

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

To the Shareholders of

Divestco Inc. (formerly Divestco.com Inc.)

The accompanying Consolidated Financial Statements and all information in the Annual Report are the responsibility of management. The Consolidated Financial Statements have been prepared by management in accordance with the accounting policies in the notes to the financial statements. When necessary, management has made informed judgments and estimates in accounting for transactions, which were not complete at the balance sheet date. In the opinion of management, the financial statements have been prepared within acceptable limits of materiality, and are in accordance with Canadian generally accepted accounting principles ("GAAP") appropriate in the circumstances. The financial information elsewhere in the Annual Report has been reviewed to ensure consistency with that in the consolidated financial statements.

Management has prepared Management's Discussion and Analysis ("MD&A"). The MD&A is based upon the Corporation's financial results prepared in accordance with Canadian GAAP. The MD&A compares the audited financial results for the twelve months ended December 31, 2003 to December 31, 2002.

Management maintains appropriate systems of internal control. Policies and procedures are designed to give reasonable assurance that transactions are properly authorized, assets are safeguarded, and financial records properly maintained to provide reliable information for the preparation of the financial statements.

BDO Dunwoody LLP, an independent firm of Chartered Accountants, was engaged, as approved by a vote of shareholders at the Corporation's most recent annual general and special meeting, to audit the Consolidated Financial Statements in accordance with generally accepted auditing standards in Canada and provide an independent professional opinion.

The Audit Committee of the Board of Directors, which is comprised of three directors who are not employees of the Corporation, has discussed the Consolidated Financial Statements, including the notes thereto, with management and the external auditors. The Consolidated Financial Statements have been approved by the Board of Directors on the recommendation of the Audit Committee.



Steve Popadynetz
Chief Executive Officer
April 5, 2004

AUDITOR'S REPORT

To the Shareholders of

Divestco Inc. (formerly Divestco.com Inc.)

We have audited the consolidated balance sheets of Divestco Inc. (formerly Divestco.com Inc.) at December 31, 2003 and 2002 and the consolidated statements of income and retained earnings (deficit) and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position for the Company as at December 31, 2003 and 2002 and the results of its operations and its cash flows for the years then ended, in accordance with Canadian generally accepted accounting principles.

BMO Dunwoody LLP

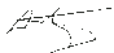
March 12, 2004

Divestco Inc. (formerly Divestco.com Inc.)

Consolidated Balance Sheets

Dec 31, 2003

Dec 31, 2002

Assets		(Restated - See Note 24)
Current		
Cash	\$ 2,125,381	\$ 754,615
Cash - funds held in trust	787,500	-
Accounts Receivable	4,374,080	565,510
Prepaid expenses, supplies and deposits	322,263	<u>202,003</u>
	7,609,224	1,522,128
Investment tax credits recoverable (Note 14(a))	1,020,129	810,129
Future income taxes (Note 14(c))	906,752	-
Investment in affiliated company (Note 5)	54,293	56,164
Databases (Note 6)	5,787,567	496,099
Property and equipment (Note 7)	2,354,338	657,836
Intangible assets (Note 8)	4,513,309	2,144,396
Goodwill (Note 9)	1,949,387	<u>663,017</u>
	\$ 24,194,999	\$ 6,349,769
Liabilities and Shareholders' Equity		
Current		
Bank indebtedness (Note 10)	\$ 140,000	\$ -
Accounts payable and accrued Liabilities	1,647,874	304,694
Accounts payable - brokerage (Note 11)	1,797,244	511,928
Income taxes payable	-	15,219
Deferred revenue	1,662,865	986,667
Current portion of long-term debt (Note 12)	70,182	39,964
Current portion of capital leases (Note 13)	71,246	-
	5,389,411	1,858,472
Long-term debt (Note 12)	171,534	-
Future income taxes (Note 14(c))	-	661,554
	<u>5,560,945</u>	<u>2,520,026</u>
Equity instruments (Note 15)	18,475,890	4,487,303
Contributed surplus (Note 19)	96,592	-
Retained earnings (deficit)	61,572	(657,560)
	<u>18,634,054</u>	<u>3,829,743</u>
	\$ 24,194,999	\$ 6,349,769
On behalf of the Board:	 	
	<u>Stephen Popadynetz, Director</u> <u>John Brussa, Director</u>	

The accompanying notes are an integral part of these consolidated financial statements

Divestco Inc. (formerly Divestco.com Inc.)

Consolidated Statement of Income and Retained Earnings (Deficit)

For the year ended

Dec 31, 2003

Dec 31, 2002

	Dec 31, 2003	Dec 31, 2002 (Restated - See Note 24)
Revenue	\$ 15,042,564	\$ 4,969,189
Operating Expenses		
Salaries and benefits	8,369,771	2,766,623
General and administrative	4,158,210	1,116,211
Research and development	721,434	387,768
Stock compensation expense (Note 19)	96,592	-
	<u>13,346,007</u>	<u>4,270,602</u>
Earnings before interest, taxes and amortization from continuing operations	1,696,557	698,587
Interest Expense	70,305	-
Amortization	1,472,956	500,311
Income from continuing operations before other income	153,296	198,276
Other income (loss) from continuing operations		
Foreign exchange loss	(11,237)	-
Equity investment loss	(12,704)	(46,422)
Interest income	-	4,486
	<u>(23,941)</u>	<u>(41,936)</u>
Income from continuing operations before income taxes	129,355	156,340
Income taxes (recovery), continuing operations (Note 14 (b))		
Current	3,229	-
Future	(345,500)	(93,724)
	<u>(342,271)</u>	<u>(93,724)</u>
Net income for the year from continuing operations	471,626	250,064
Loss from discontinued operations	(249,150)	-
Gain on sale from discontinued operations, net of future income taxes of \$277,500	496,656	-
Net income from discontinued operations	247,506	-
Net income for the year	719,132	250,064
Deficit, beginning of year	(347,776)	(518,931)
Adjustment for change in accounting policy (Note 24)	(309,784)	(388,693)
As restated	(657,560)	(907,624)
Retained earnings (deficit), end of year	\$ 61,572	\$ (657,560)
Earnings per share - basic from continuing operations	\$ 0.027	\$ 0.021
Earnings per share - basic and diluted ⁽¹⁾	\$ 0.042	\$ 0.021
Weighted average number of shares	17,228,894	11,783,568

⁽¹⁾ Diluted earnings per share are not materially different

The accompanying notes are an integral part of these consolidated financial statements

Divestco Inc. (formerly Divestco.com Inc.)

