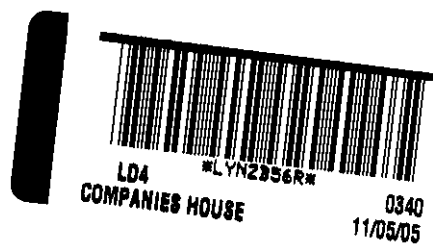


**GOLDER ASSOCIATES EUROPE LIMITED**

**Report and Financial Statements**

**31 December 2004**



# **GOLDER ASSOCIATES EUROPE LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2004**

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**REPORT AND FINANCIAL STATEMENTS 2004**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

P Jarre  
J Bruns  
G Vamos  
Y Lintu  
P F Meyer (resigned 19<sup>th</sup> March 2004)  
S Hultsjo  
J Jones (appointed 19<sup>th</sup> March 2004)  
P Gigli (appointed 10<sup>th</sup> June 2004)

**SECRETARY**

M A Young

**REGISTERED OFFICE**

Clyde House  
Reform Road  
Maidenhead  
Berkshire  
SL6 8LY

**BANKERS**

HSBC plc  
129 New Bond Street  
London  
W1A 2JA

**SOLICITORS**

Browne Jacobson  
44 Castle Gate  
Nottingham  
NG1 7BJ

**AUDITORS**

Deloitte & Touche LLP  
Chartered Accountants  
Reading

**DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2004.

**ACTIVITIES**

The company's principal activity is that of providing comprehensive consulting engineering services in the geotechnical, environmental and related fields.

**REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

The directors report total turnover of £1,661,106 (2003: £1,483,175).

The directors anticipate that growth in consulting fees during 2005 will be 10%. This is a result of the continued diversification of the services offered and the co-ordination of Golder Associates' European operations.

**RESULTS AND DIVIDENDS**

The results for the period are shown in the profit and loss account on page 5. The directors do not recommend the payment of a dividend (2003: £nil).

**DIRECTORS AND THEIR INTERESTS**

The current directors of the company, who served throughout the year, are set out on page 1.

None of the directors has any beneficial interest in the shares of the company or any other group company that requires disclosure pursuant to Schedule 7 of the Companies Act 1985.

**AUDITORS**

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



M A Young  
Secretary

15 April 2005

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those 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; and
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOLDER ASSOCIATES EUROPE LIMITED**

We have audited the financial statements of Golder Associates Europe Limited for the year ended 31 December 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

*This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.*

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

*We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.*

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



DELOITTE & TOUCHE LLP  
Chartered Accountants and  
Registered Auditors

Reading

5 May 2005

# GOLDER ASSOCIATES EUROPE LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 2004

	Note	2004 £	2003 £
<b>TURNOVER</b>	2	1,661,106	1,483,175
Cost of sales		<u>(1,120,349)</u>	<u>(1,213,544)</u>
<b>GROSS PROFIT</b>		540,757	269,631
Distribution costs		(100,626)	(158,069)
Administrative expenses		<u>(228,234)</u>	<u>(64,368)</u>
		<u>(328,860)</u>	<u>(222,437)</u>
<b>OPERATING PROFIT</b>	4	211,897	47,194
Interest receivable and similar income		850	479
Interest payable and similar charges	5	<u>(3,790)</u>	<u>(281)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		208,957	47,392
Tax on profit on ordinary activities	6	<u>(62,686)</u>	<u>(14,218)</u>
<b>RETAINED PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION</b>	12	146,271	33,174
Retained loss brought forward		<u>(218,397)</u>	<u>(251,571)</u>
Retained loss carried forward		<u><u>(72,126)</u></u>	<u><u>(218,397)</u></u>

All results derive from continuing operations.

There are no recognised gains and losses for the current and preceding years other than as stated in the profit and loss account. Accordingly, a statement of total recognised gains and losses has not been presented.

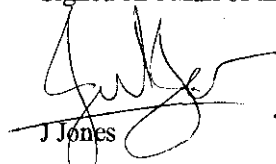
# GOLDER ASSOCIATES EUROPE LIMITED

## BALANCE SHEET 31 December 2004

	Note	2004 £	2003 £
<b>FIXED ASSETS</b>			
Tangible assets	7	<u>31,201</u>	<u>39,620</u>
<b>CURRENT ASSETS</b>			
Debtors	8	547,085	689,564
Cash at bank and in hand		<u>248,149</u>	<u>218,350</u>
		795,234	907,914
<b>CREDITORS: amounts falling due within one year</b>	9	<u>(890,289)</u>	<u>(1,157,686)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(95,055)</u>	<u>(249,772)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(63,854)	(210,152)
Deferred tax	10	<u>(272)</u>	<u>(245)</u>
<b>NET LIABILITIES</b>		<u>(64,126)</u>	<u>(210,397)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	8,000	8,000
Profit and loss account		<u>(72,126)</u>	<u>(218,397)</u>
<b>EQUITY SHAREHOLDERS' DEFICIT</b>	12	<u>(64,126)</u>	<u>(210,397)</u>

These financial statements were approved by the Board of Directors on 15 April 2005.

