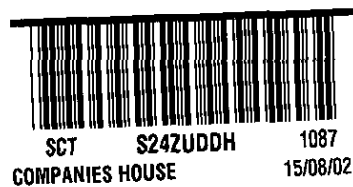


D E RESOURCES

LIMITED

FINANCIAL ACCOUNTS FOR THE YEAR

1st NOVEMBER 2000 TO 31st OCTOBER 2001



REGISTERED NUMBER : SC 134128

D E RESOURCES LTD.

YEAR ENDED 31st OCTOBER 2001

DIRECTOR

D. Thomas

COMPANY SECRETARY

Mrs. C. Thomas

REGISTERED OFFICE

101 Duthie Terrace,
Aberdeen,
AB10 7PT.

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The following does not form part of the Statutory Accounts :

- | | |
|-----|----------------------------------|
| 11. | Detailed Profit and Loss Account |
|-----|----------------------------------|

D E RESOURCES LTD.REPORT OF THE DIRECTORFOR THE YEAR ENDED 31st OCTOBER 2001

The Director presents the Annual Report of the affairs of the Company, together with the Accounts for the above year.

PRINCIPAL ACTIVITY

The Company's principal activity during the year remained the provision of drilling engineering consultancy services to the onshore and offshore oil industry.

No goods were exported from the United Kingdom during the year.

DIRECTOR

The Director during the year under review who was beneficially interested in the shares in the Company at the beginning and end of the year was :-

Ordinary Shares of £ 1 each

31st October 2001 1st November 2000

D. Thomas

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POLITICAL OR CHARITABLE DONATIONS

No political or charitable donations were made during the year.

The Director has taken advantage, in the preparation of the above report, of the exemptions applicable to small Companies conferred by Schedule 8 Part 2 of the Companies Act 1985.

SIGNED ON BEHALF OF THE BOARD

24th July 2002

Date.....Director.....

D. Thomas

D E RESOURCES LTD.PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31st OCTOBER 2001

	Notes	2001	2000
	-----	-----	-----
		£	£
		-	-
TURNOVER		63,775	134,380
Administrative expenses		12,959	88,061
		-----	-----
		50,816	46,319
Other Operating Income	2	3,515	14,310
		-----	-----
OPERATING PROFIT	3	54,331	60,629
Interest Receivable	4	4,815	3,349
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		59,146	63,978
Tax on profit on ordinary activities	5	11,560	11,624
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		47,586	52,354
Dividends	6	36,300	44,666
		-----	-----
RETAINED PROFIT FOR THE YEAR		11,286	7,688
Retained Profit brought forward		201,981	194,293
		-----	-----
Retained Profit carried forward		£ 213,267	£ 201,981
		=====	=====

All amounts relate to continuing activities.

The Company realised no gains or losses other than the profit for the year.

The notes set out on pages 4 to 10 form an integral part of these Accounts.

D E RESOURCES LTD.BALANCE SHEET - 31st OCTOBER 2001

	Notes	2001	2000
	-----	-----	-----
		£	£
FIXED ASSETS		-	-
Tangible assets	9	4,423	5,203
Investments	10	111,756	108,244
		-----	-----
		116,179	113,447
CURRENT ASSETS			
Debtors	11	20,141	13,386
Cash at bank and in hand		95,156	124,322
		-----	-----
		115,297	137,708
CREDITORS		-----	-----
Amounts falling due within one year	12	18,207	49,172
		-----	-----
NET CURRENT ASSETS		97,090	88,536
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 213,269	£ 201,983
		=====	=====
CAPITAL AND RESERVES			
Called-up Share Capital	13	2	2
Profit and Loss Account	15	213,267	201,981
		-----	-----
		£ 213,269	£ 201,983
		=====	=====

The Director has taken advantage, in the preparation of these financial statements, of the total exemption conferred by section 249A(1) Companies Act 1985. No notice of requirement for audit has been deposited by any member under section 249B(2) Companies Act 1985 in relation to the Company's Accounts for the year ended 31st October 2001. The Director acknowledges his responsibilities for both ensuring that the Company keeps accounting records which comply with section 221 Companies Act 1985 and for preparing Accounts which give a true and fair view of the state of affairs of the Company as at 31st October 2001 and of its profit for the year then ended in accordance with the requirements of section 226 Companies Act 1985, and which otherwise comply with the requirements of the Act relating to Accounts, so far as applicable to the Company. The Director has taken advantage, in the preparation of these financial statements, of the exemptions conferred by section 246 Companies Act 1985 on the basis that the Company qualifies as a small Company.

Approved on behalf of the Company :

24th July 2002

Date.....Director.....
D. Thomas

The notes set out on pages 4 to 10 form an integral part of these Accounts.

