year to 30 Jun 12 £	Period from 18 Nov 10 to 30 Jun 11 £
Amortisation of intangible assets	122,689	71,568
Depreciation of owned fixed assets	18,635	9,869
Auditors remuneration	12,000	8,925
Operating lease costs		
-Other	24,272	6,469
Net (profit)/loss on foreign currency translation	<u>(10,712)</u>	<u>21,937</u>

4 Particulars of employees

The average number of staff employed by the group during the financial year/period amounted to

	Year to 30 Jun 12 No	Period from 18 Nov 10 to 30 Jun 11 No
Number of administrative staff	<u>36</u>	<u>16</u>

The aggregate payroll costs of the above were

	Year to 30 Jun 12 £	Period from 18 Nov 10 to 30 Jun 11 £
Wages and salaries	792,562	247,868
Social security costs	63,972	13,981
Other pension costs	16,387	1,182
	<u>872,921</u>	<u>263,031</u>

5. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were

	Year to 30 Jun 12 £	Period from 18 Nov 10 to 30 Jun 11 £
Remuneration receivable	<u>179,120</u>	<u>117,160</u>

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

6. Interest payable and similar charges

	Year to 30 Jun 12 £	<i>Period from 18 Nov 10 to 30 Jun 11 £</i>
Loan note interest payable	360,112	<u>204,203</u>

7. Taxation on ordinary activities

(a) Analysis of charge in the year

	Year to 30 Jun 12 £	<i>Period from 18 Nov 10 to 30 Jun 11 £</i>
UK taxation		
In respect of the year		
UK Corporation tax	292,129	94,548
Under provision in prior year	90,345	-
	<u>382,474</u>	<u>94,548</u>
Double taxation relief	(216,654)	(63,002)
	<u>165,820</u>	<u>31,546</u>
Foreign tax		
Current tax on income for the year	839,022	255,172
	<u>1,004,842</u>	<u>286,718</u>
Deferred tax		
Origination and reversal of timing differences	2,000	12,000
Tax on profit on ordinary activities	<u>1,006,842</u>	<u>298,718</u>

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

7 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 24% (2011 - 26%)

	Year to 30 Jun 12 £	Period from 18 Nov 10 to 30 Jun 11 £
Profit on ordinary activities before taxation	1,115,076	292,181
Profit on ordinary activities by rate of tax	267,618	75,967
Effects of		
Expenses not deductible for tax purposes	(19,172)	1,946
Capital allowances for period in excess of depreciation	(2,976)	(5,853)
Tax chargeable at lower rates	17,214	4,872
Adjustments to tax charge in respect of previous periods	90,345	-
Amortisation	29,445	18,608
Double taxation relief	(216,654)	(63,002)
Overseas tax suffered	839,022	255,172
Sundry tax adjusting items	-	(992)
Total current tax (note 7(a))	1,004,842	286,718

8. Loss attributable to members of the parent company

The loss dealt with in the consolidated financial statements of the parent company was £(360,112) (2011 - £(204,161))

9. Intangible fixed assets

Group	Goodwill £
Cost	
At 1 July 2011 and 30 June 2012	2,453,770
Amortisation	
At 1 July 2011	71,568
Charge for the year	122,689
At 30 June 2012	194,257
Net book value	
At 30 June 2012	2,259,513
At 30 June 2011	2,382,202

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

10 Tangible fixed assets

Group	Plant & machinery £
Cost	
At 1 July 2011	53,103
Additions	31,036
At 30 June 2012	<u>84,139</u>
Depreciation	
At 1 July 2011	6,691
Charge for the year	18,635
At 30 June 2012	<u>25,326</u>
Net book value	
At 30 June 2012	<u>58,813</u>
At 30 June 2011	<u>46,412</u>

11. Investments

Company	Group companies £
Cost	
At 1 July 2011 and 30 June 2012	<u>4,536,685</u>
Net book value	
At 30 June 2012 and 30 June 2011	<u>4,536,685</u>

Subsidiary undertakings

Name of undertaking	Country of incorporation	Principal activity	Percentage of shares held
Oil Consultants Limited	England	Recruitment for the oil and gas industry	100%
Oil Consultants UK Limited	China	Recruitment for the oil and gas industry	100%

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

12. Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	4,039,399	3,248,786	-	-
Amounts owed by group undertakings	-	-	161,303	414,557
Corporation tax repayable	-	16,105	-	-
Other debtors	48,176	-	-	-
Prepayments and accrued income	43,733	14,954	-	-
	<u>4,131,308</u>	<u>3,279,845</u>	<u>161,303</u>	<u>414,557</u>

13 Creditors. amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	2,809,764	1,855,504	-	-
Corporation tax	27,182	-	-	-
Other taxation and social security	163,595	43,348	-	-
Other creditors	415,400	614,603	415,400	614,603
Accruals and deferred income	140,576	51,367	-	-
	<u>3,556,517</u>	<u>2,564,822</u>	<u>415,400</u>	<u>614,603</u>

14 Creditors: amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Loan notes	4,845,861	3,419,000	4,845,861	3,419,000
Other creditors	-	1,120,800	-	1,120,800
	<u>4,845,861</u>	<u>4,539,800</u>	<u>4,845,861</u>	<u>4,539,800</u>

