

Company No: 01460568 (England & Wales)

LAND & WATER RESOURCE CONSULTANTS LIMITED

ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996



LAND & WATER RESOURCE CONSULTANTS LIMITED

Company Registration No:01460568 (England & Wales)

DIRECTORS

R Garner
C M Wilson

COMPANY SECRETARY

C M Wilson

REGISTERED OFFICE

Trafalgar House
261 Nelson Road
Whitton, Twickenham
Middlesex
TW2 7BH

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The following does not form part of the statutory accounts:

8	Trading and Profit and Loss Account
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LAND & WATER RESOURCE CONSULTANTS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 1996

The directors submit their annual report and accounts for the year ended 31st December 1996.

Principal Activity

The company's principal activities during the year was that of exploration, development and use of land or water resources.

Directors

The directors during the year under review and the shares in the company in which they were beneficially interested at the beginning and end of the year were:

	<u>Ordinary shares of £1 each</u>	
	<u>At 1st January 1996</u>	<u>At 31st December 1996</u>
R Garner	500	500
C M Wilson	600	600

Directors' Responsibilities


Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts the directors are required to:

select suitable accounting policies and then apply them consistently;
make judgements and estimates that are reasonable and prudent;
follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
prepare the accounts 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 accounts 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 preparing the above report, the directors have taken advantage of special exemptions applicable to small companies provided by Part II of Schedule 8 to the Companies Act 1985.

Approved by the board and signed on its behalf on: 21 April 1997


C M Wilson - Director

ACCOUNTANTS REPORT TO THE SHAREHOLDERS
ON THE UNAUDITED ACCOUNTS OF
LAND & WATER RESOURCE CONSULTANTS LIMITED

We report on the accounts for the year ended 31 December 1996, set out on pages 3 to 7.

Respective responsibilities of directors and reporting accountants

As described on page 1, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the period specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

100 Catherine Gardens
Hounslow
Middlesex
TW3 2PW
Date: 21 April 1997



Cranenburgh Limited
Chartered Accountants

LAND & WATER RESOURCE CONSULTANTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1996

	Notes	1996 £	1995 £
TURNOVER		96,131	81,543
Administrative expenses		(101,794)	(68,643)
OPERATING PROFIT/(LOSS)	2	(5,663)	12,900
Interest payable and similar charges		(2,605)	(2,913)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(8,268)	9,987
Tax on profit/(loss) on ordinary activities		1,294	(1,500)
Profit/(loss) retained for the financial year		(6,974)	8,487
Retained profit brought forward		12,718	4,231
RETAINED PROFIT AT 31 DECEMBER 1996		5,744	12,718

Total Recognised Gains And Losses

The company has no recognised gains and losses other than the profit and loss for the period.

Continuing Operations

None of the company's activities were acquired or discontinued during the period.

The notes set out on pages 5 to 7 form an integral part of these accounts

LAND & WATER RESOURCE CONSULTANTS LIMITED

BALANCE SHEET

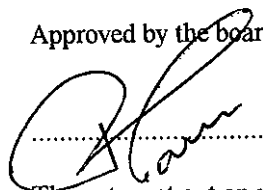
31ST DECEMBER 1996

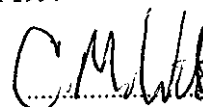
	Notes	1996 £	1995 £
FIXED ASSETS			
Tangible assets	3	41,709	42,434
Investments	4	<u>400</u>	<u>400</u>
		42,109	<u>42,834</u>
CURRENT ASSETS			
Debtors	5	35,355	34,499
CREDITORS: Amounts falling due within one year one	6	(50,495)	(43,390)
NET CURRENT LIABILITIES		(15,140)	(8,891)
TOTAL ASSETS LESS CURRENT LIABILITIES		26,969	33,943
CREDITORS: Amounts falling due after more than one year	7	(20,000)	(20,000)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,969</u>	<u>13,943</u>
CAPITAL AND RESERVES			
Called-up share capital	8	1,225	1,225
Profit and loss account		<u>5,744</u>	<u>12,718</u>
Shareholders' funds	9	<u>6,969</u>	<u>13,943</u>

For the financial year ended 31 December 1996, the company was entitled to exemption from audit under section 249A(2) Companies Act 1985; and no notice has been deposited under section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

The directors have taken advantage of special exemptions conferred by Part 1 of Schedule 8 to the Companies Act 1985 applicable to small companies in the preparation of the accounts and have done so on the grounds that, in their opinion, the company qualifies as a small company.

