

OAo Sibneft Audit Commission 2002 Report

1. Introductory Part

The Audit Commission, elected by the General Meeting of OAO Sibneft Shareholders, acting on the basis of the Procedural Regulations for the Audit Commission, as approved by the General Meeting of Shareholders, has carried out a financial and business audit of the Company for the period from January 1 to December 31, 2002, based on the results of which the present report has been prepared.

The Audit Commission in its work took guidance from the legislative documents of the Russian Federation Ministries of Finance and of Taxes and Levies, as well as from the Company Charter, and orders and directions issued through the Company.

The main questions of the audit were:

- A check of the legitimacy of the decisions made by the Company's management with respect to the observance of current legislation and the Charter of the Company;
- A check of the legality of the contracts entered into on behalf of the Company, transactions and settlements with contracting parties;
- A check of inventory records and the preservation of material assets;
- A check of documents relating to an inventory of property;
- A check of the accounts and the accuracy of the balance sheets of the Company and of the reporting documents for taxation bodies and other bodies of state administration.

In the course of the audit there were submitted basic order and accounting documents to the Committee, including:

- The minutes of the meetings of the Board of Directors;
- The orders issued by the Company in the year of account;
- The Company's 2002 accounting policies;
- The limit of cash in hand and cash auditing reports;
- The findings of commissions on an inventory of property;
- Individual contracts made on behalf of the Company;
- The accounts of the Company: Balance Sheet Form No. 1, Profit and Loss Statement Form No. 2, Statement of Changes in Capital Form No. 3, Cash Flow Statement Form No. 4, Annex to the Balance Sheet Form No. 5, the annual report, and the approved 2001 accounting policies of the Company.

Those responsible for the financial and business activities of the OAO Sibirskaaya Neftyanaya Kompaniya in 2002 were:

The President- Yevgeny Markovich Shvidler
The Chief Accountant- Yevgeniya Nikolayevna Sukharkova

2. Check of the legitimacy of the decisions made by the Company's management with respect to the observance of current legislation and the Charter

- The decisions made over the course of 2002 by the Board of Directors, Management and the President are under the jurisdiction of the governing bodies of

the Company and are not contrary to the legislative acts and the Charter, on the basis of which their activities were being carried on;

- The orders issued in the Company on the basis of these decisions were not in breach of the requirements of the Company Charter;
- The minutes of the meetings of the Board of Directors are completed in full, without any corrections and include all the necessary materials;
- The analysis of the documents of the governing bodies has shown that they had been exercising continuous control over the execution of the decisions made by them.

3. Routine check of the financial and business activities of the Company

- The financial and business activities of the Company were being carried on within the current legislation and in accordance with the Company Charter;
- No violations in the accounts or accounting policies have been found that could have substantially affected the Company's financial performance;
- The Audit Commission has acquainted itself with the results of the scheduled 2002 inventory of material assets and settlements with buyers for oil, oil products, erection and repair operations and services, of resources, financial documents and blanks of strict accountability, of settlements with the budget, suppliers, accountable persons and other debtors and creditors, of financial investments and the Company's property in the following categories: fixed assets, low value items, intangible assets and incomplete capital construction. In the check of the inventory records and of the preservation of material assets, including fixed assets, no material breaches have been revealed;
- The use of the funds was being carried out in strict accordance with the decisions of the General Meetings of Shareholders and the Board of Directors of the Company.
- A legal expertise of individual contracts has revealed no violations.

4. Check of Balance Sheet and Profit and Loss Statement

- Bookkeeping and the drawing up of accounts was as per requirements of the legal and regulatory acts governing bookkeeping and taxation in the Russian Federation and in line with the Company's 2002 Accounting Policies;
- The annual report was drawn up on the basis of the reports submitted by the parent company and branch subsidiaries which are fully incorporated into Sibneft in accordance with approved forms;
- The analysis of the accounting reports (the balance sheet, the annexes thereto and basic documents for 2002) attests to the accuracy of the accounting of economic operations and the correct reflection of goods, property and financial flows;
- The calculation of the profits and losses was based on the real accounting of the actual sales income and actual expenditure on production and is supported by documents.

The balance-sheet currency as of 01.01. 2002

Value of net assets	131 897 521 thousand rubles
Profit on sales of goods, works and services	43 801 540 thousand rubles

After-tax profit
Associated profit

9 563 883 thousand rubles
34 142 109 thousand rubles

5. Opinion

In accordance with the foregoing, the Audit Commission hereby confirms the accuracy of the data contained in the annual accounting report of the OAO Sibneft and considers it possible to recommend the report for approval by the General Meeting of Shareholders.

The Chairperson of the Committee

G. P. Lebedeva

The members of the Committee

L. A. Barabash

A. I. Leshko