Included within other creditors due within one year £415,400 (2011 £415,400) and other creditors after one year £Nil (2011 £1,120,800) are amounts owed in respect of deferred consideration. During the year, the group repaid £1,119,800 in relation to the deferred consideration, the total amount still outstanding at the year end is £415,400 (2011 £1,535,200)

15. Deferred taxation

The movement in the deferred taxation provision during the year was

	Group		Company	
	Year to	Period from	Year to	Period from
	30 Jun 12	18 Nov 10 to	30 Jun 12	18 Nov 10 to
	£	30 Jun 11	£	30 Jun 11
	£	£	£	£
Provision brought forward	12,000	-	-	-
Increase in provision	2,000	12,000	-	-
Provision carried forward	<u>14,000</u>	<u>12,000</u>	<u>-</u>	<u>-</u>

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

15 Deferred taxation (continued)

The group's provision for deferred taxation consists of the tax effect of timing differences in respect of

Group	2012		2011	
	Provided	Unprovided	Provided	Unprovided
	£	£	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>14,000</u>	<u>-</u>	<u>12,000</u>	<u>-</u>

16 Derivatives

The group does not hold any derivatives

17. Commitments under operating leases

At 30 June 2012 the group had annual commitments under non-cancellable operating leases as set out below

Group	Assets other than Land and buildings	
	2012	2011
	£	£
Operating leases which expire		
Within 2 to 5 years	<u>31,500</u>	<u>-</u>

OIL CONSULTANTS HOLDCO LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2012

18. Related party transactions

The company has taken advantage of the exemption in FRS8 'Related Party Disclosures' from disclosing transactions with other members of the group

During the year £130,177 (2011 £61,440) was paid for consultancy services and expenses to Pre Eminent Solutions LLP, a partnership controlled by R Fielding and G Lennox. C Miller and A Lennox are the spouses of R Fielding and G Lennox respectively

D E Spencer is a partner of DLJ Advisory Services LLP. During the year £59,622 (2011 £30,720) was paid for consultancy services and expenses to DLJ Advisory Services LLP. L Spencer is also a partner in this business and is the spouse of D E Spencer

Included within other creditors at the balance sheet date, are loan notes payable to the directors and their partners to the value of,

	2012 £	2011 £
G Lennox & A Lennox held equally	1,723,058	1,237,678
R Fielding & C Miller held equally	1,723,058	1,237,678
D E Spencer & L Spencer held equally	295,944	259,844
M L Cooper	389,400	341,900
D M Cooper	389,400	341,900
H Smith & R Smith held equally	325,000	–

Loan notes of £3,419,000 (2011 £3,419,000) bear interest at 10%, £800,000 (2011 £Nil) bear interest at 8% and £626,860 (2011 £Nil) bear interest at 12% per annum. These transactions were undertaken at market value, all transactions were on an arms length basis. The loan notes are due for repayment on the fifth anniversary of the acquisition.

19 Share capital

Allotted, called up and fully paid:

	2012 No	£	2011 No	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

20 Reserves

Group	Profit and loss account £
Balance brought forward	(58,232)
Profit for the year	<u>108,234</u>
Balance carried forward	<u>50,002</u>

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20. Reserves (continued)

Company	Profit and loss account £
Balance brought forward	(204,161)
Loss for the year	(360,112)
Balance carried forward	<u>(564,273)</u>

21 Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit/(Loss) for the financial year	108,234	(6,537)
New ordinary share capital subscribed	–	1,000
Foreign currency retranslation	–	(51,695)
Net addition/(reduction) to shareholders' deficit	108,234	(57,232)
Opening shareholders' deficit	(57,232)	–
Closing shareholders' funds/(deficit)	<u>51,002</u>	<u>(57,232)</u>

22 Notes to the cash flow statement

Reconciliation of operating profit to net cash inflow from operating activities

	Year to 30 Jun 12 £	Period from 18 Nov 10 to 30 Jun 11 £
Operating profit	1,475,188	496,314
Amortisation	122,689	71,568
Depreciation	18,635	9,869
Increase in debtors	(777,527)	(1,002,590)
Increase in creditors	1,077,675	432,792
Net cash inflow from operating activities	<u>1,916,660</u>	<u>7,953</u>

Reconciliation of net cash flow to movement in net debt

	2012 £	2011 £
Increase in cash	666,815	1,350,931
Net cash (inflow) from loan notes	(1,426,861)	(2,735,000)
Vendor shareholding converted to loan notes	–	(684,000)
Change in net debt	<u>(760,046)</u>	<u>(2,068,069)</u>
Net debt at 1 July 2011	(2,068,069)	–
Net debt at 30 June 2012	<u>(2,828,115)</u>	<u>(2,068,069)</u>

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22. Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At 1 July 2011 £	Cash flows £	At 30 June 2012 £
Net cash			
Cash in hand and at bank	1,350,931	666,815	2,017,746
Debt			
Debt due after 1 year	(3,419,000)	(1,426,861)	(4,845,861)
Net debt	<u>(2,068,069)</u>	<u>(760,046)</u>	<u>(2,828,115)</u>

23 Ultimate controlling party

The directors do not consider there to be any one controlling party