Approved by the board and signed on its behalf on: 21 April 1997

 R Garner - Director

 CM Wilson - Director

The notes set out on pages 5 to 7 form an integral part of these accounts

LAND & WATER RESOURCE CONSULTANTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

1 ACCOUNTING POLICIES

(a) Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Depreciation

Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Land	- Nil
Motor Vehicles	- 25% on net book value
Computer Equipment	- 20% on net book value
Office Equipment	- 20% on net book value

(c) Deferred Taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

(d) Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

(e) Turnover

Turnover represents net invoiced sales of goods, excluding VAT.

2 OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:	<u>1996</u>	<u>1995</u>
	£	£
Depreciation of tangible fixed assets		
- owned by the company	1,629	1,959
Directors' emoluments	<u>17,100</u>	<u>21,600</u>

LAND & WATER RESOURCE CONSULTANTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

3 TANGIBLE FIXED ASSETS

	<u>Total</u>	<u>Freehold</u>	<u>Plant and</u>
		<u>Land</u>	<u>Machinery etc.</u>
<u>COST</u>	<u>£</u>	<u>£</u>	<u>£</u>
At 1st January 1996	62,139	33,796	28,343
Additions	904	-	904
Disposals	-	-	-
At 31st December 1996	<u>63,043</u>	<u>33,796</u>	<u>29,247</u>
 <u>DEPRECIATION</u>			
At 1st January 1996	19,705	-	19,705
Charge for the year	1,629	-	1,629
Disposals	-	-	-
At 31st December 1996	<u>21,334</u>	<u>-</u>	<u>21,334</u>
 <u>NET BOOK VALUE</u>			
At 31st December 1996	<u>41,709</u>	<u>33,796</u>	<u>7,913</u>
At 31st December 1995	<u>42,434</u>	<u>33,796</u>	<u>8,638</u>

4 INVESTMENTS - Shares in associated undertakings

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
At 1 January 1996 and 31 December 1996	<u>400</u>	<u>400</u>

5 DEBTORS

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Trade debtors	27,551	28,820
Amounts owed by associated undertakings	6,686	5,679
Other debtors	<u>1,118</u>	<u>-</u>
	<u>35,355</u>	<u>34,499</u>

6 CREDITORS: Amounts falling due within one year

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Bank overdraft (secured)	4,794	5,367
U K Corporation Tax	-	1,500
Tax and social security costs	8,360	5,542
Other creditors	<u>37,341</u>	<u>30,981</u>
	<u>50,495</u>	<u>43,390</u>

7 CREDITORS: Amounts falling due after more than one year

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Other creditors	<u>20,000</u>	<u>20,000</u>

LAND & WATER RESOURCE CONSULTANTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

8 SHARE CAPITAL

	<u>Value</u> <u>1996</u> £	<u>Value</u> <u>1995</u> £
Authorised: 10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted called-up and fully paid: 1,225 Ordinary shares of £1 each	 <u>1,225</u>	 <u>1,225</u>

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1996</u> £	<u>1995</u> £
Profit/(Loss) for the financial year after taxation	<u>(6,974)</u>	<u>8,487</u>
Opening shareholders' funds at 1st January 1996	<u>13,943</u>	<u>5,456</u>
Closing shareholders' funds at 31st December 1996	<u>6,969</u>	<u>13,943</u>

10 RELATED PARTY TRANSACTIONS

Included in administrative expenses are service charges of £8,014 from an associated company, Natural Systems Software (Cambridge) Limited.