

D E RESOURCES

LIMITED

FINANCIAL ACCOUNTS FOR THE YEAR

1st NOVEMBER 2001 TO 31st OCTOBER 2002



REGISTERED NUMBER : SC 134128

D E RESOURCES LTD.

YEAR ENDED 31st OCTOBER 2002

DIRECTOR

D. Thomas

COMPANY SECRETARY

Mrs. C. Thomas

REGISTERED OFFICE

101 Duthie Terrace,
Aberdeen,
AB10 7PT.

INDEX TO ACCOUNTS

Page No.

- | | |
|----------|-------------------------|
| 1. | Report of the Director |
| 2. | Profit and Loss Account |
| 3. | Balance Sheet |
| 4. - 10. | Notes to the Accounts |
-

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 2002

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, although a service was provided outside 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 2002 1st November 2001

D. Thomas

1

1

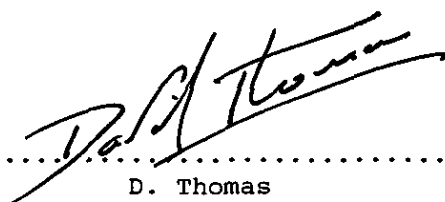
POLITICAL OR CHARITABLE DONATIONS

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

12th March 2003

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

D. Thomas

D E RESOURCES LTD.PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31st OCTOBER 2002

	Notes	2002	2001
	-----	-----	-----
		£	£
		-	-
TURNOVER		122,903	63,775
Administrative expenses		15,380	12,959
		-----	-----
		107,523	50,816
Other Operating Income	2	1,564	3,515
		-----	-----
OPERATING PROFIT	3	109,087	54,331
Interest Receivable	4	3,002	4,815
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		112,089	59,146
Tax on profit on ordinary activities	5	21,954	11,560
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		90,135	47,586
Dividends	6	39,100	36,300
		-----	-----
RETAINED PROFIT FOR THE YEAR		51,035	11,286
Retained Profit brought forward		213,267	201,981
		-----	-----
Retained Profit carried forward		£ 264,302	£ 213,267
		=====	=====

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.

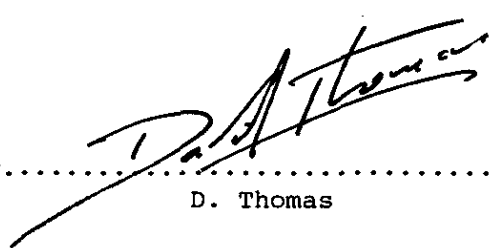
D E RESOURCES LTD.BALANCE SHEET - 31st OCTOBER 2002

	Notes	2002	2001
	-----	-----	-----
		£	£
FIXED ASSETS		-	-
Tangible assets	9	3,796	4,423
Investments	10	124,145	111,756
		-----	-----
		127,941	116,179
CURRENT ASSETS			
Debtors	11	41,711	20,141
Cash at bank and in hand		124,182	95,156
		-----	-----
		165,893	115,297
CREDITORS		-----	-----
Amounts falling due within one year	12	29,530	18,207
		-----	-----
NET CURRENT ASSETS		136,363	97,090
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 264,304	£ 213,269
		=====	=====
CAPITAL AND RESERVES			
Called-up Share Capital	13	2	2
Profit and Loss Account	15	264,302	213,267
		-----	-----
		£ 264,304	£ 213,269
		=====	=====

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 2002. 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 2002 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 :

12th March 2003

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 20021. 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

	2002	2001
	----	----
	£	£
Income from Fixed Asset Investments in listed Companies	- 4,315	- 3,946
Loss on sale of Fixed Asset Investments in listed Companies	(2,751)	(431)
	-----	-----
	£ 1,564	£ 3,515
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 20023. OPERATING PROFIT

Operating profit is stated after charging :-	2002	2001
	----	----
	£	£
Administrative expenses including :-	-	-
Depreciation	670	780
Director's Remuneration	4,580	4,092
	=====	=====

4. INTEREST RECEIVABLE

	2002	2001
	----	----
	£	£
	-	-
Deposit Account Interest	2,996	4,803
Other Interest Receivable	6	12
	-----	-----
	£ 3,002	£ 4,815
	=====	=====

