

ENERGY SCITECH LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

Company Registration Number 3762354

THURSDAY



A52 *ARRSM9N2* 392
07/05/2009
COMPANIES HOUSE

Tenon Limited
Accountants & Business Advisers
Clifton House
Bunnian Place
Basingstoke
Hampshire

ENERGY SCITECH LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

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ENERGY SCITECH LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 DECEMBER 2008

The board of directors	E Gjesdal G Hviding
Company secretary	B Hayes-Allen
Business address	Stirling House Surrey Research Park Guildford Surrey
Registered office	Stirling House Surrey Research Park Guildford Surrey
Auditor	Tenon Audit Limited Registered Auditor Clifton House Bunnian Place Basingstoke Hampshire
Accountants	Tenon Limited Accountants & Business Advisers Clifton House Bunnian Place Basingstoke Hampshire
Bankers	Danske Bank 75 King William Street London

ENERGY SCITECH LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 DECEMBER 2008

The directors present their report and the financial statements of the company for the year ended 31 December 2008.

Principal activities and business review

The principal activity of the company was the provision of engineering and geosciences consultancy in the oil and gas industry, the development of software and the sale and support of software products.

Results and dividends

The profit for the year, after taxation, amounted to £1,098,375. The directors have not recommended a dividend.

Financial risk management objectives and policies

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

Directors

The directors who served the company during the year were as follows:

Dr R Parish
E Gjesdal
A E Esslemont
G Hviding

G Hviding was appointed as a director on 28 May 2008.

Dr R Parish resigned as a director on 1 November 2008.
A E Esslemont resigned as a director on 28 May 2008.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

ENERGY SCITECH LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 DECEMBER 2008

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

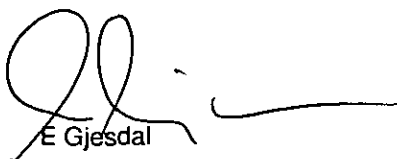
In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Tenon Audit Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors


E Gjesdal

Director

Approved by the directors on31/03/2009

ENERGY SCITECH LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENERGY
SCITECH LIMITED
YEAR ENDED 31 DECEMBER 2008

We have audited the financial statements of Energy Scitech Limited on pages 6 to 15 for the year ended 31 December 2008. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ENERGY SCITECH LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENERGY
SCITECH LIMITED (continued)**

YEAR ENDED 31 DECEMBER 2008

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Tenon Audit Limited

Tenon Audit Limited
Registered Auditor
Clifton House
Bunnian Place
Basingstoke
Hampshire

Date:- *5.15.09*

ENERGY SCITECH LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2008

		2008	2007 (restated)
	Note	£	£
Turnover	2	3,342,127	1,534,241
Cost of sales		(1,671,559)	(1,045,153)
Gross profit		<u>1,670,568</u>	<u>489,088</u>
Administrative expenses		(223,706)	(331,727)
Operating profit	3	<u>1,446,862</u>	<u>157,361</u>
Interest receivable and similar income	6	100,161	70,087
Interest payable and similar charges	7	(902)	-
Profit on ordinary activities before taxation		<u>1,546,121</u>	<u>227,448</u>
Tax on profit on ordinary activities	8	(447,746)	(47,145)
Profit for the financial year		<u><u>1,098,375</u></u>	<u><u>180,303</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 8 to 15 form part of these financial statements.

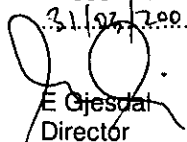
ENERGY SCITECH LIMITED

BALANCE SHEET

31 DECEMBER 2008

		2008		2007	
	Note	£	£	£	£
Fixed assets					
Tangible assets	9		6,488		6,723
Investments	10		—		654
			<u>6,488</u>		<u>7,377</u>
Current assets					
Debtors	11	3,037,041		1,768,035	
Cash at bank and in hand		155,936		58,939	
		<u>3,192,977</u>		<u>1,826,974</u>	
Creditors: Amounts falling due within one year	12	<u>(762,983)</u>		<u>(496,244)</u>	
Net current assets			2,429,994		1,330,730
Total assets less current liabilities			<u>2,436,482</u>		<u>1,338,107</u>
Capital and reserves					
Called-up share capital	17		49,375		49,375
Share premium account	18		25,978		25,978
Profit and loss account	19		2,361,129		1,262,754
Shareholders' funds	20		<u>2,436,482</u>		<u>1,338,107</u>

These financial statements were approved by the directors and authorised for issue on 31/12/2008, and are signed on their behalf by:


E Gjesdal
Director

The notes on pages 8 to 15 form part of these financial statements.

