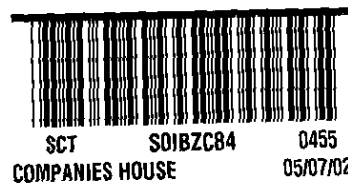


Report of the Directors and
Financial Statements for the Year Ended 31 March 2002
for
Petrofocus Limited

SC 177713



Petrofocus Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2002**

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5
Report of the Accountants	8
Trading and Profit and Loss Account	9

Petrofocus Limited

**Company Information
for the Year Ended 31 March 2002**

DIRECTORS: I D Douglas
A Douglas

SECRETARY: Messrs Jamieson Davie

REGISTERED OFFICE: 12 North Silver Street
Aberdeen
AB10 1RL

REGISTERED NUMBER: 177713 (Scotland)

ACCOUNTANTS: Atholl Scott & Co
Chartered Accountants
Victoria House
Victoria Street
Aberdeen
AB10 1XB

Petrofocus Limited

Report of the Directors
for the Year Ended 31 March 2002

The directors present their report with the financial statements of the company for the year ended 31 March 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the development of computer software and provision of related support.

DIRECTORS

The directors during the year under review were:

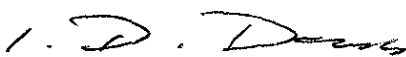
I D Douglas
A Douglas

The beneficial interests of the directors holding office on 31 March 2002 in the issued share capital of the company were as follows:

	31.3.02	1.4.01
Ordinary 1 shares		
I D Douglas	20,001	20,001
A Douglas	1	1

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:


.....
I D Douglas - DIRECTOR

Dated: 3 7 02

Petrofocus Limited

Profit and Loss Account
for the Year Ended 31 March 2002

	Notes	31.3.02		31.3.01	
		£	£	£	£
TURNOVER			137,716		131,705
Cost of sales			65,296		27,982
GROSS PROFIT			72,420		103,723
Distribution costs		434		423	
Administrative expenses		98,533		96,517	
			98,967		96,940
			(26,547)		6,783
Other operating income			1,000		19,121
OPERATING (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2		(25,547)		25,904
Tax on (loss)/profit on ordinary activities	3		-		290
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			(25,547)		25,614
Deficit brought forward			(7,846)		(33,460)
DEFICIT CARRIED FORWARD			£(33,393)		£(7,846)

The notes form part of these financial statements

Petrofocus Limited

**Balance Sheet
31 March 2002**

		31.3.02		31.3.01	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		9,202		8,748
CURRENT ASSETS:					
Stocks		1,500		1,500	
Debtors	5	37,534		30,651	
Cash at bank and in hand		34,317		25,074	
		<u>73,351</u>		<u>57,225</u>	
CREDITORS: Amounts falling due within one year	6	<u>95,944</u>		<u>53,817</u>	
NET CURRENT (LIABILITIES)/ASSETS:			<u>(22,593)</u>		<u>3,408</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£ (13,391)</u>		<u>£12,156</u>
CAPITAL AND RESERVES:					
Called up share capital	7		20,002		20,002
Profit and loss account			<u>(33,393)</u>		<u>(7,846)</u>
SHAREHOLDERS' FUNDS:			<u>£ (13,391)</u>		<u>£12,156</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 March 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:

I. D. Douglas
.....
I D Douglas - DIRECTOR

Approved by the Board on ...3.....7.....2.2....

The notes form part of these financial statements

Petrofocus Limited

**Notes to the Financial Statements
for the Year Ended 31 March 2002**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - 25% on cost
Fixtures and fittings - 15% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. OPERATING (LOSS)/PROFIT

The operating loss (2001 - operating profit) is stated after charging:

	31.3.02	31.3.01
	£	£
Depreciation - owned assets	4,361	7,356
Pension costs	<u>3,600</u>	<u>2,400</u>
Directors' emoluments	<u>52,000</u>	<u>52,000</u>

3. TAXATION

The tax charge on the loss on ordinary activities for the year was as follows:

	31.3.02	31.3.01
	£	£
UK corporation tax	<u>-</u>	<u>290</u>

UK corporation tax was charged at 10% in 2001.

Petrofocus Limited

**Notes to the Financial Statements
for the Year Ended 31 March 2002**

4. TANGIBLE FIXED ASSETS

	Office equipment	Fixtures and fittings	Totals
	£	£	£
COST:			
At 1 April 2001	29,121	506	29,627
Additions	4,605	210	4,815
	<u>33,726</u>	<u>716</u>	<u>34,442</u>
At 31 March 2002			
DEPRECIATION:			
At 1 April 2001	20,803	76	20,879
Charge for year	4,264	97	4,361
	<u>25,067</u>	<u>173</u>	<u>25,240</u>
At 31 March 2002			
NET BOOK VALUE:			
At 31 March 2002	<u>8,659</u>	<u>543</u>	<u>9,202</u>
At 31 March 2001	<u>8,318</u>	<u>430</u>	<u>8,748</u>

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.02 £	31.3.01 £
Trade debtors	36,190	27,757
Prepayments	1,344	2,894
	<u>37,534</u>	<u>30,651</u>

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.3.02 £	31.3.01 £
Trade creditors	5,643	7,623
Directors loan account	33,934	44
Net salary clearing account	-	795
V.A.T.	8,365	5,145
PAYE	1,858	1,479
Taxation	-	290
Accrued expenses	46,144	38,441
	<u>95,944</u>	<u>53,817</u>

Petrofocus Limited

Notes to the Financial Statements
for the Year Ended 31 March 2002

7. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	31.3.02 £	31.3.01 £
21,000	Ordinary	1	<u>21,000</u>	<u>21,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.02 £	31.3.01 £
20,002	Ordinary	1	<u>20,002</u>	<u>20,002</u>