5. TAXATION

	2002	2001
	----	----
	£	£
	-	-
U.K. Corporation Tax at 20% on the profit adjusted for tax purposes	9,177	11,174
U.K. Corporation Tax at 19% on the profit adjusted for tax purposes	12,355	-
Tax credit on U.K. dividends received	422	386
	-----	-----
	£ 21,954	£ 11,560
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 20026. DIVIDENDS

	2002 ----	2001 ----
Ordinary Shares - paid £ 19,550 per share (2001 - £ 18,150 per share)	£ 39,100 =====	£ 36,300 =====

7. DIRECTOR'S EMOLUMENTS

	2002 ----	2001 ----
Management Remuneration	£ 4,580 =====	£ 4,092 =====

During the year the Director loaned funds to the Company and the balance owing to the Director at 31st October 2002 was £ 878.

8. STAFF

	2002 ----	2001 ----
Aggregate amounts paid in respect of :-	£ -	£ -
Salaries and Wages	4,580	4,289
Social Security Costs	-	-
Other Pension Costs	-	-
	-----	-----
	£ 4,580 =====	£ 4,289 =====

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 20029. TANGIBLE FIXED ASSETS

	Equipment

COST	
As at 1st November 2001	7,657
Addition in year	43

As at 31st October 2002	7,700

DEPRECIATION	
As at 1st November 2001	3,234
Charge in year	670

As at 31st October 2002	3,904

NET BOOK VALUE	
As at 31st October 2002	£ 3,796
	=====
As at 31st October 2001	£ 4,423
	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 200210. FIXED ASSET INVESTMENTS

	Investments

COST	
As at 1st November 2001	111,756
Additions in year	19,257
Disposals in year	(6,868)

As at 31st October 2002	124,145

NET BOOK VALUE	
As at 31st October 2002	£ 124,145
	=====
As at 31st October 2001	£ 111,756
	=====

All investments included in the above are listed on the U.K. Stock Exchange and the total market value as at 31st October 2002 was £ 108,671.

11. DEBTORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	-----	-----
	£	£
	-	-
Trade Debtors	40,425	18,254
Prepayments	66	66
Accrued Income	1,220	1,821
	-----	-----
	£ 41,711	£ 20,141
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 200212. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	----	----
	£	£
	-	-
U.K. Corporation Tax	21,532	11,174
Value Added Tax	6,430	5,710
Other Creditors	690	781
Director's Current Account	878	542
	-----	-----
	£ 29,530	£ 18,207
	=====	=====

13. SHARE CAPITAL

	2002	2001
	----	----
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

	2002	2001
	----	----
	£	£
	-	-
Profit for the year	90,135	47,586
Dividends	39,100	36,300
	-----	-----
Net addition to shareholders' funds	51,035	11,286
Opening shareholders' funds	213,269	201,983
	-----	-----
Closing shareholders' funds	£ 264,304	£ 213,269
	=====	=====

D E RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st OCTOBER 200215. RESERVES

	Profit and Loss Account

	£
	-
As at 31st October 2001	213,267
Profit for the year	51,035

As at 31st October 2002	£ 264,302
	=====

D E RESOURCES LTD.DETAILED PROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31st OCTOBER 2002

	2002	2001
	----	----
	£	£
	-	-
Turnover	122,903	63,775
Other Income : Income from		
Fixed Asset Investments	4,315	3,946
: Loss on sale of		
Fixed Asset Investments	(2,751)	(431)
: Deposit Account Interest	2,996	4,803
: Corporation Tax repayment		
supplement	6	12
	-----	-----
	127,469	72,105
Administrative expenses		
Salaries and Wages	4,580	4,289
Travel and Subsistence	348	362
Equipment Repairs	65	-
Heating and Lighting	300	300
Telephone	1,292	847
Printing, Postage, Stationery and		
Advertising	1,224	592
Insurance	492	321
Accountancy	1,680	1,140
Bank Charges	134	123
Sundries	15	15
Depreciation of Equipment	670	780
Director's Remuneration :		
- D. Thomas	4,580	4,092
- National Insurance Contributions	-	98
	-----	-----
Total administrative expenses	15,380	12,959
	-----	-----
Net Profit before taxation	£ 112,089	£ 59,146
	=====	=====