

COMPANY REGISTRATION NUMBER 3303376

CGMS LIMITED
ABBREVIATED FINANCIAL STATEMENTS

31ST DECEMBER 2007



DALY, HOGGETT & CO.
Chartered Accountants & Registered Auditors
5-11 Mortimer Street
London
W1T 3HS

CGMS LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31ST DECEMBER 2007

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CGMS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST DECEMBER 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st December 2007

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activities of the company during the year were those of planning and environmental consultancy

The directors are pleased to report continuing growth during the year and currently expect this to continue during 2008

RESULTS AND DIVIDENDS

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements

The directors have not recommended a dividend

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year were as follows

P CHADWICK
K GOODWIN
E MORTIMER
J STOCKDALE

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

select suitable accounting policies and then apply them consistently,

make judgements and estimates that are reasonable and prudent,

prepare the financial statements 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements 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 so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

CGMS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST DECEMBER 2007

AUDITOR

A resolution to re-appoint Daly, Hoggett & Co as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Registered office
5 - 11 Mortimer Street
London
W1T 3HS

Signed by order of the directors

K-R-G

KEVIN ROY GOODWIN
Company Secretary

Approved by the directors on *29/5/08*

CGMS LIMITED

INDEPENDENT AUDITOR'S REPORT TO CGMS LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts, together with the financial statements of CgMs Limited for the year ended 31st December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITOR

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

5-11 Mortimer Street
London
W1T 3HS

21/6/08

Daly Hogggett & Co

DALY, HOGGETT & CO
Chartered Accountants
& Registered Auditors

CGMS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST DECEMBER 2007

	Note	2007 £	2006 £
GROSS PROFIT		3,296,283	2,322,793
Administrative expenses		<u>3,000,927</u>	<u>2,117,455</u>
OPERATING PROFIT	2	295,356	205,338
Interest receivable		8,596	3,600
Interest payable and similar charges	4	(28,514)	(9,127)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>275,438</u>	<u>199,811</u>
Tax on profit on ordinary activities	5	94,983	72,196
PROFIT FOR THE FINANCIAL YEAR		<u>180,455</u>	<u>127,615</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 6 to 11 form part of these abbreviated accounts

CGMS LIMITED
ABBREVIATED BALANCE SHEET

31ST DECEMBER 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Intangible assets	7	359,803	555,750
Tangible assets	8	231,641	194,719
		<u>591,444</u>	<u>750,469</u>
CURRENT ASSETS			
Stocks	9	295,225	205,109
Debtors	10	3,168,044	1,831,922
Cash at bank		117,854	140,638
		<u>3,581,123</u>	<u>2,177,669</u>
CREDITORS: Amounts falling due within one year	11	<u>3,429,060</u>	<u>2,274,768</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>152,063</u>	<u>(97,099)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>743,507</u>	<u>653,370</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	12	3,270	2,388
		<u>740,237</u>	<u>650,982</u>
CAPITAL AND RESERVES			
Called-up equity share capital	14	114,000	114,000
Share premium account	15	18,000	18,000
Capital Redemption Reserve	16	139,000	139,000
Profit and loss account	17	469,237	379,982
SHAREHOLDERS' FUNDS	18	<u>740,237</u>	<u>650,982</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors and authorised for issue on 29/5/08, and are signed on their behalf by


E MORTIMER


J STOCKDALE

The notes on pages 6 to 11 form part of these abbreviated accounts

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention

(b) Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

(c) Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

(d) Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Goodwill	5 Years Straight Line
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(e) Fixed assets

All fixed assets are initially recorded at cost

(f) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property Improvements	6 Years Straight Line
Plant & Machinery	3 Years Straight Line
Fixtures & Fittings	5 Years Straight Line
Computer Equipment	3 Years Straight Line

(g) Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

(h) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

(i) Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

(j) Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

1 ACCOUNTING POLICIES (continued)

(k) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 OPERATING PROFIT

Operating profit is stated after charging

	2007	2006
	£	£
Directors' emoluments	-	-
Amortisation	95,947	29,250
Depreciation of owned fixed assets	105,745	96,887
Auditor's remuneration		
- as auditor	12,000	11,000
Operating lease costs		
Plant and equipment	78,363	49,428
Motor vehicles	<u>68,375</u>	<u>38,356</u>

3 PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were

	2007	2006
	£	£
Wages and salaries	4,057,921	2,819,387
Social security costs	460,417	310,098
Other pension costs	73,197	67,375
	<u>4,591,535</u>	<u>3,196,860</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2007	2006
	£	£
Interest payable on bank borrowing	<u>28,514</u>	<u>9,127</u>

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

5 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2007 £	2006 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 30% (2006 - 26%)	95,281	78,288
Over/under provision in prior year	(1,180)	-
Total current tax	94,101	78,288
Deferred tax		
Origination and reversal of timing differences (note 12)		
Capital allowances	882	(6,092)
Tax on profit on ordinary activities	94,983	72,196

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2006 - 26%)