Consolidated Statement of Cash Flows

For the year ended

Dec 31, 2003

Dec 31, 2002

	Dec 31, 2003	Dec 31, 2002 (Restated - See Note 24)
Cash Flows from operating activities		
Net income from continuing operations	\$ 471,626	\$ 250,064
Add (deduct) items not affecting cash:		
Equity pick-up on long-term investment	12,704	46,422
Amortization	1,472,956	500,311
Future income taxes	(345,500)	(93,724)
Unrealized foreign exchange loss	(58,148)	-
Stock compensation expense	96,592	-
	<u>1,650,230</u>	<u>703,073</u>
Net income from discontinued operations	247,506	-
Add (deduct) items not affecting cash:		
Gain on sale of discontinued operations	(774,156)	-
Amortization	153,559	-
Future income taxes	277,500	-
Unrealized foreign exchange loss	74,697	-
	<u>(20,894)</u>	<u>-</u>
Changes in non-cash working capital balance (Note 16(b))	<u>(2,697,961)</u>	<u>475,624</u>
	<u>1,068,625</u>	<u>1,178,697</u>
Cash flows from financing activities		
Bank indebtedness	(413,277)	-
Advance to affiliated company	(10,833)	-
Repayment of long-term debt	(792,348)	(53,286)
Repayment of capital lease obligations	(152,353)	-
Repayment of debentures	(857,000)	-
Repayment of notes payable	(4,222,214)	-
Proceeds received from share subscriptions	4,272,331	1,921,300
	<u>(2,175,694)</u>	<u>1,868,014</u>
Cash flows from investing activities		
Purchase of property and equipment	(177,768)	(506,418)
Acquisition of Excalibur-Gemini Group Ltd.	(1,331,673)	-
Acquisition of International Datashare Corp.	(74,581)	-
Acquisition of Kernel Technologies Ltd.	-	(874,735)
Acquisition of Dynamic Solutions Inc.	-	(392,688)
Acquisition of Digi-Rule Inc.	-	(485,073)
Investment in SDLS Inc.	-	(102,586)
	<u>(1,584,022)</u>	<u>(2,361,500)</u>
Proceeds on sale of discontinued operations (Note 4)	6,210,817	-
Purchase of capital assets	(11,710)	-
	<u>6,199,107</u>	<u>-</u>
	<u>4,615,085</u>	<u>(2,361,500)</u>
Increase in cash	1,370,766	685,211
Cash, beginning of year	754,615	69,404
Cash, end of year	<u>\$ 2,125,381</u>	<u>\$ 754,615</u>

The accompanying notes are an integral part of these consolidated financial statements

Divestco Inc. (formerly Divestco.com Inc.)

Notes to Consolidated Financial Statements

1) Nature of Operations

Divestco Inc. (formerly Divestco.com Inc.) (the "Company") was incorporated on March 17, 2000 under the Business Corporations Act of Alberta. On September 23, 2003, Divestco.com Inc. amalgamated with its wholly owned subsidiary 1059778 Alberta Ltd and International Datashare Corporation ("IDC"), a publicly traded company (Note 3(e)). Each common share of Divestco.com Inc. and 1059778 Alberta Ltd., was exchanged for 1.2008767 shares of the newly amalgamated company. Each common share of IDC was exchanged for 0.501225 shares of the newly amalgamated company. The name of the newly amalgamated company was changed to Divestco Inc. On September 29, 2003, the Company's common voting shares commenced trading on the TSX Venture Exchange under the symbol DVT.

Divestco Inc. provides software and web-based data retrieval services to companies primarily in the oil and gas industry. In addition, the Company specializes in oil and gas mapping, seismic data and interpretation services, map auditing and mineral rights divestment assistance.

2) Significant Accounting Policies

These consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. The consolidated financial statements have, in management's opinion, been properly prepared using careful judgement with reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

A Principles of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly-owned from the date of acquisition. All significant intercompany accounts and transactions have been eliminated upon consolidation.

B Databases

Databases are recorded at cost. The data sets and log library were amortized on straight-line basis over a period of 10 to 20 years. Amortization for the reference library is provided using the declining balance basis at a rate of 20%.

In 2003, the Company changed its estimated useful life of the data sets from 6 to 10 years as certain parts of the data sets are more than 40 years old and are still being used by the Company's customers.

C Property and Equipment

Property and equipment are recorded at cost. Amortization is provided using the declining balance basis at the following rates:

Computer equipment	20-30%
Computer software	30%
Equipment	20%
Office furniture and equipment	15-20%

Leasehold improvements are being amortized on a straight-line basis over the term of the lease.

D Investment in affiliated company

The Company owns 36.11% of the common shares of SDLS Inc. ("SDLS"), which is a private company. The Company uses the equity method of accounting to account for this investment in SDLS. The carrying value of the investment is periodically reviewed to ensure that there is no permanent impairment.

E Cash and cash equivalents

Cash consists of cash on hand, bank balances (including temporary bank overdrafts), term deposits, cash held in trust and investments with maturities of three months or less.

F Revenue recognition and deferred revenue

The Company's revenue is generated from the sale of software and software licenses, software maintenance and support, data sets, seismic brokerage commissions and other oil and gas related services including: seismic surveys, map audit and processing, database management and auction services.

Revenue for contracts with multiple obligations, (e.g. deliverable and undeliverable products, support obligations and product and data updates), is allocated by the Company the Company allocates revenue to each element of the contract based on objective evidence, specific to the Company, of the fair value of the element.

Revenue earned from the sale of software products is recognized upon delivery. Maintenance and support, included with the product, is recognized rateably over the term defined in the purchase agreement. Revenue earned from the renewal of maintenance and support contracts is recognized rateably over the term of the agreement.

Software licenses are sold on a monthly, quarterly and annual basis. Revenue from software licenses is recognized rateably over the term of the agreement.

