

# **DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED**

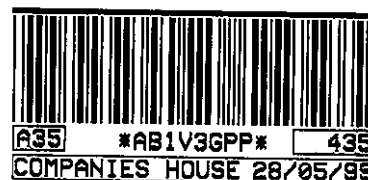
**COMPANY Nr. 2403663**

## **REGISTERED OFFICE**

**41 Warren Road,  
Gorleston,  
Great Yarmouth,  
Norfolk NR31 6JT**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st JULY 1998**

**Prepared By:  
J.W. Gallop FCCA.,  
Registered Auditor and Certified  
Acle, Norwich, Norfolk**



# DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

## REPORT OF THE DIRECTORS

The Directors present their report and the financial statements for the year ended 31st July 1998.

### Principal Activities

The principal activity of the company is concerned with land and hydrographic survey consultancy services recruitment to the oil and gas exploration, production and related industries.

### Directors and Their Interests

The Directors who served throughout the year, together with their interests in the share capital of the company were as follows:-

Director	Share Class	At 1.8.98.	At 31.7.97
Mr.D. Oliver	£1 ordinary	1	1
Mrs. M.E. Oliver	£1 ordinary	1	1

### Dividends

An interim dividend amounting to £10,000 was paid in the year, the directors do not propose the payment of a final dividend.

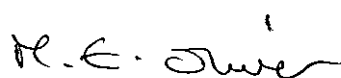
### Auditor

A resolution to re-appoint Mr. J.W. Gallop FCCA., as the Company's Auditor will be proposed at the Annual General Meeting.

### Small Company Rules

Advantage has been taken in the preparation of this report of the special exemptions applicable to small companies.

Approved by the Board of Directors on 27 th May 1999  
and signed on their behalf by :-



Mrs. M.E. Oliver  
Director/Company Secretary

**DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED**  
**STATEMENT OF DIRECTOR'S 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 profit or loss of the company for that period. In preparing these 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 a going concern basis unless it is inappropriate to presume that the company 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 to enable them to ensure that the financial statements comply with the Companies Act 1985. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITOR'S REPORT TO THE MEMBERS OF  
DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED**

I have audited the financial statements on pages 4 to 10 in accordance with auditing standards.

**Respective Responsibilities of Directors and Auditors**

As described on page 2, the company's Directors are responsible for the preparation of the financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

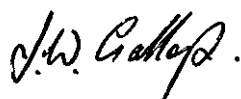
**Basis of Opinion**

I conducted my audit in accordance with 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion, I also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In my opinion, the financial statements give a true and fair view of the state of the company's affairs at 31st July 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



J.W. Gallop FCCA.,  
Certified Accountant and Registered Auditor,  
41 St. Edmunds Road,  
Acle, Norwich,  
Norfolk NR13 3BP

27th May 1999

## DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR YEAR ENDED 31st JULY 1998**

	Notes	1997	1998
TURNOVER	2	2,384,644	2,609,770
COST OF SALES		<u>2,137,764</u>	<u>2,383,457</u>
GROSS PROFIT		246,880	226,313
ADMINISTRATIVE EXPENSES		<u>158,679</u>	<u>166,925</u>
OPERATING PROFIT	3	88,201	59,388
FINANCE COSTS	5	<u>25,522</u>	<u>27,253</u>
PROFIT ON ORDINARY ACTIVITIES			
BEFORE TAXATION		62,679	32,135
TAX ON PROFIT ON			
ORDINARY ACTIVITIES	6	<u>400</u>	<u>7,475</u>
PROFIT ON ORDINARY			
ACTIVITIES AFTER TAXATION		62,279	24,660
DIVIDENDS	7	-	<u>10,000</u>
TRANSFER TO RESERVES		62,279	14,660
ACCUMULATED PROFITS Brought forward		(48,838)	13,441
ACCUMULATED PROFITS Carried Forward		£ <u>13,441</u>	£ <u>28,101</u>

The results for the year are derived from ongoing continuous operations.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

There were no other recognised gains or losses during the year other than the profit for the year.