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 20011. ACCOUNTING POLICIESa) Basis of accounting

These Accounts have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

b) Cash flow statement

The Company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small Company.

c) Turnover

Turnover represents sales to external customers at invoiced amount less value added tax.

d) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the business. The annual depreciation rate and method is as follows :-

Equipment	15% Reducing balance
-----------	----------------------

e) Deferred taxation

Provision is made for deferred taxation except where, in the opinion of the Director, it is not likely to become payable in the foreseeable future.

2. OTHER OPERATING INCOME

	2001	2000
	----	----
	£	£
Income from Fixed Asset Investments in listed Companies	-	-
Gain on sale of Fixed Asset Investments in listed Companies	3,946	4,017
Loss on sale of Fixed Asset Investments in listed Companies	-	10,293
	(431)	-
	-----	-----
	£ 3,515	£ 14,310
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 20013. OPERATING PROFIT

Operating profit is stated after charging :-	2001	2000
	----	----
	£	£
Administrative expenses including :-	-	-
Depreciation	780	918
Loss on sale of Motor Vehicle	-	925
Director's Remuneration	4,092	64,500
	=====	=====

4. INTEREST RECEIVABLE

	2001	2000
	----	----
	£	£
	-	-
Deposit Account Interest	4,803	3,343
Other Interest Receivable	12	6
	-----	-----
	£ 4,815	£ 3,349
	=====	=====

5. TAXATION

	2001	2000
	----	----
	£	£
	-	-
U.K. Corporation Tax at 20% on the profit adjusted for tax purposes	11,174	11,624
Tax credit on U.K. dividends received	386	-
	-----	-----
	£ 11,560	£ 11,624
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 20016. DIVIDENDS

	2001 ----	2000 ----
Ordinary Shares - paid £ 18,150 per share (2000 - £ 22,333 per share)	£ 36,300 =====	£ 44,666 =====

7. DIRECTOR'S EMOLUMENTS

	2001 ----- £ --	2000 ----- £ --
Management Remuneration	4,092	64,500
Taxable Benefits (estimated)	--	3,000
	----- £ 4,092 =====	----- £ 67,500 =====

During the year the Director loaned funds to the Company and the balance owing to the Director at 31st October 2001 was £ 542.

8. STAFF

	2001 ----- £ --	2000 ----- £ --
Aggregate amounts paid in respect of :-	--	--
Salaries and Wages	4,289	7,310
Social Security Costs	--	390
Other Pension Costs	--	--
	----- £ 4,289 =====	----- £ 7,700 =====

The average number of persons employed during the year (including the Director) by the Company was 2.

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 20019. TANGIBLE FIXED ASSETS

	<u>Equipment</u> -----
COST	
As at 1st November 2000	
and	
As at 31st October 2001	7,657

DEPRECIATION	
As at 1st November 2000	2,454
Charge in year	780

As at 31st October 2001	3,234

NET BOOK VALUE	
As at 31st October 2001	£ 4,423
	=====
As at 31st October 2000	£ 5,203
	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 200110. FIXED ASSET INVESTMENTS

	<u>Investments</u>

COST	
As at 1st November 2000	108,244
Additions in year	5,829
Disposal in year	(2,317)

As at 31st October 2001	111,756

NET BOOK VALUE	
As at 31st October 2001	£ 111,756
	=====
As at 31st October 2000	£ 108,244
	=====

All investments included in the above are listed on the U.K. Stock Exchange and the total market value as at 31st October 2001 was £ 119,250.

11. DEBTORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001	2000
	-----	-----
	£	£
	-	-
Trade Debtors	18,254	13,254
Prepayments	66	37
Accrued Income	1,821	95
	-----	-----
	£ 20,141	£ 13,386
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 200112. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001	2000
	----	----
	£	£
	-	-
U.K. Corporation Tax	11,174	11,230
Value Added Tax	5,710	6,108
Other Taxes and Social Security	-	27,776
Other Creditors	781	613
Director's Current Account	542	3,445
	-----	-----
	£ 18,207	£ 49,172
	=====	=====

13. SHARE CAPITAL

	2001	2000
	----	----
Authorised Share Capital -		
Ordinary Shares of £ 1 each	£ 1,000	£ 1,000
	=====	=====
Issued and Fully Paid Share Capital -		
Ordinary Shares of £ 1 each	£ 2	£ 2
	=	=

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	----	----
	£	£
	-	-
Profit for the year	47,586	52,354
Dividends	36,300	44,666
	-----	-----
Net addition to shareholders' funds	11,286	7,688
Opening shareholders' funds	201,983	194,295
	-----	-----
Closing shareholders' funds	£ 213,269	£ 201,983
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 200115. RESERVES

	Profit and Loss Account

	£
	-
As at 31st October 2000	201,981
Profit for the year	11,286

As at 31st October 2001	£ 213,267
	=====