

2653180

GEO-TESTING SERVICES LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 2004



GEO-TESTING SERVICES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2004

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GEO-TESTING SERVICES LIMITED

DIRECTORS REPORT

The directors submit their report and the financial statements for the year ended 31st December 2004.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company's principal activity continues to be that of the provision of ground investigation and concrete testing services.

RESULTS AND DIVIDENDS

The profit for the year after taxation amounted to £ 1,978 (2003 - profit £ 38,388). The directors do not recommend the payment of a dividend.

FIXED ASSETS

The movement in fixed assets during the year are set out in note 6 to the financial statements on page 6.

DIRECTORS' INTEREST IN SHARES

The directors who held office during the year had the following interests in the share capital of the company:

| | Ordinary shares of £1 | |
|----------------|-----------------------|-----------------------|
| | 31st December 2004 | 31st December 2003 |
| N C S Harrison | 47 | 47 |
| G L Cutler | 31 | 31 |
| H S Harrison | 22 | 22 |

BY ORDER OF THE BOARD



DIRECTOR

COMPANY NUMBER : 2653180

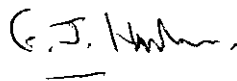
REGISTERED OFFICE :

NUMBER ONE
DEAN STREET
BEDMINSTER
BRISTOL
BS3 1BG

15th October 2005

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS OF
GEO-TESTING SERVICES LIMITED

In accordance with instructions given to me, I have prepared the financial statements set out on pages 3 to 8 from the accounting records of Geo-Testing Services Limited, and from the information and explanations supplied to me by the management of the company. I have not audited the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.



GRAHAME J. HARBOUR
Chartered Accountant
Reporting Accountant

Keynsham
Bristol

GEO-TESTING SERVICES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2004

| | NOTES | 2004 £ | 2003 £ |
|---|-------|-----------|-----------|
| TURNOVER | | 443,782 | 440,123 |
| Cost of sales | | (153,929) | (150,757) |
| | | ----- | ----- |
| GROSS PROFIT | | 289,853 | 289,366 |
| Administrative costs | | (283,760) | (247,849) |
| | | ----- | ----- |
| OPERATING PROFIT | 2 | 6,093 | 41,517 |
| Bank deposit interest & interest on tax repayment | | 48 | 76 |
| Interest payable | 3 | (3,874) | (3,205) |
| | | ----- | ----- |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 2,267 | 38,388 |
| Taxation | 4 | (289) | - |
| | | ----- | ----- |
| RETAINED PROFIT FOR THE YEAR | | 1,978 | 38,388 |
| | | ----- | ----- |

There are no recognised gains or losses other than the profit for the year.

The notes on pages 5 to 8 form part of these financial statements.

GEO-TESTING SERVICES LIMITED

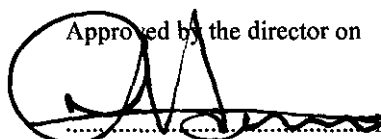
BALANCE SHEET
AS AT 31ST DECEMBER 2004

| | NOTES | 2004 £ | 2003 £ |
|--|-------|-----------|-----------|
| FIXED ASSETS | | | |
| Tangible assets | 6 | 440,278 | 389,390 |
| CURRENT ASSETS | | | |
| Work in progress | 7 | 15,624 | 8,365 |
| Debtors | 8 | 73,862 | 79,238 |
| Cash at bank and in hand | | 948 | 828 |
| | | 90,434 | 88,431 |
| CURRENT LIABILITIES | | | |
| Creditors (amounts due within one year) | 9 | (271,244) | (216,647) |
| NET CURRENT (LIABILITIES) | | (180,810) | (128,216) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 259,468 | 261,174 |
| Creditors (amounts due after more than one year) | 9 | (256,717) | (260,401) |
| NET ASSETS/(LIABILITIES) | | 2,751 | 773 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 10 | 100 | 100 |
| Profit and loss account | | 2,651 | 673 |
| Shareholder's funds | 11 | 2,751 | 773 |

In the directors' opinion the company was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the year ended 31st December 2004. No member of the company has deposited a notice under section 249B(2) requiring an audit of these accounts.

The directors are responsible for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss of each year in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the company.

Approved by the director on 15th October 2005.

 N C S Harrison

The notes on pages 5 to 8 form part of these financial statements.

GEO-TESTING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2004

1. ACCOUNTING POLICIES

- (a) Sales represent amounts invoiced for goods and services supplied by the company, all sales being derived from the United Kingdom.
- (b) Depreciation is calculated to provide the full cost of the assets over their expected normal lives, as follows :-

| | |
|-------------------|------------------------|
| Freehold property | 2% per annum on cost |
| Office equipment | 100% per annum on cost |
| Office furniture | 10% per annum on cost |
- (c) Work in progress represents completed and unbilled work and is valued at selling price.
- (d) Deferred taxation arises when items are recognised for tax purposes in periods that differ from the periods in which the items are recognised for accounting purposes. The company provides for deferred taxation by the liability method, except where it can be reasonably demonstrated that no corporation tax liabilities will arise in the foreseeable future.
- (e) The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £14,070 (2003 - £14,070).

