

Zenith Oilfield Technology Ltd

Abbreviated Accounts

For The Year Ended 31 May 2007



ZENITH OILFIELD TECHNOLOGY LTD

INDEPENDENT AUDITORS' REPORT TO ZENITH OILFIELD TECHNOLOGY LTD UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of Zenith Oilfield Technology Ltd for the year ended 31 May 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state to them in an auditor's report on abbreviated accounts and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our audit work, for this report, or for the opinions we have formed.

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 sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of audit opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

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 have been properly prepared in accordance with those provisions.



Johnston Carmichael

Chartered Accountants
Registered Auditor



Bishop's Court
29 Albyn Place
Aberdeen

ZENITH OILFIELD TECHNOLOGY LTD

ABBREVIATED BALANCE SHEET AS AT 31 MAY 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	2	86,512		54,011	
Investments	2	60			
		<u>86,572</u>		<u>54,011</u>	
Current assets					
Stocks		1,278,617		755,150	
Debtors		1,430,805		1,447,379	
Cash at bank and in hand		1,303		67,491	
		<u>2,710,725</u>		<u>2,270,020</u>	
Creditors, amounts falling due within one year	3	<u>(1,720,352)</u>		<u>(1,471,338)</u>	
Net current assets		<u>990,373</u>		<u>798,682</u>	
Total assets less current liabilities		<u>1,076,945</u>		<u>852,693</u>	
Creditors amounts falling due after more than one year	4	(26,667)		(46,667)	
Provisions for liabilities		<u>(1,950)</u>		<u></u>	
		<u>1,048,328</u>		<u>806,026</u>	
Capital and reserves					
Called up share capital	5	100,000		100,000	
Profit and loss account		948,328		706,026	
Shareholders' funds		<u>1,048,328</u>		<u>806,026</u>	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Board for issue on 20 MARCH 2008



Greg Davie
Director

ZENITH OILFIELD TECHNOLOGY LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MAY 2007

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 January 2005)

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.3 Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life on a straight line basis, as follows

Plant and machinery	3 years
Computer equipment	2 years
Furniture & equipment	3 years
Tooling & patterns	3 years
Software	2 years

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.6 Stock

Stock is valued at the lower of cost and net realisable value

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year under a defined contribution scheme

1.8 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

ZENITH OILFIELD TECHNOLOGY LTD

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2007

2 Fixed assets

	Tangible assets	Investments	Total
	£	£	£
Cost			
At 1 June 2006	101,345		101,345
Additions	76,698	60	76,758
At 31 May 2007	178,043	60	178,103
Depreciation			
At 1 June 2006	47,334		47,334
Charge for the year	44,197		44,197
At 31 May 2007	91,531		91,531
Net book value			
At 31 May 2007	86,512	60	86,572
At 31 May 2006	54,011		54,011

Zenith Oilfield Technology Limited hold an investment, equivalent to 60%, in Thainstone Energy LLP. Thainstone Energy LLP for the year ended 31 October 2006 made a loss of £19,205 and held net liabilities of £19,205.

3 Creditors' amounts falling due within one year

The aggregate amount of creditors for which security has been given amounted to £20,000 (2006 £20,000).

4 Creditors' amounts falling due after more than one year

The aggregate amount of creditors for which security has been given amounted to £26,667 (2006 £46,667).

5 Share capital

	2007	2006
	£	£
Authorised		
250,000 Ordinary shares of £1 each	250,000	250,000
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000