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Cash flow statement

The company is a wholly owned subsidiary of Roxar AS, a company incorporated in Norway, which is also the parent undertaking of the smallest group to consolidate the financial statements of the company.

The group accounts for Roxar AS are publicly available and consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 (Revised 1996).

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax.

Research and development

Research and development expenditure is written off in the year in which it is incurred.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Plant & Machinery	- 40% straight line
Fixtures & Fittings	- 20% straight line
Equipment	- 40% straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The assets of the scheme are held separately from those of the company in an independently administered fund.

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

1. Accounting policies (continued)

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 or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities and transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basis of consolidation

The financial statements present information about the company as an individual undertaking and not about its group. The company has taken the exemption available to it, where consolidated accounts are prepared by the parent company.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2008	2007 (restated)
	£	£
United Kingdom	370,196	491,889
Overseas	2,971,931	1,042,352
	<u>3,342,127</u>	<u>1,534,241</u>

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

3. Operating profit

Operating profit is stated after charging:

	2008	2007
	£	£
Depreciation of owned fixed assets	4,351	7,841
Auditors remuneration	10,700	14,615
Operating lease costs:		
-Plant and machinery	16,188	12,697
-Other	82,892	82,422

Auditors remuneration for other services has not been analysed above as a full breakdown is included in the consolidated financial statements of the parent company.

4. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2008	2007
	No	No
Number of administrative staff	11	10

The aggregate payroll costs of the above were:

	2008	2007
	£	£
Wages and salaries	713,456	637,792
Social security costs	69,307	73,515
Other pension costs	63,830	55,704
	<u>846,593</u>	<u>767,011</u>

5. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2008	2007
	£	£
Emoluments receivable	90,298	95,000
Value of company pension contributions to money purchase schemes	6,400	9,504
	<u>96,698</u>	<u>104,504</u>

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

5. Directors' emoluments (continued)

The number of directors on whose behalf the company made pension contributions was as follows:

	2008	2007
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

6. Interest receivable and similar income

	2008	2007
	£	£
Bank interest receivable	1,933	3,570
Other similar income receivable	<u>98,228</u>	<u>66,517</u>
	<u>100,161</u>	<u>70,087</u>

7. Interest payable and similar charges

	2008	2007 <i>(restated)</i>
	£	£
Other similar charges payable	<u>902</u>	<u>-</u>

8. Taxation on ordinary activities

(a) Analysis of charge in the year

	2008	2007 <i>(restated)</i>
	£	£
UK taxation		
UK Corporation tax	382,293	32,754
Over/under provision in prior year	<u>7,302</u>	<u>(3,356)</u>
	389,595	29,398
Foreign tax		
Current tax on income for the year	48,923	17,747
Adjustments in respect of prior periods	<u>9,228</u>	<u>-</u>
	58,151	17,747
	<u>447,746</u>	<u>47,145</u>

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

8. Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28.50% (2007 - 30%).

	2008	2007 (restated)
	£	£
Profit on ordinary activities before taxation	1,546,121	227,448
Profit on ordinary activities by rate of tax	440,644	68,234
Effects of:		
Expenses not deductible for tax purposes	(7,761)	6,656
Capital allowances for period in excess of depreciation	(879)	789
Adjustments to tax charge in respect of previous periods	7,302	(3,356)
Overseas tax expensed	9,228	-
Sundry tax adjusting items	(788)	(25,178)
Total current tax (note 8(a))	447,746	47,145