	2007 £	2006 £
Profit on ordinary activities before taxation	275,438	199,811
Profit on ordinary activities by rate of tax	82,631	51,951
Expenses not deductible for tax purposes	12,149	18,019
Depreciation for period in excess of capital allowances	501	8,337
Adjustment to tax charge in respect of previous periods	(1,180)	(19)
Total current tax (note 5(a))	94,101	78,288

6 DIVIDENDS

Equity dividends

	2007 £	2006 £
Paid		
Equity dividends on ordinary shares	91,200	34,200

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

7 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2007	585,000
Disposals	<u>(100,000)</u>
At 31st December 2007	<u>485,000</u>
AMORTISATION	
At 1st January 2007	29,250
Charge for the year	<u>95,947</u>
At 31st December 2007	<u>125,197</u>
NET BOOK VALUE	
At 31st December 2007	<u>359,803</u>
At 31st December 2006	<u>555,750</u>

8 TANGIBLE FIXED ASSETS

	Leasehold Property Improvements £	Plant & Machinery £	Fixtures & Fittings £	Equipment £	Total £
COST					
At 1 January 2007	113,471	46,863	184,659	190,495	535,488
Additions	<u>-</u>	<u>17,500</u>	<u>59,382</u>	<u>65,785</u>	<u>142,667</u>
At 31 December 2007	<u>113,471</u>	<u>64,363</u>	<u>244,041</u>	<u>256,280</u>	<u>678,155</u>
DEPRECIATION					
At 1 January 2007	43,691	37,150	111,995	147,933	340,769
Charge for the year	<u>18,911</u>	<u>12,213</u>	<u>36,792</u>	<u>37,829</u>	<u>105,745</u>
At 31 December 2007	<u>62,602</u>	<u>49,363</u>	<u>148,787</u>	<u>185,762</u>	<u>446,514</u>
NET BOOK VALUE					
At 31 December 2007	<u>50,869</u>	<u>15,000</u>	<u>95,254</u>	<u>70,518</u>	<u>231,641</u>
At 31 December 2006	<u>69,780</u>	<u>9,713</u>	<u>72,664</u>	<u>42,562</u>	<u>194,719</u>

9 STOCKS

	2007 £	2006 £
Work in progress	<u>295,225</u>	<u>205,109</u>

10. DEBTORS

	2007 £	2006 £
Trade debtors	2,954,075	1,685,347
Other debtors	57,974	26,524
Prepayments and accrued income	<u>155,995</u>	<u>120,051</u>
	<u>3,168,044</u>	<u>1,831,922</u>

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

11 CREDITORS Amounts falling due within one year

	2007	2006
	£	£
Overdrafts	751,686	305,653
Trade creditors	1,311,919	769,765
Amounts owed to group undertakings	353,819	502,955
Corporation tax	95,281	78,307
PAYE and social security	144,659	101,371
VAT	187,649	126,479
Other creditors	11,009	113,498
Accruals and deferred income	573,038	276,740
	<u>3,429,060</u>	<u>2,274,768</u>

The bank overdraft has been secured by the company

12 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2007	2006
	£	£
Provision brought forward	2,388	8,480
Profit and loss account movement arising during the year	882	(6,092)
Provision carried forward	<u>3,270</u>	<u>2,388</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007	2006
	£	£
Excess of taxation allowances over depreciation on fixed assets	3,270	2,388
	<u>3,270</u>	<u>2,388</u>

13. COMMITMENTS UNDER OPERATING LEASES

At 31st December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	2007		2006
	Land & Buildings £	Other Items £	Land & Buildings £
Operating leases which expire			
Within 1 year	-	120,000	24,000
Within 2 to 5 years	-	121,411	-
After more than 5 years	271,900	-	176,332
	<u>271,900</u>	<u>241,411</u>	<u>200,332</u>
			<u>210,402</u>

CGMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2007

14 SHARE CAPITAL

Authorised share capital

	2007	2006
	£	£
225,000 Ordinary shares of £1 each	225,000	225,000
150,000 Undesignated shares of £1 each	150,000	150,000
	<u>375,000</u>	<u>375,000</u>

Allotted, called up and fully paid

	2007		2006
	No	£	No
			£
Ordinary shares of £1 each	<u>114,000</u>	<u>114,000</u>	<u>114,000</u>

15 SHARE PREMIUM ACCOUNT

There was no movement on the share premium account during the financial year

16 CAPITAL REDEMPTION RESERVE

	2007	2006
	£	£
Capital redemption reserve	<u>139,000</u>	<u>139,000</u>

17 PROFIT AND LOSS ACCOUNT

	2007	2006
	£	£
Balance brought forward	379,982	286,567
Profit for the financial year	180,455	127,615
Equity dividends	(91,200)	(34,200)
Balance carried forward	<u>469,237</u>	<u>379,982</u>

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£	£
Profit for the financial year	180,455	127,615
Equity dividends	(91,200)	(34,200)
Net addition to shareholders' funds	<u>89,255</u>	<u>93,415</u>
Opening shareholders' funds	650,982	557,567
Closing shareholders' funds	<u>740,237</u>	<u>650,982</u>

19 ULTIMATE PARENT COMPANY

The company's ultimate holding company is CgMs Holdings Limited, a company incorporated in England and Wales