Revenue with respect to the brokerage division represents brokerage commissions earned and is recognized on a net basis upon the closing of the transaction. The Company records all accounts receivable and payable for the brokerage division on a net basis as it has the right to offset accounts payable against amounts due as receivables for the related transaction. In addition, the Company settles brokerage payables after the related receivables are collected.

Revenue with respect to providing seismic surveys, map audit and processing, database management and auction services, is recognized under the completed contract method such that revenue is recognized only when the rendering of services under a contract is completed or substantially completed.

The Company also sells copies of its log library. In these cases, the Company recognizes revenues on the sale on a percentage of completion basis as the data may require reworking. The revenue recognized is determined based on the total contract value and the percentage of the contract completed to the end of the reporting period.

G Financial instruments

The Company's balance sheet financial instruments consist of cash, investment tax credits recoverable, accounts receivable, accounts payable and accrued liabilities, deferred revenue and loans payable. The fair value of the financial instruments is equal to their carrying values unless otherwise noted.

H Future income taxes

The liability method of tax allocation is used in accounting for income taxes. Under this method, future tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and measured using substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse.

I Stock-based compensation plan

The Company has established a stock option plan whereby the Company may grant options to purchase common shares to directors, officers, employees and consultants. The options vest have a five year term and are exercisable pursuant to a vesting schedule of one-third upon the date of grant (the "grant date"), one-third following the first anniversary of the grant date and the remaining one third following the second anniversary of the grant date.

Effective January 1, 2002, the Company adopted the recommendations of the Canadian Institute of Chartered Accountants (the "CICA") Handbook Section 3870 - Stock based compensation and other stock-based payments. This section required that direct awards of stock and liabilities based on the price of common stock be measured at fair value at each reporting date, with the change in fair value reported in the statements of income and encouraged, but did not require, the use of the fair value method for all other types of stock-based compensation plans. None of the Company's plans qualify as direct awards of stock or as plans that create liabilities based on the price of the company's stock, and as a result, the implementation of the section had no impact on the consolidated financial statements. The Company chose not to use the fair value method to account for stock-based employee compensation plans, but to disclose pro-forma information for options granted after January 1, 2002. The Company recorded no compensation expense when options were issued to employees. Any consideration paid by employees on the exercise of the options is credited to capital stock.

In September 2003, the CICA issued an amendment to Section 3870 - Stock based compensation and other stock based payments. The amended section is effective for fiscal years beginning on or after January 1, 2004. The amendment requires that companies measure all stock based payments using the fair value method of accounting and recognize the compensation expense in their financial statements. The Company has implemented this amended standard in 2003 in accordance with the early adoption provisions of the standard. Per the transitional provisions, compensation expense has been calculated and recorded in the statement of income for only those options issued on or after January 1, 2003.

J Employee Share Ownership Plan

On February 1, 2004 the Company initiated an employee share ownership plan whereby each employee may elect to contribute up to 25% of their regular salary towards the plan. The Company will match the employee's contribution up to 3% of their monthly regular salary to maximum of \$300 per month. The common shares are purchased through the facilities of the TSX Venture Exchange Inc. There are no amounts included in general and administrative expenses related to this plan for 2003.

K Prepaid expenses

Prepaid expenses consist of security deposits, prepaid rent, licenses, supplies and maintenance and support contracts.

L Goodwill

In accordance with CICA Handbook requirements, the Company has applied the new CICA standard on Goodwill and Other Intangible Assets and Impairment of Long-Lived Assets. is to be applied to fiscal year beginning on or after January 1, 2002. Under this accounting standard, goodwill is no longer amortized, but is tested for impairment at least annually. Goodwill was recorded as the excess purchase price paid over carrying value and was initially being amortized over a five-year period.

The valuation of goodwill is based on future estimates of profitability and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements in future periods could be significant. The effect on the financial statements resulting from revised estimates, if any, will be accounted prospectively.

M Treasury stock method

The Company adopted the treasury stock method of reporting earnings per share amounts. Basic earnings per common share are computed by dividing earnings from operations by the weighted average number of common shares outstanding for the period. Diluted per share amounts reflect the potential dilution that could occur if securities or other contracts to issue common shares were exercised or converted to common shares. The treasury stock method is used to determine the dilutive effect of stock options and other dilutive instruments.

N Investment tax credits

The Company records investment tax credits on the cost reduction basis whereby investment tax credits related to current expenditures are included in the determination of net income in the year the tax credits are earned. Investment tax credits related to the acquisition of property and equipment are deducted from the related asset values. These claims are subject to audit by the science advisors from the Canada Revenue Agency and as a result the amounts recorded as investment tax credits recoverable are subject to specific measurement uncertainty.

When the estimate is known to be materially different from the actual recovery, an adjustment is made to net income in the period the determination is made. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements could be significant.

O Research and development

Research and development costs are charged to net income in the period in which they are incurred, except for significant development costs meeting Canadian generally accepted criteria for deferral. The Company has not deferred any research and development costs to date.

P Intangible Assets

Intangible assets consist of acquired customer lists, management contracts, non-competition agreements, proprietary software, software code, a well logs license agreement and a web based, well log retrieval system. Intangible assets are recorded at cost and amortized over the straight-line method over the term of the management contracts or expected benefit to the Company of 24 months, expected benefit of the customer list of 72 months, expected benefit of the software code of 10 years, length of the license agreement of 10 years and the estimated useful life of the delivery system of 10 years. Amortization for proprietary software is provided at the declining balance basis at a rate of 50%.

In 2003, the Company changed its estimate of the expected benefit of the software code from 6 to 10 years, as the code has remained virtually unchanged since being developed.

The valuation of intangible assets is based on future estimates of profitability and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty and the effect on the consolidated financial statements in future periods could be significant. The effect on the financial statements resulting from revised estimates, if any, will be accounted prospectively.

Q Foreign Currency

The Company translates amounts of foreign currency into Canadian dollars on the following basis:

- (i) monetary assets and liabilities - at the rate of exchange prevailing at the period end;
- (ii) non-monetary items - at the rate of exchange prevailing at the dates of the transactions;
- (iii) revenues and expenses - at the monthly average rate of exchange;
- (iv) and gains and losses on translation of current monetary assets and liabilities are included in income.