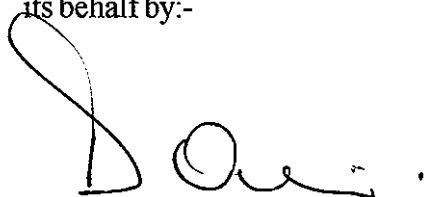
## DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

## BALANCE SHEET AS AT 31st JULY 1998

	Notes	1997	1998
<b>FIXED ASSETS</b>			
Tangible Assets	8	32,774	30,025
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	9	443,908	556,715
Bank and Cash		-	8,827
		<u>443,908</u>	<u>565,542</u>
<b>CREDITORS :</b>			
Amounts falling due within one year	11	435,272	567,464
<b>NET CURRENT ASSETS / (LIABILITIES)</b>		8,636	(1,922)
<b>TOTAL ASSETS LESS CURRENT</b>			
<b>LIABILITIES</b>		41,410	28,103
<b>CREDITORS :</b>			
Amounts falling due after one year	12	27,967	-
<b>TOTAL NET ASSETS</b>		£ <u>13,443</u>	£ <u>28,103</u>
Represented by:-			
<b>CAPITAL AND RESERVES</b>			
Called Up Equity Share Capital	16	2	2
Profit and Loss Account		13,441	28,101
<b>TOTAL SHAREHOLDERS' FUNDS</b>	17	£ <u>13,443</u>	£ <u>28,103</u>

The Directors have taken advantage, in the preparation of the financial statements of the special provisions of part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board of Directors on 27 th May 1999 and signed on its behalf by:-



Mr. D. Oliver (Director)

# DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 1998

### 1. ACCOUNTING POLICIES

#### (a) Basis of Accounting

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

#### (b) Cash Flow Statement Exemption

The company qualifies as a small company under the Companies Act 1985. The Directors have elected to take advantage of the exemption under FRSI not to prepare a cash flow statement.

#### (c) Turnover

Turnover represents the invoiced value of fees exclusive of Value Added Tax.

#### (d) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off their cost, less estimated realisable values, over their expected useful life, using the following rates:-

Fixtures, Fittings and Equipment	- 15% and 20% per annum on reducing balance
Motor Vehicles	- 25% per annum on reducing balance

#### (e) Pensions

The company operates defined contribution schemes for the Directors. The assets of the schemes are held separately from those of the company in independently administered funds. The costs of the schemes are charged to the Profit and Loss Account as incurred.

#### (f) Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transactions. Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the Profit and Loss Account.

#### (g) Substance of Transactions

The company's debts are factored under a without recourse agreement. All assets and liabilities under this agreement are fully recognised in order to reflect the substance of the transactions.

#### (h) Deferred Taxation

Provision is made for deferred taxation arising in respect of all material timing differences using the liability method, only to the extent that, in the opinion of the Directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

## DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st JULY 1998**1. ACCOUNTING POLICIES (CONTINUED)****(i) Finance Cost of Debt**

The finance costs of debt, including interest and issue costs are allocated to each period over the term of the debt and charged to Profit and Loss Account at a constant rate on the outstanding amount.

**(j) Leased Assets**

Fixed assets acquired under finance leases are included in the balance sheet at cost, appropriate provision being made for depreciation. The present value of the future rentals is shown as a liability. Interest payable in each period is charged to Profit and Loss Account as incurred.

**2. TURNOVER**

The company derived 80 % (1997 80%) of its turnover from supplying geographical markets outside the United Kingdom.

**3. OPERATING PROFIT**

This is stated after charging:-

	1997	1998
Pension Costs - defined contribution scheme	£ 6,839	£ 11,839
Auditor's remuneration	£ 2,801	£ 2,070
Depreciation on Tangible Fixed Assets : Owned Assets	£ 710	£ 2,115
: Assets under HP agreement	£ 6,904	£ 6,180

**4. DIRECTOR'S REMUNERATION**

including pension contributions  
and benefits in kind

£ 88,100	£ 94,171
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**5. FINANCE COSTS**

Factoring Discounts	23,135	23,989
HP and Pension Loan interest	3,222	3,434
less:- Interest on overdrawn loan account	(835)	(170)
	£ 25,522	£ 27,253

**6. TAXATION**

On Profits for the year	400	7,315
Other - Interest and Penalty charges	-	160
	£ 400	£ 7,475

**7. DIVIDENDS**

Interim dividend paid on ordinary shares	£ nil	£ 10,000
The Directors do not propose the payment of a final dividend for the year.		



## DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st JULY 1998

## 8. TANGIBLE FIXED ASSETS

	Property Improvements Office	Fixtures, Fittings/ Equip.	Motor Vehicles	Total
<b>COST</b>				
At 1st August 1997	5,388	13,358	30,603	49,349
Additions	-	6,146	-	6,146
Disposals	-	-	-	-
At 31st July 1998	<u>5,388</u>	<u>19,504</u>	<u>30,603</u>	<u>55,495</u>
<b>DEPRECIATION</b>				
At 1st August 1997	-	6,692	9,883	16,575
Charge in the year	-	2,115	6,180	8,295
On Disposal	-	-	-	-
At 31st July 1998	<u>-</u>	<u>8,807</u>	<u>16,063</u>	<u>24,870</u>
<b>NET BOOK VALUE</b>				
At 31st July 1997	£ 5,388	£ 6,666	£ 20,720	£ 32,774
At 31st July 1998	<u>£ 5,388</u>	<u>£ 10,697</u>	<u>£ 14,540</u>	<u>£ 30,625</u>

The net book amount of tangible fixed assets includes £ 14,540 (1997 £20,720 ) in respect of assets held under finance leases. Depreciation on the assets amounted to £ 6,180 (1997 £6,904).