9. Tangible fixed assets

	Plant & Machinery £	Fixtures & Fittings £	Equipment £	Total £
Cost				
At 1 January 2008	7,428	3,148	65,095	75,671
Additions	-	-	4,116	4,116
At 31 December 2008	7,428	3,148	69,211	79,787
Depreciation				
At 1 January 2008	7,428	2,378	59,142	68,948
Charge for the year	-	333	4,018	4,351
At 31 December 2008	7,428	2,711	63,160	73,299
Net book value				
At 31 December 2008	-	437	6,051	6,488
At 31 December 2007	-	770	5,953	6,723

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

10. Investments

	<i>Total</i> £
Cost	
At 1 January 2008 and 31 December 2008	654
Amounts written off	
Written off in year	654
At 31 December 2008	654
Net book value	
At 31 December 2008	-
At 31 December 2007	654

The company owns 100% of the issued share capital of the company listed below

	2008 £	2007 £
Aggregate capital and reserves		
Energy Scitech Inc	-	(31,714)
Profit and (loss) for the year		
Energy Scitech Inc	-	(3,443)

Energy Scitech Inc is a company incorporated in the United States of America. The principal activity of the company was engineering and geosciences consulting in the oil and gas industry.

On 31 July 2008 a resolution to dissolve Energy Scitech Inc was signed, and the investment has been written off.

11. Debtors

	2008 £	2007 £
Trade debtors	472,421	367,197
Amounts owed by group undertakings	2,222,992	1,344,689
VAT recoverable	-	2,903
Other debtors	13,265	13,265
Prepayments and accrued income	328,363	39,981
	<u>3,037,041</u>	<u>1,768,035</u>

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

12. Creditors: Amounts falling due within one year

	2008	2007
	£	£
Trade creditors	34,442	42,261
Amounts owed to group undertakings	88,504	45,296
Corporation tax	202,293	25,344
Other taxation and social security	41,036	26,898
Accruals and deferred income	396,708	356,445
	<u>762,983</u>	<u>496,244</u>

13. Pensions

The company operates a defined contribution pension scheme. The assets of the company's scheme are held in an independently administered fund. The pension costs charged to the profit and loss account amounted to £63,830 (2007: £55,704) and represent contributions payable to the fund. £945 was payable to the fund at the year end (2007: £3,568).

14. Commitments under operating leases

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings 2008	Land and buildings 2007
	£	£
Operating leases which expire: After more than 5 years	<u>79,450</u>	<u>79,450</u>

15. Prior year adjustment

During the period the company has changed its accounting treatment of intercompany sales. In the previous period Energy Scitech Limited only recognised the element of the sale that is due to them. In 2008 the company is recognising the full invoice value and then showing the commission due to the group company as an expense. Therefore to ensure that the accounts are comparable a prior year adjustment has been noted. The effect on the 2007 figures is as follows:-

	Post adjustment £	Pre adjustment £
Turnover	1,534,241	1,423,062
Cost of sales	(1,045,153)	(933,974)
Gross profit	<u>489,088</u>	<u>489,088</u>

ENERGY SCITECH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

16. Related party transactions

As the company is a wholly owned subsidiary of Roxar AS, the company has taken advantage of the exemption contained in FRS 8 "Related Party Transactions" and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties).

17. Share capital

Authorised share capital:

	2008	2007
	£	£
10,000,000 Ordinary shares of £0.005 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2008		2007 (restated)
	No	£	No
			£
Ordinary shares of £0.005 each	<u>9,875,000</u>	<u>49,375</u>	<u>9,875,000</u>
			<u>49,375</u>

18. Share premium account

There was no movement on the share premium account during the financial year.

19. Profit and loss account

	2008	2007
	£	£
Balance brought forward	1,262,754	1,082,451
Profit for the financial year	1,098,375	180,303
Balance carried forward	<u>2,361,129</u>	<u>1,262,754</u>

20. Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Profit for the financial year	1,098,375	180,303
Opening shareholders' funds	1,338,107	1,157,804
Closing shareholders' funds	<u>2,436,482</u>	<u>1,338,107</u>

21. Ultimate parent company

The ultimate parent company is the Roxar Group, a company incorporated in Norway. Copies of the group accounts are publicly available.