

Company No: 01460568 (England & Wales)

LAND & WATER RESOURCE CONSULTANTS LIMITED

ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1998



LAND & WATER RESOURCE CONSULTANTS LIMITED

Company Registration No:01460568 (England & Wales)

DIRECTORS

R Garner
C M Wilson

COMPANY SECRETARY

C M Wilson

REGISTERED OFFICE

1 Lode Road
Lode
Cambridge
CB5 9ER

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The following does not form part of the statutory accounts:

7	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 1998

The directors submit their annual report and accounts for the year ended 31st December 1998.

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 1998</u>	<u>At 31st December 1998</u>
R Garner	500	1
C M Wilson	600	832

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.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board and signed on its behalf on: 30 September 1999



C M Wilson - Director

LAND & WATER RESOURCE CONSULTANTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1998

	Notes	1998 £	1997 £
TURNOVER		117,804	87,861
Cost of sales		<u>(7,830)</u>	<u>7,830</u>
GROSS PROFIT		109,974	95,691
Administrative expenses		<u>(103,778)</u>	<u>(74,473)</u>
OPERATING PROFIT	2	6,196	21,218
Loss on disposal of fixed assets		-	(20,296)
Interest payable and similar charges		<u>(931)</u>	<u>(1,411)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		5,265	(489)
Tax on profit/(loss) on ordinary activities		<u>(1,487)</u>	<u>(3,372)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		3,778	(3,861)
Retained profit brought forward		<u>1,883</u>	<u>5,744</u>
RETAINED PROFIT AT 31 DECEMBER 1998		<u>5,661</u>	<u>1,883</u>

The notes set out on pages 4 to 6 form an integral part of these accounts

LAND & WATER RESOURCE CONSULTANTS LIMITED

BALANCE SHEET

31ST DECEMBER 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Tangible assets	3	14,835	12,538
Investments	4	<u>400</u>	<u>400</u>
		15,235	<u>12,938</u>
CURRENT ASSETS			
Stocks		-	7,830
Debtors	5	<u>18,675</u>	<u>15,608</u>
		18,675	23,438
CREDITORS: Amounts falling due within one year	6	<u>(22,024)</u>	<u>(33,268)</u>
NET CURRENT LIABILITIES		(3,349)	(9,830)
TOTAL ASSETS LESS CURRENT LIABILITIES		11,886	3,108
CREDITORS: Amounts falling due after more than one year	7	<u>(5,000)</u>	<u>-</u>
NET ASSETS		<u>6,886</u>	<u>3,108</u>
CAPITAL AND RESERVES			
Called-up share capital	8	1,225	1,225
Profit and loss account		<u>5,661</u>	<u>1,883</u>
		<u>6,886</u>	<u>3,108</u>

For the financial year ended 31 December 1998, the company was entitled to exemption from audit under section 249A(1) 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 accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

Approved by the board and signed on its behalf on: 30 September 1999



..... C M Wilson - Director

The notes set out on pages 4 to 6 form an integral part of these accounts

LAND & WATER RESOURCE CONSULTANTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

1 ACCOUNTING POLICIES

(a) Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

(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:

Premises Improvements	- over 10 years
Motor Vehicles	- 25% on net book value
Computer Equipment	- 20% on net book value
Office Equipment	- 20% on net book value

(c) Turnover : Turnover represents net invoiced sales of goods, excluding VAT.

(d) Stocks : Stocks are valued at the lower of cost and net realisable value.

2 OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:	<u>1998</u>	<u>1997</u>
	£	£
Depreciation of tangible fixed assets		
- owned by the company	2,913	2,747
Directors' emoluments	<u>16,173</u>	<u>17,300</u>

3 TANGIBLE FIXED ASSETS

	<u>Total</u>	<u>Improvements</u>	<u>Plant and</u>
	£	<u>Premises</u>	<u>Machinery etc.</u>
<u>COST</u>		£	£
At 1st January 1998	14,845	4,245	10,600
Additions	5,210	2,972	2,238
Disposals	-	-	-
At 31st December 1998	<u>20,055</u>	<u>7,217</u>	<u>12,838</u>
<u>DEPRECIATION</u>			
At 1st January 1998	2,307	426	1,881
Charge for the year	2,913	722	2,191
Disposals	-	-	-
At 31st December 1998	<u>5,220</u>	<u>1,148</u>	<u>4,072</u>
<u>NET BOOK VALUE</u>			
At 31st December 1998	<u>14,835</u>	<u>6,069</u>	<u>8,766</u>
At 31st December 1997	<u>12,538</u>	<u>3,819</u>	<u>8,719</u>

LAND & WATER RESOURCE CONSULTANTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

4 <u>INVESTMENTS - Shares in associated undertaking</u>	<u>1998</u>	<u>1997</u>
	£	£
At 1 January 1998 and 31 December 1998	<u>400</u>	<u>400</u>

Details of the associated undertaking, incorporated in England and Wales, at the balance sheet date is as follows:

<u>Name of company and business</u>	<u>Class of Shares</u>	<u>Holding %</u>	<u>Year end</u>
Natural Systems Software (Cambridge) Limited Selling agents for computer software	Ordinary	40.00	28 February 1998

Financial information about the associated undertaking

	£
Share Capital	1,000
Profit and Loss Account	<u>(25,687)</u>
Share Capital and Reserves	<u>(24,687)</u>
Profit for the year ended 28 February 1998	<u>235</u>

5 <u>DEBTORS</u>	<u>1998</u>	<u>1997</u>
	£	£
Trade debtors	12,034	3,938
Amounts owed by associated undertakings	5,020	11,670
Other debtors	<u>1,621</u>	-
	<u>18,675</u>	<u>15,608</u>

6 <u>CREDITORS: Amounts falling due within one year</u>	<u>1998</u>	<u>1997</u>
	£	£
Bank overdraft (secured)	11,486	13,763
U K Corporation Tax	1,424	3,400
Tax and social security costs	4,589	3,803
Other creditors	<u>4,525</u>	<u>12,302</u>
	<u>22,024</u>	<u>33,268</u>

The bank overdraft is secured on the personal guarantee given by Mr C M Wilson.

7 <u>CREDITORS: Amounts falling due after more than one year</u>	<u>1998</u>	<u>1997</u>
	£	£
Other creditors	<u>5,000</u>	=

Mr R Garner, a director, made a loan to the company during the year amounting to £5,000 and is included above in other creditors.

LAND & WATER RESOURCE CONSULTANTS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

<u>8 SHARE CAPITAL</u>	<u>Value</u> <u>1998</u> £	<u>Value</u> <u>1997</u> £
Authorised:		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted called-up and fully paid:		
1,225 Ordinary shares of £1 each	<u>1,225</u>	<u>1,225</u>

9 RELATED PARTY TRANSACTIONS

For the whole year, the company was under the control of Mr C M Wilson, a major shareholder and managing director of the company. The company paid Mr C M Wilson £3,000 for rent in the year.

During the year Natural Systems Software (Cambridge) Limited, an associated company, invoiced the company £7,000 for licence fees for the use of software marketed by Natural Systems Software (Cambridge) Limited