

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE PERIOD
1 AUGUST 2006 TO 31 DECEMBER 2007
FOR
PILOTFIELD PLC**

THURSDAY



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COMPANIES HOUSE

Benjamin Kay & Brummer
Chartered Accountants
Registered Auditors
York House
Empire Way
Wembley
Middlesex
HA9 0QL

PILOTFIELD PLC

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FOR THE PERIOD 1 AUGUST 2006 TO 31 DECEMBER 2007**

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PILOTFIELD PLC
COMPANY INFORMATION
FOR THE PERIOD 1 AUGUST 2006 TO 31 DECEMBER 2007

DIRECTORS: Finsbury Corporate Services Limited
M A Perera

SECRETARY: M A Perera

REGISTERED OFFICE: York House
Empire Way
Wembley
Middlesex
HA9 0QL

REGISTERED NUMBER: 05172981 (England and Wales)

AUDITORS: Benjamin Kay & Brummer
Chartered Accountants
Registered Auditors
York House
Empire Way
Wembley
Middlesex
HA9 0QL

PILOTFIELD PLC

REPORT OF THE DIRECTORS FOR THE PERIOD 1 AUGUST 2006 TO 31 DECEMBER 2007

The directors present their report with the financial statements of the company for the period 1 August 2006 to 31 December 2007.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of investment

REVIEW OF BUSINESS

The results for the period and financial position of the company are as shown in the annexed financial statements

The company became active during the previous period to 31 July 2006 by acquiring 66% of the issued share capital of a Technology Services Company Incorporated in France.

The Directors consider the results for the period and the position at the end of the year to be satisfactory

The Directors do not consider the company to have any principle risk or uncertainty

There are no key performance indicators to report, as the company is it's early stage of the business cycle

DIVIDENDS

No dividends will be distributed for the period ended 31 December 2007

FUTURE DEVELOPMENTS

The Directors expect the company to continue its investment activities in France and will make further investments as a when a suitable investment opportunity arises

DIRECTORS

The directors shown below have held office during the whole of the period from 1 August 2006 to the date of this report

Finsbury Corporate Services Limited
M A Perera

COMPANY'S POLICY ON PAYMENT OF CREDITORS

The company recognises the importance of maintaining business relationships with its creditors and it is their policy to settle the payment due with agreed terms unless there are good reasons not to do so Creditors as at 31 December 2007 represented 0 days (Period 2006 0 days)

FINANCIAL INSTRUMENTS

There are no material financial instruments in relation to the assessment of the company's assets, liabilities, financial position and profit/loss

PILOTFIELD PLC

**REPORT OF THE DIRECTORS
FOR THE PERIOD 1 AUGUST 2006 TO 31 DECEMBER 2007**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Benjamin Kay & Brummer, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

Finsbury Corporate Services Limited - Director

Date 10th July 2008

PILOTFIELD PLC

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF PILOTFIELD PLC

We have audited the financial statements of Pilotfield Plc for the period ended 31 December 2007 on pages six to twelve. 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 auditors' 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page three.

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 Report of the Directors 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 Report of the Directors 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.

PILOTFIELD PLC

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
PILOTFIELD PLC**

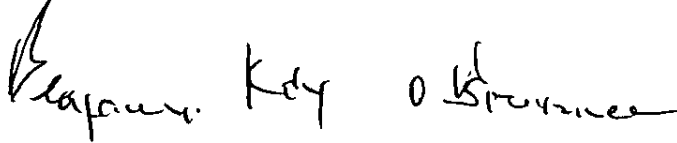
QUALIFIED OPINION ARISING FROM NON-PREPARATION OF GROUP ACCOUNTS

The company has invested in a subsidiary company. The directors have not prepared group accounts.

Except for the non preparation of the group accounts as mentioned above, 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 2007 and of its loss for the period then ended, and
- have been properly prepared in accordance with the Companies Act 1985

In our opinion the information given in the Report of the Director is consistent with the financial statements



Benjamin Kay & Brummer
Chartered Accountants
Registered Auditors
York House
Empire Way
Wembley
Middlesex
HA9 0QL

Date 14/10/08

PILOTFIELD PLC

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD 1 AUGUST 2006 TO 31 DECEMBER 2007**

		Period 1.8.06 to 31.12 07 £	Period 7 7 05 to 31 7 06 £
	Notes		
TURNOVER		-	-
Other operating income		-	<u>1,502</u>
		-	1,502
Other operating charges		<u>4,389</u>	<u>2,807</u>
OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(4,389)	(1,305)
Tax on loss on ordinary activities	4	-	-
LOSS FOR THE FINANCIAL PERIOD AFTER TAXATION		<u>(4,389)</u>	<u>(1,305)</u>

CONTINUING OPERATIONS

The above relates to company's activities acquired during the previous period. There were no discontinued activities during the current period and previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current period or previous period.