3) Business Combinations

A The Company entered into an agreement on April 29, 2002 whereby it agreed to purchase 100% of the shares of Kernel Technologies Ltd. The acquisition of Kernel Technologies Ltd. was accounted for by the purchase method, with the Company being the deemed acquire, based on the fair values of the assets or liabilities acquired, as follows:

	Book Value	Fair Value
Cash	\$ 95,723	\$ 95,723
Other current assets	262,007	262,007
Current liabilities	(251,024)	(251,024)
Working capital	106,706	106,706
Capital assets	93,736	860,536
Intangible assets	-	87,600
Goodwill	-	260,676
Future income taxes	-	(345,060)
Net assets acquired	<u>\$ 200,442</u>	<u>\$ 970,458</u>
Purchase Price		
- Cash		<u>\$ 970,458</u>

B The Company entered into an agreement on May 31, 2002 whereby it agreed to purchase 100% of the shares of Dynamic Solutions Inc. The acquisition of Dynamic Solutions Inc. was accounted for by the purchase method, with the Company being the deemed acquire, based on the fair values of the assets or liabilities acquired, as follows:

	Book Value	Fair Value
Cash	\$ 107,312	\$ 107,312
Other current assets	143,509	143,509
Current liabilities	(18,246)	(18,246)
Working capital	232,575	232,575
Property and equipment	-	579,925
Intangible assets	-	75,000
Goodwill	-	197,897
Future income taxes	-	(272,897)
Net assets acquired	<u>\$ 232,575</u>	<u>\$ 812,500</u>
Purchase Price		
- Value attributed to 300,219 common shares issued		\$ 312,500
- Cash		500,000
		<u>\$ 812,500</u>

C The Company entered into an agreement on November 4, 2002 whereby it agreed to purchase 100% of the shares of Digi-Rule Inc. The acquisition of Digi-Rule Inc. was accounted for by the purchase method, with the Company being the deemed acquire, based on the fair values of the assets or liabilities acquired, as follows:

	Book Value	Fair Value
Bank indebtedness	\$ (84,823)	\$ (84,823)
Other current assets	312,035	312,035
Current Liabilities	(144,195)	(144,195)
Working capital	83,017	83,017
Property and equipment	33,197	642,233
Intangible assets	-	92,000
Goodwill	-	45,321
Future income taxes	-	(137,321)
Net assets acquired	<u>\$ 116,214</u>	<u>\$ 725,250</u>
Purchase Price		\$ 325,000
- Value attributed to 260,190 common shares issued		400,250
- Cash		<u>\$ 725,250</u>

D The Company entered into an agreement on March 14, 2003 whereby it agreed to purchase 100% of the shares of The Excalibur Gemini Group Ltd ("TEGGL"). The acquisition of TEGGL was accounted for by the purchase method, with the Company being the deemed acquire, based on the fair values of the assets or liabilities acquired, as follows:

	Book Value	Fair Value
Cash	\$ 58,412	\$ 58,412
Other current assets	1,141,703	1,141,703
Bank indebtedness	(553,277)	(553,277)
Current liabilities	(236,341)	(236,341)
Working capital	410,497	410,497
Property and equipment	695,343	695,343
Intangible assets	-	1,064,757
Goodwill	-	1,250,916
Long-term debt	(47,003)	(47,003)
Capital leases	(169,479)	(169,479)
Future income tax asset	-	79,000
Net assets acquired	<u>\$ 889,358</u>	<u>\$ 3,284,031</u>
Purchase price		
-Value attributed to 1,655,850 common shares issued ⁽¹⁾		\$ 1,764,951
-Assumption of shareholder loans		(170,084)
-Cash		1,390,085
-Notes payable		299,079
		<u>\$ 3,284,031</u>

⁽¹⁾ A block discount of 15% was applied to the shares issued in this transaction

E On September 23, 2003, the Company amalgamated with International Datashare Corporation (“IDC”). The transaction was accounted for by the purchase method, with the Company being the deemed acquirer, based on the fair values of the assets or liabilities acquired, as follows:

	Book Value	Fair Value
Cash	\$ 376,351	\$ 376,351
Other current assets	976,264	976,264
Current liabilities	(2,422,296)	(2,422,296)
Due to previous directors	(4,465,422)	(4,465,422)
Working capital deficiency	(5,535,103)	(5,535,103)
Property, plant and equipment	2,393,218	2,393,218
Databases	5,562,500	10,287,073
Intangible assets	1,119,004	1,550,000
Goodwill	445,190	-
Deferred revenue	(618,969)	(618,969)
Long-term debt	(568,287)	(568,287)
Deferred gain	(90,875)	-
Debentures	(857,000)	(857,000)
Future income tax asset (liability)	(1,321,820)	1,300,000
Net assets acquired	<u>\$ 527,858</u>	<u>7,950,932</u>
Purchase price		
- Value attributed to 7,500,000 common shares issued		\$ 7,500,000
- Other acquisition costs		450,932
		<u>\$ 7,950,932</u>

4) Discontinued Operations

On December 5, 2003, the Company sold 100% of its US, wholly owned subsidiary, Riley Electric Log Inc. ("Riley"), to an arms length party (the "purchaser"). Proceeds on the sale of the shares were \$6,000,000 US. As a result of the transaction, the Company paid out a \$1,800,000 US royalty ⁽¹⁾ at the time the transaction closed.