| | | | |
|----|---|--------|-------|
| 2. | OPERATING PROFIT | 2004 | 2003 |
| | | £ | £ |
| | Operating profit is stated after charging : | | |
| | Depreciation - tangible fixed assets | 15,053 | 8,323 |
| | Accountants' remuneration | 2,050 | 1,945 |
| | (Profit) on sale of fixed assets | - | (189) |
| | | ----- | ----- |

| | | | |
|----|------------------------|-------|-------|
| 3. | INTEREST PAYABLE | 2004 | 2003 |
| | | £ | £ |
| | Bank loan interest | 3,874 | 2,677 |
| | Hire purchase interest | - | 528 |
| | | ----- | ----- |
| | | 3,874 | 3,205 |
| | | ----- | ----- |

| | | | |
|----|-------------------------------|-------|-------|
| 4. | TAXATION | 2004 | 2003 |
| | | £ | £ |
| | U.K. Corporation tax at 2.58% | 289 | - |
| | | ----- | ----- |

GEO-TESTING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

| | | | |
|----|-------------------------|----------------|----------------|
| 5. | DIRECTORS AND EMPLOYEES | 2004 £ | 2003 £ |
| | Staff costs : | | |
| | Wages and salaries | 133,575 | 140,850 |
| | Social security costs | 13,777 | 14,103 |
| | Pension contributions | 14,070 | 14,070 |
| | | <u>161,422</u> | <u>169,023</u> |

| | | | |
|--|---|--------|--------|
| | | Number | Number |
| | The average number of persons employed by the company was : | 7 | 7 |

Staff costs include the following remuneration in respect of directors :

| | | |
|-------------------------------------|-----|---------|
| Emoluments for services as director | £ - | £10,000 |
|-------------------------------------|-----|---------|

6.

| TANGIBLE FIXED ASSETS | | | | | | |
|-----------------------|----------------------|-------------------|------------------------|---------------------|---------------------|---------|
| | Freehold Property | Motor Vehicles | Plant and Equipment | Office Equipment | Office Furniture | TOTAL |
| | £ | £ | £ | £ | £ | £ |
| Cost | | | | | | |
| As at 01.01.04 | 385,299 | - | - | - | 19,500 | 404,799 |
| Additions | 61,780 | - | - | 4,161 | - | 65,941 |
| Disposals | - | - | - | - | - | - |
| As at 31.12.04 | 447,079 | - | - | 4,161 | 19,500 | 470,740 |
| Depreciation | | | | | | |
| As at 01.01.04 | 9,559 | - | - | - | 5,850 | 15,409 |
| Charge for the year | 8,942 | - | - | 4,161 | 1,950 | 15,053 |
| Disposals | - | - | - | - | - | - |
| As at 31.12.04 | 18,501 | - | - | 4,161 | 7,800 | 30,462 |
| Net book value | | | | | | |
| As at 31.12.04 | 428,578 | - | - | - | 11,700 | 440,278 |
| As at 31.12.03 | 375,740 | - | - | - | 13,650 | 389,390 |

GEO-TESTING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

| | | | |
|----|--|-----------|-----------|
| 7. | WORK IN PROGRESS | 2004 £ | 2003 £ |
| | Work in progress | 15,624 | 8,365 |
| | | ----- | ----- |
| 8. | DEBTORS | 2004 £ | 2003 £ |
| | Trade debtors | 69,276 | 73,597 |
| | Prepayments and accrued income | 4,586 | 5,641 |
| | | ----- | ----- |
| | | 73,862 | 79,238 |
| | | ----- | ----- |
| 9. | CREDITORS | 2004 £ | 2003 £ |
| | Amounts falling due within one year : | | |
| | Bank overdraft | 26,526 | 36,534 |
| | Bank loan | 3,039 | 2,817 |
| | Trade creditors | 38,201 | 32,860 |
| | Other taxes and social security | 9,026 | 8,961 |
| | Corporation tax | 289 | - |
| | Accruals | 40,251 | 9,856 |
| | Directors' current account | 153,912 | 125,619 |
| | | ----- | ----- |
| | | 271,244 | 216,647 |
| | | ----- | ----- |
| | Amounts falling due after more than one year : | | |
| | Hire purchase | - | - |
| | Bank loan | 56,717 | 60,401 |
| | Debenture loan | 200,000 | 200,000 |
| | | ----- | ----- |
| | | 256,717 | 260,401 |
| | | ----- | ----- |

The debenture secures a fixed and floating charge over any investments, property, goodwill and debts and a floating charge on all other assets of the company both present and future. No interest is payable until 31 December 2005.

| | | | |
|-----|----------------------------|--|----------------------------------|
| 10. | SHARE CAPITAL | Issued, allotted and fully paid 2004 and 2003 £ | Authorised 2004 and 2003 £ |
| | Ordinary shares of £1 each | 100 | 100 |
| | | ----- | ----- |

GEO-TESTING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2004

11. RECONCILIATION OF MOVEMENTS
IN SHAREHOLDERS' FUNDS

| | 2004 £ | 2003 £ |
|-----------------------------|--------------|------------|
| Opening shareholders' funds | 773 | (37,615) |
| Profit for the year | 1,978 | 38,388 |
| Closing shareholders' funds | <u>2,751</u> | <u>773</u> |

12. CAPITAL COMMITMENTS

No capital commitments had been authorised or entered into at the balance sheet date.

13. CONTINGENT LIABILITIES

The directors were not aware of any contingent liabilities at the balance sheet date.

14. INTEREST ON DIRECTOR'S LOAN ACCOUNTS

Interest was waived for the period.