PILOTFIELD PLC

BALANCE SHEET
31 DECEMBER 2007

	Notes	31.12.07 £	£	31 7 06 £	£
FIXED ASSETS					
Investments	5		90,354		90,354
CURRENT ASSETS					
Debtors	6	580		-	
CREDITORS					
Amounts falling due within one year	7	<u>46,628</u>		<u>41,659</u>	
NET CURRENT LIABILITIES			<u>(46,048)</u>		<u>(41,659)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>44,306</u>		<u>48,695</u>
CAPITAL AND RESERVES					
Called up share capital	8		50,000		50,000
Profit and loss account	9		<u>(5,694)</u>		<u>(1,305)</u>
SHAREHOLDERS' FUNDS	12		<u>44,306</u>		<u>48,695</u>

The financial statements were approved by the Board of Directors on
were signed on its behalf by

10th July 2008 and

Finsbury Corporate Services Limited - Director

PILOTFIELD PLC

CASH FLOW STATEMENT
FOR THE PERIOD 1 AUGUST 2006 TO 31 DECEMBER 2007

	Notes	Period 1.8.06 to 31.12 07 £	Period 7 7 05 to 31 7 06 £
Net cash inflow from operating activities	1	-	40,354
Capital expenditure and financial investment	2	-	(90,354)
		-	(50,000)
Financing	2	-	49,998
Decrease in cash in the period		-	(2)

Reconciliation of net cash flow
to movement in net debt

	3		
Decrease in cash in the period		-	(2)
Change in net debt resulting from cash flows		-	(2)
Movement in net debt in the period		-	(2)
Net funds at 1 August		-	2
Net debt at 31 December		-	-

The notes form part of these financial statements

PILOTFIELD PLC

**NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 1 AUGUST 2006 TO 31 DECEMBER 2007**

1 RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Period 1.8.06 to 31.12.07 £	Period 7 7.05 to 31 7 06 £
Operating loss	(4,389)	(1,305)
Increase in debtors	(580)	-
Increase in creditors	<u>4,969</u>	<u>41,659</u>
Net cash inflow from operating activities	<u>-</u>	<u>40,354</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Period 1.8 06 to 31.12.07 £	Period 7 7 05 to 31 7 06 £
Capital expenditure and financial investment		
Purchase of fixed asset investments	<u>-</u>	<u>(90,354)</u>
Net cash outflow for capital expenditure and financial investment	<u>-</u>	<u>(90,354)</u>
Financing		
Share issue	<u>-</u>	<u>49,998</u>
Net cash inflow from financing	<u>-</u>	<u>49,998</u>

3 ANALYSIS OF CHANGES IN NET DEBT

	At 1 8 06 £	Cash flow £	At 31.12.07 £
Net cash			
Cash at bank and in hand	<u>-</u>	<u>-</u>	<u>-</u>

The notes form part of these financial statements

PILOTFIELD PLC

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES

Accounting convention

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

2 STAFF COSTS

There were no staff costs for the period ended 31 December 2007 nor for the period ended 31 July 2006

3 OPERATING LOSS

The operating loss is stated after charging

	Period 1.8.06 to 31.12.07 £	Period 7 7 05 to 31 7 06 £
Auditors' remuneration	<u>2,174</u>	<u>2,056</u>
Directors' emoluments	<u>-</u>	<u>-</u>

4 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the period ended 31 December 2007 nor for the period ended 31 July 2006

5 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 August 2006 and 31 December 2007	<u>90,354</u>
NET BOOK VALUE	
At 31 December 2007	<u>90,354</u>
At 31 July 2006	<u>90,354</u>

PILOTFIELD PLC

NOTES TO THE FINANCIAL STATEMENTS

5 FIXED ASSET INVESTMENTS - continued

The company's investment at the balance sheet date is in share capital of the following company -

Mega Technology Services incorporated in France

Nature of business- IT, 66% Equity holding

	31/12/2007	31/12/2006
Aggregate capital and reserves 100%	£205,746	£174,120

6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.07	31 7 06
	£	£
Prepayments and accrued income	<u>580</u>	<u>-</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.07	31 7 06
	£	£
Other creditors	44,513	39,603
Accrued expenses	<u>2,115</u>	<u>2,056</u>
	<u>46,628</u>	<u>41,659</u>

8 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	31.12.07	31 7 06
			£	£
50,000	Ordinary shares	£1	<u>50,000</u>	<u>50,000</u>

Allotted and issued Number	Class	Nominal value	31.12.07	31 7 06
			£	£
50,000	Share capital 1	£1	<u>50,000</u>	<u>50,000</u>

9 RESERVES

	Profit and loss account £
At 1 August 2006	(1,305)
Deficit for the period	<u>(4,389)</u>
At 31 December 2007	<u>(5,694)</u>

PILOTFIELD PLC

NOTES TO THE FINANCIAL STATEMENTS

10 RELATED PARTY DISCLOSURES

The following balances were due to or from the under mentioned companies being the shareholders in Pilotfield Plc or in which the beneficial owners of Pilotfield Plc have an interest -

	2007	2006
	£	£
Due to,		
Ositech Ltd	3,819	3,819
Bexter Ltd	20,347	17,892
Opal Development Ltd	20,347	17,892

11 ULTIMATE CONTROLLING PARTY

There is no controlling party

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.12.07	31 7 06
	£	£
Loss for the financial period	(4,389)	(1,305)
Share Capital issued during the year	-	49,998
Net (reduction)/addition to shareholders' funds	(4,389)	48,693
Opening shareholders' funds	<u>48,695</u>	<u>2</u>
Closing shareholders' funds	<u>44,306</u>	<u>48,695</u>