	\$ US	\$ CDN
Cash	\$ 18,924	\$ 24,838
Other current assets	214,654	281,734
Current liabilities	(317,640)	(416,903)
Logs	3,749,361	4,921,036
Intangibles	182,523	239,561
Property, plant and equipment	765,143	1,004,250
Long-term debt	(419,834)	(551,032)
Deferred revenue	(31,989)	(41,986)
	<u>4,161,142</u>	<u>5,461,498</u>
Proceeds on sale of disposition		
Gross share proceeds	6,000,000	7,875,000
Royalty ⁽¹⁾	(1,800,000)	(2,362,500)
Proceeds net of royalty	4,200,000	5,512,500
Log Line License ⁽²⁾	571,429	750,000
Disposition costs	(20,453)	(26,846)
Net proceeds ⁽³⁾	<u>4,750,976</u>	<u>6,235,654</u>
Gain on sale of discontinued operations, before income taxes	<u>\$ 589,834</u>	<u>\$ 774,156</u>

⁽¹⁾ The royalty agreement was with former shareholders of Riley, entitling the shareholders to a royalty in the event the shares were resold or certain earnings targets were achieved

⁽²⁾ The Company, as part of the disposition agreement, was granted a non-exclusive, 10-year license to the purchaser's US Log Library. The value of the license has been calculated by discounting the Company's expected future cash flows over the term of the license

⁽³⁾ \$650,000 US was paid on March 1, 2004. \$600,000 US is being held in escrow and will be released in November 2004

The Company also sold access to a copy of its Log Library and a 2-year update service to the purchaser for \$3,000,000 US.

Selected earnings information related to the discontinued operation is as follows:

	2003	2002
Revenue	\$ 494,084	\$ -
Amortization	153,599	-
Interest expense	15,111	-
Salaries and benefits	294,054	-
General and administrative expenses	204,813	-

5) Investments in and Advances to an Affiliated Company

In 2002, the Company acquired 36.11% of the common shares of SDLS Inc. ("SDLS") for \$1. The Company made advances in 2003 of \$10,833 (2002 - \$102,585). The investment has been accounted for using the equity basis as disclosed in Note 2(d). An equity pick-up (loss) has been accounted for in the year of \$12,704 (2002 - \$46,442) whereby the advances were reduced by the Company's share of the affiliate's loss. The fair value of the balances due from SDLS and the investment in SDLS is currently not determinable as the company is in the development stage. It is management's opinion that the carrying value of the investment at December 31, 2003 and 2002 reflects amounts less than the expected net recoverable amount from the investment.

6) Databases

	Cost	2003 Accumulated Amortization	Cost	2002 Accumulated Amortization
Data sets	\$ 438,288	\$ 186,872	\$ 438,288	\$ 128,629
Log library	5,311,644	135,278	-	-
Reference library	444,630	84,845	210,593	24,153
	<u>\$ 6,194,562</u>	<u>\$ 406,995</u>	<u>\$ 648,881</u>	<u>\$ 152,782</u>
Net book value		<u>\$ 5,787,567</u>		<u>\$ 496,099</u>

7) Property and Equipment

	Cost	2003 Accumulated Amortization	Cost	2002 Accumulated Amortization
Computer equipment	\$ 1,727,880	\$ 557,085	\$ 514,953	\$ 244,659
Computer software	191,014	114,609	150,021	72,273
Equipment	619,502	85,541	-	-
Leasehold improvements	127,177	57,633	40,674	19,997
Office furniture and equipment	580,208	175,668	379,632	90,515
Assets under capital lease	127,010	27,917	-	-
	<u>\$ 3,372,791</u>	<u>\$ 1,018,453</u>	<u>\$ 1,085,280</u>	<u>\$ 427,444</u>
Net book value		<u>\$ 2,354,338</u>		<u>\$ 657,836</u>

8) Intangibles

	Cost	2003 Accumulated Amortization	Cost	2002 Accumulated Amortization
Customer lists	\$ 1,064,757	\$ 260,360	\$ 254,600	\$ 58,741
Non-competition agreements	254,600	132,999	-	-
Proprietary software	1,241,420	86,230	-	-
Software code	2,180,761	559,338	2,180,761	232,224
Well log retrieval system	91,204	23,756	-	-
Well logs license agreement	750,000	6,750	-	-
	<u>\$ 5,582,742</u>	<u>\$ 1,069,433</u>	<u>\$ 2,435,361</u>	<u>\$ 290,965</u>
Net book value		<u>\$ 4,513,309</u>		<u>\$ 2,144,396</u>

9) Goodwill

	Cost	2003 Accumulated Amortization	Cost	2002 Accumulated Amortization
Goodwill	\$ 2,111,226	\$ 161,839	\$ 824,856	\$ 161,839
Net book value		<u>\$ 1,949,387</u>		<u>\$ 663,017</u>

10) Bank Indebtedness

As at December 31, 2003, the Company had a revolving demand loan, bearing interest at bank prime plus 1.5% with a maximum available of \$1,100,000. As at December 31, 2003, \$140,000 was drawn on this facility. The facility is secured by a general security agreement covering all assets and an assignment of accounts receivable. As at December 31, 2002, the Company did not have a credit facility in place.

11) Accounts Payable - Brokerage

As disclosed in Note 2(f), the brokerage division records commissions earned on brokerage sales on a net basis upon the closing of the transaction. As part of the service the Company collects the gross proceeds of the brokerage sales on behalf of the vendor and makes the net payment to the vendor in accordance with the terms of their contract. The Company acts as an agent on behalf of the brokers. The net brokerage liability is a result of a timing difference between collection and settlement of the liability.

12) Long-Term Debt

	2003	2002
Western Economic Diversification loan is unsecured and non-interest bearing and repayable in quarterly payments of \$13,322	\$ -	\$ 39,964
Blue Moon Survey Ltd. is an unsecured, non-interest-bearing loan repayable in monthly payments of \$2,824 and an additional payment of \$619 upon maturity. The loan matured on January 31, 2004	8,718	-
Promissory notes payable, issued on the acquisition of Excalibur (Note 3(d)), unsecured, bearing interest at 8% per annum, repayable in blended quarterly installments of \$22,027. The promissory notes mature on May 31, 2007	232,998	-
	241,716	39,964
Current portion	(70,182)	(39,964)
	\$ 171,534	\$ -

Principle payments are as follows:

2004	\$ 70,182
2005	84,715
2006	82,229
2007	4,590
	\$ 241,716

13) Obligations Under Capital Lease

The following is a schedule of future minimum lease payments under the capital leases expiring January 1, 2004, August 1, 2004, and September 1, 2004. The capital leases bear interest between 6.9% and 18.2% and have monthly principal and interest payments of \$693 to \$5,849.

December 31, 2004	\$ 73,840
Less: imputed interest	(2,594)
Balance of obligation	71,246
Less: current portion	(71,246)
Long-term portion of obligation	\$ -

The above leases relate to computer equipment with a net book value of \$65,453 and office equipment with a net book value of \$33,640 as disclosed in Note 7.

