

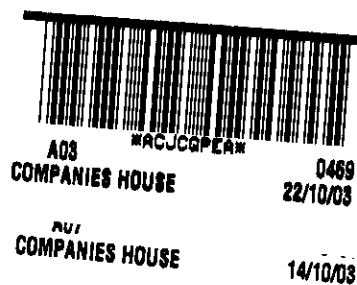
**COMPANIES
HOUSE**

Sphynx (UK) Limited

FINANCIAL STATEMENTS

for the period ended

31 January 2003



Sphynx (UK) Limited
DIRECTORS AND OFFICERS

DIRECTORS

A Hounounou
J A Massie

SECRETARY

Jordan Company Secretaries Limited

COMPANY NUMBER

4369502 (England and Wales)

REGISTERED OFFICE

20-22 Bedford Row
London
WC1R 4JS

Sphynx (UK) Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Sphynx (UK) Limited for the period ended 31 January 2003. The company was incorporated on 7 February 2002 and commenced trading from this date.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was the provision of consultancy services to the oil and gas industry.

DIRECTORS

The following directors have held office since 7 February 2002:

A Hounounou
J A Massie

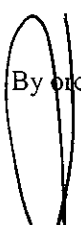
DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	Ordinary shares of £1 each	
	31.01.03	07.02.02
A Hounounou	-	-
J A Massie	-	-

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

By order of the Board


A Hounounou
Director

2/10/2003

Sphynx (UK) Limited
PROFIT AND LOSS ACCOUNT
for the period ended 31 January 2003

	<i>Notes</i>	2003 £
TURNOVER		-
Other operating expenses (net)	1	108,627
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>(108,627)</u>
Taxation	4	-
ACCUMULATED LOSS FOR THE PERIOD	9	<u><u>(108,627)</u></u>

The loss for the period arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

Sphynx (UK) Limited

BALANCE SHEET

31 January 2003

	<i>Notes</i>	2003 £
FIXED ASSETS		
Tangible assets	5	2,847
CURRENT ASSETS		
Debtors	6	8,061
Cash at bank and in hand		3,273
		<u>11,334</u>
CREDITORS		
Amounts falling due within one year	7	122,807
NET CURRENT LIABILITIES		
		<u>(111,473)</u>
NET LIABILITIES		
		<u>(108,626)</u>
CAPITAL AND RESERVES		
Called up share capital	8	1
Profit and loss account	9	(108,627)
SHAREHOLDERS' FUNDS		
	10	<u>(108,626)</u>

In preparing these financial statements:

- a) the directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- b) no notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- c) the directors acknowledge their responsibilities for:
 - i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These 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 on

3/10/2003

A Hounounou

Director



Sphynx (UK) Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention which assumes the continued financial support of an interested third party.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historical cost.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Computer equipment	over 2 years
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DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Sphynx (UK) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 January 2003

1	OTHER OPERATING EXPENSES (NET)	2003 £
	Administration expenses	108,627
		<u> </u>
2	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2003 £
	Loss on ordinary activities before taxation is stated after charging/(crediting):	
	Depreciation and amounts written off tangible fixed assets:	
	Charge for the period owned assets	2,847
		<u> </u>
3	DIRECTORS' REMUNERATION	
	There was no remuneration paid to the directors during the period.	
4	TAXATION	2003 £
	Domestic current year tax	
	UK corporation tax	-
	Current tax charge	<u> </u>
	Factors affecting the tax charge for the year	
	Loss on ordinary activities before taxation	(108,627)
		<u> </u>
	Loss on ordinary activities multiplied by the standard rate of UK corporation tax of 19%	(20,639)
	Effects of:	
	Non deductible expenses	1,625
	Capital allowances in excess of depreciation	(541)
	Tax on losses carried forward	19,555
		<u> </u>
		20,639
		<u> </u>
	Current tax charge	<u> </u>

The company has estimated losses of £103,000 available for carry forward against future trading profits. In view of the uncertainty as to their recovery the directors consider that full provision should be made against the deferred tax asset.

Sphynx (UK) Limited
 NOTES TO THE FINANCIAL STATEMENTS
 for the period ended 31 January 2003

5	TANGIBLE FIXED ASSETS	<i>Computer equipment</i>
		£
	Cost:	
	Additions	5,694
	31 January 2003	<u>5,694</u>
	Depreciation	
	Charged in the period	2,847
	31 January 2003	<u>2,847</u>
	Net book value	
	31 January 2003	<u><u>2,847</u></u>
6	DEBTORS	2003
		£
	Due within one year	
	Debtors	5,170
	Prepayments	2,891
		<u>8,061</u>
7	CREDITORS: Amounts falling due within one year	2003
		£
	Other creditors	113,307
	Accruals	9,500
		<u><u>122,807</u></u>

Other creditors include an amount of £110,306 due to an interested third party. This loan is unsecured, interest free and repayable upon demand.

Sphynx (UK) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 January 2003

8	SHARE CAPITAL	2003 £
	Authorised: 1,000 ordinary shares of £1 each	1,000
	Allotted, issued and fully paid: 1 ordinary share of £1 each	1
9	PROFIT AND LOSS ACCOUNT	2003 £
	Loss for the period	(108,627)
	31 January 2003	(108,627)
10	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2003 £
	Loss for the financial period	(108,627)
	Issue of share capital	1
	Net depletion in shareholders' funds	(108,626)
	Opening shareholders' funds	-
	Closing shareholders' funds	(108,626)

11 CONTROL

The ultimate controlling party is Litchfield Development Limited, a company registered in the British Virgin Islands.