

OIL INSPECTIONS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST OCTOBER 2002

N.J. Ruse & Associates
Chartered Certified Accountants & Registered Auditors
Eagle House, Cranleigh Close,
Sanderstead,
South Croydon, CR2 9LH.

Telephone : 020 8657 4959

Company Registration Number: 1593921



**AUDITORS' REPORT TO OIL INSPECTIONS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 5, together with the financial statements of the company for the year ended 31st October 2002 prepared under section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

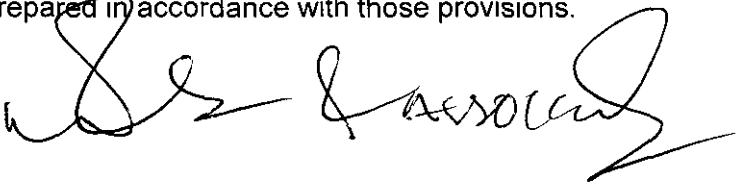
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion, as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (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 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 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 abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



N.J. Ruse & Associates

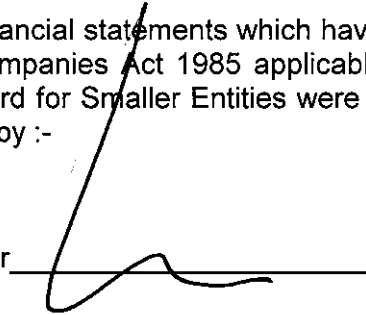
Chartered Certified Accountants & Registered Auditors
Eagle House, Cranleigh Close,
Sanderstead,
South Croydon, CR2 9LH.

Date: 22nd August 2003

OIL INSPECTIONS LIMITED
BALANCE SHEET
AS AT 31ST OCTOBER 2002

		2002		2001	
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	3		17,006		18,672
Investments	3		215,011		188,833
			<u>232,017</u>		<u>207,505</u>
Current Assets					
Debtors		61,125		129,171	
Investments		3,085		3,085	
Cash at Bank and in Hand		73,434		69,181	
		<u>137,644</u>		<u>201,437</u>	
Creditors: Amounts Falling Due Within One Year		<u>(71,998)</u>		<u>(85,598)</u>	
Net Current Assets			<u>65,646</u>		<u>115,839</u>
Total Assets Less Current Liabilities			<u>297,663</u>		<u>323,344</u>
Net Assets Employed			<u><u>297,663</u></u>		<u><u>323,344</u></u>
Capital and Reserves					
Called Up Share Capital	4		16,000		16,000
Reserves	5		<u>281,663</u>		<u>307,344</u>
Shareholders Funds			<u><u>297,663</u></u>		<u><u>323,344</u></u>

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities were approved by the board on 19th August 2003 and signed on its behalf by :-

Director 

The notes on pages 3 to 5 form an integral part of these financial statements.

OIL INSPECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 2002

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

This represents the invoiced amounts of goods sold and services provided, stated net of value added tax.

1.3. Depreciation of Fixed Assets

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Plant & Equipment	- 25% written down value
Computer Equipment	- 25% written down value
Motor Vehicles	- 25% written down value

1.4. Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5. Investments

Fixed asset investments are stated at cost less provision for diminution in value.
Current asset investments are at the lower of cost and net realisable value.

1.6. Pensions

The company operates a defined contribution scheme, and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.7. Consolidated Accounts

The company is entitled to the exemption under Section 247 of the Companies Act 1985 from the obligation to prepare group accounts.

2. Taxation

	2002	2001
U.K. Current Year Taxation	£	£
UK Corporation Tax	<u>(10,733)</u>	<u>10,733</u>

OIL INSPECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 2002

3. Fixed Assets

	Tangible Fixed Assets	Investment	Total
	£	£	£
Cost			
At 1st November 2001	86,200	188,833	275,033
Additions	4,002	-	4,002
Revaluation of Subsidiary	-	26,178	26,178
At 31st October 2002	<u>90,202</u>	<u>215,011</u>	<u>305,213</u>
Depreciation			
At 1st November 2001	67,528	-	67,528
Charge for the Year	5,668	-	5,668
At 31st October 2002	<u>73,196</u>	<u>-</u>	<u>73,196</u>
Net Book Value			
At 31st October 2002	<u>17,006</u>	<u>215,011</u>	<u>232,017</u>
At 31st October 2001	<u>18,672</u>	<u>188,833</u>	<u>207,505</u>

4. Share Capital

	2002 £	2001 £
Authorised		
20,000 Ordinary shares of £1 each	<u>20,000</u>	<u>20,000</u>
Allotted, Called Up and Fully Paid		
16,000 Ordinary shares of £1 each	<u>16,000</u>	<u>16,000</u>

OIL INSPECTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 2002

5. Statement of Movement in Reserves

	Revaluation Reserve	Retained Profits	Total
	£	£	£
At 1st November 2001	185,499	121,845	307,344
Revaluation of Investment in Subsidiary	26,178		26,178
Retained Profit/(Loss) for the Year		(51,859)	(51,859)
At 31st October 2002	<u>211,677</u>	<u>69,986</u>	<u>281,663</u>

6. Related Party Transactions

The following related party transactions occurred during the year :-

1. The controlling party is Mr S Taylor by virtue of his 75% ownership of the ordinary issued share capital in the company.
2. The company was charged management fees of £33,559 (2002 - £104,014) by Oil Inspections (USA) Inc. This company is a 100% subsidiary of Oil Inspections Limited.