14) Taxes

A Investment tax credits recoverable consist of relate to scientific research and development:

	2003	2002
2001	\$ -	\$ 150,000
2002	480,000	480,000
2003	360,000	-
Assumed as a result of acquisition	180,129	180,129
	<u>\$ 1,020,129</u>	<u>\$ 810,129</u>

The Company has filed claims with Canada Revenue Agency for Scientific Research and Experimental Development (“SR&ED”) Credits in respect of certain of the research expenditures incurred in 2002 and 2001. The Company has made an accrual for the expected filing in 2003 with respect to certain research expenditures incurred. Although the claims will be filed on the basis of the regulations, the recoverability of the amounts recorded in these financial statements is subject to confirmation by Canada Revenue Agency.

In addition, the Company has approximately \$490,000 (2002 - \$886,000) of SR&ED expenses available to reduce future taxable income. Should the Company's SR&ED claims be successful, the SR&ED expenses available will be reduced by \$nil (2002 - \$421,000).

The Company also has approximately \$172,000 (2002 - \$89,000) of unclaimed investment tax credits (ITC's) available to reduce income taxes payable in future years. If not utilized, these ITC's will begin to expire in 2005. The future tax benefit of the ITC's has been recognized in these financial statements as the Company expects to utilize the ITC's before they expire.

B The Company has an effective tax rate, which differs from the expected Canadian income tax rate.

The differences are as follows:

	2003	2002
Income from continuing operations before income taxes	\$ 129,355	\$ 156,340
Statutory rate	37%	39%
Computed expected tax provision	47,861	60,973
Non-deductible equity loss	4,700	18,105
Stock compensation expense	35,739	-
Rate reduction	(34,413)	-
Valuation allowance	(426,471)	(181,108)
Other permanent differences	30,313	8,306
Income tax recovery from continuing operations	<u>\$ (342,271)</u>	<u>\$ (93,724)</u>

C Future income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts for income tax purposes. The components of the Company's future income tax assets and liabilities are as follows:

	2003	2002
Capital assets	\$ (1,080,410)	\$ (925,267)
Non-capital loss carry forwards	3,107,382	17,591
Cumulative eligible capital	71,393	22,408
SR&ED pools	354,788	223,414
Share issue and financing costs	261,699	-
	2,714,852	(661,854)
Valuation allowance	(1,808,100)	-
Future tax asset (liability)	\$ 906,752	\$ (661,854)

D Subject to confirmation by the income tax authorities, the Company has non-capital losses of approximately \$8,400,000 (2002 - \$135,000), which are available to reduce taxable income in future periods. The non-capital losses were transferred to the Company as a result of the merger with IDC (Note 3(e)). The losses begin to expire in 2005.

15) Equity Instruments

Common Shares

A Authorized

An unlimited number of voting common shares

An unlimited number of non-voting common shares

B Issued

	December 31, 2003		December 31, 2002	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of year ⁽¹⁾	12,596,112	\$ 4,487,303	10,402,510	\$ 1,834,753
Issued for cash	463,429	578,887	1,903,390	1,981,250
Issued for cash via private placement ⁽²⁾	2,905,079	3,675,551	-	-
Repurchased for cash	-	-	(360,263)	(59,950)
Issued on acquisition of:				
Dynamic Solutions (Note 3(b))	-	-	300,219	312,500
Digi-Rule (Note 3(c))	-	-	260,190	325,000
TEGGL (Note 3(d))	1,655,850	1,764,951	-	-
IDC (Note 3(e))	7,500,000	7,500,000	-	-
Issued in exchange for data sets, property and equipment ⁽³⁾	204,149	255,000	90,066	93,750
Exercise of options	38,428	29,729	-	-
Issued for settlement of loans payable to various shareholders	60,044	75,000	-	-
Balance, end of year ⁽⁴⁾	25,423,091	\$ 18,366,421	12,596,112	\$ 4,487,303

	December 31, 2003		December 31, 2002	
	Number of Warrants	Amount	Number of Warrants	Amount
Warrants				
Balance, beginning of year	-	\$ -	-	\$ -
Issued on private placement ⁽²⁾	1,452,540	316,017	-	-
Broker warrants ⁽²⁾	145,254	31,602	-	-
Balance, end of year	1,597,794	\$ 347,619	-	\$ -
Share issue costs, net of future taxes	-	\$ (238,150)	-	\$ -
Total equity instruments	-	\$ 18,475,890	-	\$ 4,487,303

⁽¹⁾ Effective September 23, 2003, the Company amalgamated with acquired IDC via an amalgamation agreement (Note 3(e)). As part of the amalgamation agreement, the shares of the Company were exchanged for 1,200,876 shares in the newly post-amalgamated company. All share and per share information in these consolidated financial statements and notes have been retroactively adjusted to reflect this change.

⁽²⁾ On September 23, 2003, 1059778 Alberta Ltd., a wholly owned subsidiary of the Company, completed a private placement for net proceeds of \$3,816,058. The placement was done through the issuance of 2,905,079 units at a price of \$1.37 per unit. Each unit consists of one common share plus one-half of a common share purchase warrant exercisable at \$2.09. The common share purchase warrants expire on September 23, 2004. In addition, brokers were issued broker warrants totalling 5% of the units issued, exercisable at \$2.09. The broker warrants expire on September 23, 2004.

⁽³⁾ During 2003 and 2002, the Company purchased certain data sets, property and equipment of where a portion of the consideration was paid in common shares of the Company.

⁽⁴⁾ As at December 31, 2003, there were 8,112,064 shares held in escrow. 6,656,429 shares were held by officers, directors and companies controlled by a director. The shares are to be released from escrow on September 23, 2004.

