

NRG RESOURCES

LIMITED

FINANCIAL ACCOUNTS FOR THE PERIOD

6th FEBRUARY 2002 TO 31st JANUARY 2003



REGISTERED NUMBER : SC 227813

NRG RESOURCES LTD.

PERIOD ENDED 31st JANUARY 2003

DIRECTOR

M. Cassidy

COMPANY SECRETARY

Mrs. M.A. Cassidy

REGISTERED OFFICE

Suite C,
Woodburn House,
4/5 Golden Square,
Aberdeen,
AB10 1RD.

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The following does not form part of the Statutory Accounts :

- | | |
|----|----------------------------------|
| 9. | Detailed Profit and Loss Account |
|----|----------------------------------|

NRG RESOURCES LTD.REPORT OF THE DIRECTORFOR THE PERIOD ENDED 31st JANUARY 2003

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

PRINCIPAL ACTIVITY

The Company's principal activity during the period was the provision of petroleum engineering consultancy services to the onshore and offshore oil industry together with general commercial trading.

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

INCORPORATION

The Company was incorporated on 6th February 2002, and commenced trading on that date.

DIRECTOR

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

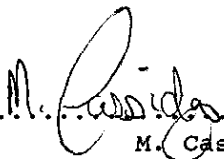
	Ordinary Shares of £ 1 each	
	31st January 2003	6th February 2002
M. Cassidy	1	1

POLITICAL OR CHARITABLE DONATIONS

No political or charitable donations were made during the period.

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

28th May 2003
 Date.....Director..........
 M. Cassidy

NRG RESOURCES LTD.PROFIT AND LOSS ACCOUNTFOR THE PERIOD ENDED 31st JANUARY 2003

	Notes	2003
	-----	-----
		£
		-
TURNOVER		156,409
Administrative expenses		46,534

OPERATING PROFIT	2	109,875
Interest Receivable	3	229

PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		110,104
Tax on profit on ordinary activities	4	20,799

PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		89,305
Dividends	5	46,500

RETAINED PROFIT FOR THE PERIOD		£ 42,805
		=====

All amounts relate to continuing activities.

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

The notes set out on pages 4 to 8 form an integral part of these Accounts.

NRG RESOURCES LTD.BALANCE SHEET - 31st JANUARY 2003

	Notes	2003
	-----	-----
		£
FIXED ASSETS		-
Tangible assets	8	1,833
CURRENT ASSETS		
Debtors	9	16,096
Cash at bank and in hand		53,018

		69,114
CREDITORS		-----
Amounts falling due within one year	10	28,140

NET CURRENT ASSETS		40,974

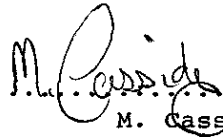
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 42,807
		=====
CAPITAL AND RESERVES		
Called-up Share Capital	11	2
Profit and Loss Account	13	42,805

		£ 42,807
		=====

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 period ended 31st January 2003. 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 January 2003 and of its profit for the period 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 :

28th May 2003

Date.....Director..........
M. Cassidy

The notes set out on pages 4 to 8 form an integral part of these Accounts.

NRG RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE PERIOD ENDED 31st JANUARY 20031. 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
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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. OPERATING PROFIT

Operating profit is stated after charging :-	2003

	£
Administrative expenses including :-	-
Depreciation	323
Director's Remuneration	31,000
	=====

NRG RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE PERIOD ENDED 31st JANUARY 20033. INTEREST RECEIVABLE

	2003

Deposit Account Interest	£ 229
	===

4. TAXATION

	2003

	£
	-
U.K. Corporation Tax at 20% on the profit adjusted for tax purposes	3,258
U.K. Corporation Tax at 19% on the profit adjusted for tax purposes	17,541

	£ 20,799
	=====

5. DIVIDENDS

	2003

Ordinary Shares - paid £ 23,250 per share	£ 46,500
	=====

6. DIRECTOR'S EMOLUMENTS

	2003

Management Remuneration	£ 31,000
	=====

During the period the Director loaned funds to the Company and the balance owing to the Director at 31st January 2003 was £ 812.

NRG RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE PERIOD ENDED 31st JANUARY 20037. STAFF

	2003

	£
Aggregate amounts paid in respect of :-	-
Salaries and Wages	3,850
Social Security Costs	-
Other Pension Costs	-

	£ 3,850
	=====

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

8. TANGIBLE FIXED ASSETS

	Equipment

COST	
Additions in period	2,156

As at 31st January 2003	2,156

DEPRECIATION	
Charge in period	323

As at 31st January 2003	323

NET BOOK VALUE	
As at 31st January 2003	£ 1,833
	=====

NRG RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE PERIOD ENDED 31st JANUARY 20039. DEBTORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003

	£
	-
Trade Debtors	15,469
Prepayments	564
Accrued Income	63

	£ 16,096
	=====

10. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2003

	£
	-
U.K. Corporation Tax	20,799
Value Added Tax	5,939
Other Creditors	590
Director's Current Account	812

	£ 28,140
	=====

11. SHARE CAPITAL

	2003

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

NRG RESOURCES LTD.NOTES TO THE ACCOUNTSFOR THE PERIOD ENDED 31st JANUARY 200312. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003

	£
	-
Profit for the period	89,305
Dividends	46,500

Net addition to shareholders' funds	42,805
Opening shareholders' funds	-
Share issue during period	2

Closing shareholders' funds	£ 42,807
	=====

13. RESERVES

	Profit and Loss Account

	£
	-
Profit for the period	42,805

As at 31st January 2003	£ 42,805
	=====

NRG RESOURCES LTD.DETAILED PROFIT AND LOSS ACCOUNTFOR THE PERIOD ENDED 31st JANUARY 2003

	2003

	£
	-
Turnover	156,409
Other Income : Deposit Account Interest	229

	156,638
 Administrative expenses	
Company Formation Expenses	300
Salaries and Wages	3,850
Protective Clothing	75
Rent	4,500
Telephone	843
Printing, Postage, Stationery and Advertising	194
Insurance	481
Accountancy	1,400
Professional Fees	350
Bank Charges	14
Depreciation of Equipment	323
Director's Remuneration :	
- M. Cassidy	31,000
- National Insurance Contributions	3,204

Total administrative expenses	46,534

Net Profit before taxation	£ 110,104
	=====