## 9. DEBTORS AND PREPAYMENTS

	1997	1998
Trade Debtors : Factored	654,737	795,777
Less non returnable amounts received	<u>229,199</u>	<u>245,768</u>
	425,538	550,009
Amount due from Director	9,068	1,870
Recoverable Advance Corporation Tax	8,402	3,936
Prepayments	900	900
	<u>£ 443,908</u>	<u>£ 556,715</u>

Included in the above are amounts falling due after more than one year as follows:-

Recoverable Advance Corporation Tax	£ 8,402	£ 3,936
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The recovery of this amount is subject to future profitability and dividend policy adopted by the Company.

# DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 1998

### 10. FACTORING

The company receives advances from the Factor on the security of the factored debtors. The agreement with the Factor is one of **without recourse**.

### 11. CREDITORS : Amounts falling due within one year

	1997	1998
Bank Overdraft	32,337	-
Trade Creditors	352,422	425,971
Corporation Tax and ACT	52	2,849
Other Taxes and Social Security Costs	31,424	100,407
Other Creditors and Accruals	14,070	10,270
Loan Repayment	-	18,000
Hire Purchase Repayments	4,967	9,967
	<u>£ 435,272</u>	<u>£ 567,464</u>

### 12. BORROWINGS

The aggregate amount of bank loans and overdrafts was as follows:-

(a) Falling due within one year		
Bank Overdraft (facility = £40,000 ) (secured)	32,337	-
Loan	-	18,000
Hire Purchase	4,967	9,967
	<u>37,304</u>	<u>27,967</u>
(b) Falling due after more than one year		
Pension Fund Loan (see below)	18,000	-
Hire Purchase (repayable within two to five years by instalments)	9,967	-
<b>Aggregate Amounts</b>	<u>£ 65,271</u>	<u>£ 27,967</u>

The Bank overdraft facilities were renewed in April 1999.

The Pension Fund Loan is repayable on maturity of the fund (26th June 1999), or earlier at the Directors' discretion. This loan bears interest at 3% above Bank Base Rate. The balance of the Loan will fall due for immediate repayment in the event of a default of payment of the annual premium. The Loan is secured on the assets of the Pension Fund.

### 13. DEFERRED TAXATION

The Deferred Taxation provision comprises:-

Re: Accelerated Capital Allowances

PROVIDED	£ <u>NIL</u>	£ <u>NIL</u>
UNPROVIDED	£ <u>NIL</u>	£ <u>NIL</u>

# DAVE OLIVER HYDROGRAPHIC SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st JULY 1998

### 14. COMMITMENTS

#### PENSIONS

The Company operates defined contribution pension schemes for the Directors. The assets of these are maintained in separately administered funds. The contributions payable in the year were £11,839 (1997 £6,839). At the balance sheet date there were no commitments for outstanding premiums. Amounts payable in the ensuing year are £6,839.

### 15. POST BALANCE SHEET EVENTS

There were no events occurring since the 31st July 1998 which require reporting in these accounts.

### 16. SHARE CAPITAL

Ordinary shares of £1 each	1997	1998
<b>Authorised</b>	<b>£ 100,000</b>	<b>£ 100,000</b>
Issued		
Allotted, Called Up and Fully Paid	£ 2	£ 2

### 17. RECONCILIATION OF SHAREHOLDERS' FUNDS

	Share Capital	Profit/Loss Account	Total
At 1st August 1997	2	13,441	13,443
Profit for the year		24,660	24,660
Dividends		(10,000)	(10,000)
At 31st July 1998	£ 2	£ 28,101	£ 28,103

### 18. DIRECTORS' TRANSACTIONS AND TRANSACTIONS INVOLVING DIRECTORS

The Directors' Loan Account was overdrawn during the year. The amounts due were:-

Due from Directors at 31st July 1998	£ 1,870
Due from Directors at 31st July 1997	£ 9,068
Maximum overdrawn balance in the year	£ 15,226

The Directors charged the company £560 for heating and lighting during the year.

Interest included in the balance at 31st July 1998 = £170

The loan was repaid in May 1999.