C Stock Options

The following is a continuity of stock options outstanding for which shares have been reserved:

	Number of Shares	Options Price per share	Weighted Average Exercise Price
Options outstanding, December 31, 2001	285,221	\$ 0.54 - \$0.83	\$ 0.63
Options granted	573,447	\$ 1.04 - \$1.25	\$ 1.07
Options outstanding, December 31, 2002	858,668	\$ 0.54 - \$1.25	\$ 0.92
Options granted	755,810	\$ 1.25 - \$3.19	\$ 1.25
Expired	(141,513)	\$ 0.54 - \$3.19	\$ 2.27
Exercised	(38,429)	\$ 0.54 - \$1.25	\$ 0.85
Options outstanding, December 31, 2003 ⁽¹⁾	1,434,536	\$ 0.54 - \$3.19	\$ 1.20

⁽¹⁾ Subsequent to the year-end, 571,172 options were granted at an exercise price of \$1.20 and 86,209 options were cancelled with an exercise price of \$3.19

The options that have been vested at December 31, 2003 are summarized as follows:

Option Outstanding	Option Price	Weighted Average Exercise Price	Weighted Average Remaining Contractual	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
183,139	\$ 0.54	\$ 0.54	1.30	183,139	\$ 0.54
69,056	\$ 0.83	\$ 0.83	2.15	66,054	\$ 0.83
465,960	\$ 1.04	\$ 1.04	3.44	310,640	\$ 1.04
522,409	\$ 1.25	\$ 1.25	4.15	201,758	\$ 1.25
107,763	\$ 1.40	\$ 1.40	2.62	71,842	\$ 1.40
86,209	\$ ⁽¹⁾ 3.19	\$ 3.19	2.77	86,211	\$ 3.19
1,434,536				919,644	\$ 1.20

⁽¹⁾ Rolled over as a result of the acquisition of IDC (Note 3(e)) and Note 11(b))

The options that have been vested at December 31, 2002 are summarized as follows:

Option Outstanding	Option Price	Weighted Average Exercise Price	Weighted Average Remaining Contractual	Number of Options Currently Exercisable	Weighted Average Exercise Price of Options Currently Exercisable
207,158	\$ 0.54	\$ 0.54	2.30	183,139	\$ 0.54
78,063	\$ 0.83	\$ 0.83	3.15	46,037	\$ 0.83
490,581	\$ 1.04	\$ 1.04	4.44	155,320	\$ 1.04
82,866	\$ 1.25	\$ 1.25	5.15	29,223	\$ 1.25
858,668				413,719	\$ 0.81

16) Statement of Cash Flows

A Interest and income taxes paid

	2003	2002
Interest paid	\$ 103,786	\$ -
Income taxes paid	\$ 18,848	\$ -
B Changes in non-cash working capital balances		
Funds held in trust	\$ (787,500)	\$ -
Account receivable	(1,941,320)	194,018
Investment tax credits recoverable	(210,000)	(357,736)
Prepaid expenses, supplies and deposits	122,697	(124,163)
Accounts payable and accrued liabilities	(1,209,164)	157,964
Accounts payable and accrued liabilities - brokerage	1,285,316	511,928
Income taxes payable	(15,219)	-
Deferred revenue	57,229	93,613
	\$ (2,697,961)	\$ 475,624

C The Company's non-cash transactions have been excluded from the statement of cash flows and have been described elsewhere in the notes to the consolidated financial statements.

17) Commitments

The Company is obligated to rent its current premises from a non-related third party, and maintains contractual agreements for office equipment and data licenses. The minimum annual payments due under the long-term operating leases including estimated operating costs, net of sub-leases are as follows:

2004	\$ 1,462,790
2005	1,528,081
2006	1,435,791
2007	949,196
2008	505,925

18) Related Party Transactions

Except as noted elsewhere in these consolidated financial statements, the Company was involved in the following related party transactions

- A In 2002, the Company was advanced \$75,000 by an officer and director, which is included in accounts payable. The amount is unsecured and non-interest bearing. During the year, the loan was repaid via the issue of 50,000 common shares.
- B In 2002, 25% of the investment purchased in SDLS (Note 5) was from a company controlled by an officer and director. The transaction was measured at the carrying amount.
- C In 2003, the Company earned \$nil (2002 - \$18,030) of revenue from a company controlled by the spouse of a director and officer of the Company. The entire amount is included in accounts receivable.
- D In 2003, the Company earned \$134,770 of revenue from a company with common directors.
- E In 2003, the Company purchased capital assets of \$255,000 in exchange for 204,149 common shares from a company controlled by a director of the Company. The transaction was measured at the exchange amount as the fair values of the assets acquired were supported by independent evidence.
- F In 2003, of the common shares issued for cash, 193,941 common shares were issued to officers and directors of the Company for gross proceeds of \$242,250.

All related party transactions in the normal course of operations have been measured at the agreed to exchange amounts, which is the amount of consideration established and agreed to by the related parties and which is similar to those negotiated with third parties.

19) Stock Compensation

The impact of adopting the new accounting recommendations for stock based compensation (Note 2(i)) on the consolidated balance sheets and statements of income is:

Change in consolidated balance sheet as at		December 31, 2003	December 31, 2002
		Increase Contributed surplus	\$ 96,592
Change in consolidated statement of operations for the year ended		December 31, 2003	December 31, 2002
		Increase Stock based compensation	\$ 96,592

The fair value of share options was estimated using the Black-Scholes option-pricing model with the following assumptions: Dividend yield (Nil), expected volatility (0.20), risk-free interest rate (5.0%), and weighted average life of 5 years. The compensation expense is recognized over the 3-year vesting period of the stock options.

In the prior year, the Company did not record compensation expense when stock options were issued to employees.

Had compensation expense related to employees been determined based on the fair value at the grant dates, the net income and earnings per share for the year ended December 31, 2002 would have been reduced to the pro forma amounts indicated below:

Net income	- as restated	\$ 250,064
	- pro forma	\$ 80,028
Earnings per share	- as restated	\$ 0.021
	- pro forma	\$ 0.007

20) Financial Instruments

As disclosed in Note 2(g), the Company holds various forms of financial instruments. The nature of these instruments and the Company's operations expose the Company to industry credit, interest rate and foreign currency risks. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

A Credit risk management

A significant portion of the Company's trade accounts receivable is from companies in the oil and gas industry and, as such, the Company is exposed to all the risks associated with that industry. The Company nets all its brokerage receivables against brokerage payables as detailed in Note 2(f). At December 31, 2003 \$4,659,228 (2002 - \$5,525,403) of brokerage receivables are netted against brokerage payables (Note 11). These receivables are due from third parties in the oil and gas industry and therefore the Company is exposed to the credit and concentrations of the risks associated with this industry. The Company manages and minimizes its risk by exercising its right to settle the related brokerage payables after the collection of the related receivable. All of the Company's cash is held at one institution and as a result of this and the nature of its operations, the Company has concentration of credit risk.

B Interest rate risk management

The Company's short-term borrowings are subject to floating rates. The floating rate debt is subject to interest rate cash flow risk, as the required cash flows to service the debt will fluctuate as a result of changes in market rates.

As at December 31, 2003, the increase or decrease in net income before taxes for each 1% change in interest rates on floating rate debt amounts to approximately \$1,400. In prior years, the Company was not subject to interest rate risk. The related disclosures regarding these debt instruments are included in Notes 10 and 12 of these consolidated financial statements.

C Foreign currency rate risk management

A portion of the Company's sales are made to customers in the United States. Accordingly the related financial assets and liabilities are subject to fluctuations in exchange rates. The Company does not have any exposure to highly inflationary foreign currencies.

The Company manages its exposure to foreign currency fluctuations by maintaining foreign currency bank accounts and trade accounts receivable to offset foreign currency payables.

As at December 31, 2003, the increase or decrease in income before taxes for each 1% change in the value of the Canadian dollar against the US dollar amounts to approximately \$26,349.

21) Segmented Information

The Company operates in four segments within the oil and gas industry. The services division provides geophysical survey audit, information management, mapping and archiving services, imaging and privacy consulting. The data division provides log services and a full suite of support data layers. This division also sells copies of the Company's log library and seismic data sets. The software division provides software sales and licenses, maintenance and support. The brokerage division offers full service seismic brokerage. The accounting policies of the segments are the same as those described in the summary of significant accounting policies (Note 2). The Company eliminates inter-segment sales and transfers. Segment profit (loss) is measured as net profit (loss) before consideration of income taxes and discontinued operations.

	December 31, 2003				
	Services	Data	Software	Brokerage	Total
Revenue	\$ 4,693,692	\$ 1,925,183	\$ 5,102,285	\$ 3,321,404	\$ 15,042,564
Operating income from continuing operations before income taxes	(262,336)	639,751	(275,941)	51,822	153,296
Amortization	525,909	160,618	717,362	69,067	1,472,956
Research and development	-	-	721,434	-	721,434
Total assets	4,137,023	8,737,741	9,839,089	574,394	23,288,247
Capital expenditures ⁽¹⁾	29,325	755,282	143,161	255,000	1,182,768

	December 31, 2002				
	Services	Data	Software	Brokerage	Total
Revenue	\$ -	\$ -	\$ 3,196,856	\$ 1,772,333	\$ 4,969,189
Operating income from continuing operations before income taxes	-	-	130,716	67,560	198,276
Amortization	-	-	455,936	44,375	500,311
Research and development	-	-	387,768	-	387,768
Total assets	-	-	5,561,500	788,269	6,349,769
Capital expenditures ⁽¹⁾	-	-	156,418	443,750	600,168

⁽¹⁾ excludes business acquisitions

Reconciliations

Assets

	2003	2002
Total assets for reportable segments	\$ 23,288,247	\$ 6,349,769
Future income taxes not allocated to segments	906,752	-
Total assets for the Company	\$ 24,194,999	\$ 6,349,769
Capital Expenditures		
Total capital expenditures for reportable segments	\$ 1,182,768	600,168
Less: non-cash additions	(1,005,000)	-
Total capital expenditures per Consolidated Statement of Cash Flows	\$ 177,468	\$ 6,349,769

During the year, the Company had foreign sales of \$2,055,300 (December 31, 2002 - \$280,900).

22) Contingencies

- A** As a result of the purchase of the Excalibur (Note 3(d)) the Company assumed a claim filed against the Company by a former employee. In management's opinion, the claim is not determinable at this time so no estimate of loss has been made. However, should any loss result from the resolution of this claim, such loss would be accounted for in the period in which such a resolution occurs.
- B** As a result of the amalgamation with IDC (Note 3(e)), the Company assumed a claimed filed by a vendor in the amount of \$126,000. In a searate action, the Company has claimed \$610,000 in damages from the vendor for services rendered by IDC. The Company has agreed to settle the assumed claim and has accrued for this amount in the year. It is management's opinion, the Company will recover the full amount it has claimed from the vendor.

23) Subsequent Event

On February 19, 2004, the Company issued \$4,250,000 in secured debentures bearing interest at 12% per annum and subject to a 2.5% set-up fee. \$4,000,000 of the debentures were issued to certain directors of the Company. The debentures mature on December 30, 2004.

The proceeds were used to partially finance the purchase of seismic data made by the Company on February 19, 2004.

The debentures are secured by the Company's present and after acquired personal property pursuant to the Personal Property Security Act (Alberta). The Company has also assigned proceeds from the database license granted as described in Note 4.

On March 4, 2004, \$868,500 of the principal amount outstanding was repaid.

24) Change in Accounting Policy

In 2003, the Company changed its accounting policy for recognizing revenue earned from licensing software products to a straight-line method, whereby the Company recognizes revenue earned from licensing software products rateably over the term of the license. Previously, the Company recognized the revenue at the date of sale. If future services were to be performed based on the license sales, the Company deferred a percentage of revenue based on the services that were to be provided. The deferred revenue was recognized rateably over the service term.

The financial statements of the prior year have been restated to reflect this change in accounting policy as follows:

	As Stated December 31, 2002	Adjustments	Restated December 31, 2002
Deferred revenue	\$ 695,437	\$ 291,230	\$ 986,667
Future income tax liability	643,000	18,554	661,554
Revenue	4,871,726	97,463	4,969,189
Future income tax recovery	(112,278)	18,554	(93,724)
Net income	171,155	78,909	250,064
Retained earnings - beginning of year	(518,931)	(388,693)	(907,624)
Retained earnings - end of year	(347,776)	(309,784)	(657,560)

25) Comparative Figures

Certain figures with respect to fiscal 2002 have been reclassified to conform to the current year's presentation.