Signed on behalf of the Board of Directors

  
J Jones  
Director



## NOTES TO THE ACCOUNTS

### Year ended 31 December 2004

#### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. These have been consistently applied in the year and the preceding year.

##### Basis of preparation

The financial statements are prepared under the historical cost convention.

##### Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation.

Depreciation is provided on cost on a reducing balance basis at the following rates:

Computer equipment	25% per annum
Fixtures, fittings, tools and equipment	15% per annum

##### Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

##### Taxation

UK Corporation Tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Deferred tax is measured on a non-discounted basis. Timing differences arise from the inclusion of items in income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

#### 2. TURNOVER

Turnover represents the net amount receivable in the ordinary course of business for services provided to customers (including expenses incurred), excluding value added tax.

The turnover attributable to each of the company's geographical markets was:

	2004 £	2003 £
United Kingdom	175,566	294,303
Europe	1,485,540	1,182,685
Africa	-	6,187
	<u>1,661,106</u>	<u>1,483,175</u>

#### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The cost for directors has been borne in both years by other group companies. The allocation of their remuneration in respect of their services to the company is £nil (2003: £nil). The company had no employees during the period (2003: nil).

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2004**

**4. OPERATING PROFIT**

	2004 £	2003 £
<b>Operating profit is after charging:</b>		
Depreciation of owned assets	10,007	12,745
Auditors' remuneration - audit fee	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2004 £	2003 £
Bank interest payable	3,790	281
	<u>3,790</u>	<u>281</u>

**6. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES**

	2004 £	2003 £
UK corporation tax	62,659	14,161
Deferred tax	27	57
	<u>62,686</u>	<u>14,218</u>
Current year tax charge	<u>62,686</u>	<u>14,218</u>

The standard rate of corporation tax for the year, based on the UK standard rate of corporation tax, is 30%. There is no difference between the actual current tax charge and the standard rate of 30% in either year.

**7. TANGIBLE FIXED ASSETS**

	Computer equipment £	Fixtures, fittings, tools and equipment £	Total £
<b>Cost</b>			
At 1 January 2004	84,902	4,550	89,452
Additions	1,588	-	1,588
	<u>86,490</u>	<u>4,550</u>	<u>91,040</u>
At 31 December 2004	<u>86,490</u>	<u>4,550</u>	<u>91,040</u>
<b>Accumulated depreciation</b>			
At 1 January 2004	48,231	1,601	49,832
Charge for the year	9,565	442	10,007
	<u>57,796</u>	<u>2,043</u>	<u>59,839</u>
At 31 December 2004	<u>57,796</u>	<u>2,043</u>	<u>59,839</u>
<b>Net book value</b>			
At 31 December 2004	<u>28,694</u>	<u>2,507</u>	<u>31,201</u>
At 31 December 2003	<u>36,671</u>	<u>2,949</u>	<u>39,620</u>

# GOLDER ASSOCIATES EUROPE LIMITED

## NOTES TO THE ACCOUNTS

Year ended 31 December 2004

### 8. DEBTORS

	2004 £	2003 £
Trade debtors	286,449	157,801
Amounts owed by group undertakings	200,662	278,078
Prepayments and accrued income	39,216	197,797
Other debtors	20,758	55,888
	<u>547,085</u>	<u>689,564</u>

All amounts fall due within one year.

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Trade creditors	38,745	65,832
Amounts owed to group undertakings	668,703	947,723
Withholding tax	379	-
Corporation tax	62,659	14,161
Other taxation and social security	50,918	5,942
Other creditors	12,150	79,558
Accruals and deferred income	56,735	44,470
	<u>890,289</u>	<u>1,157,686</u>

### 10. DEFERRED TAXATION

	2004 £	2003 £
At 1 January	245	188
Current year charge	27	57
	<u>272</u>	<u>245</u>

The amount of deferred tax provided in the financial statements is as follows:

	2004 £	2003 £
Capital allowances in excess of depreciation	<u>272</u>	<u>245</u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2004**

**11. CALLED UP SHARE CAPITAL**

	2004 £	2003 £
<b>Authorised</b>		
8,000 ordinary shares of £1 each	8,000	8,000
	<u>8,000</u>	<u>8,000</u>
<b>Called up, allotted and fully paid</b>		
8,000 ordinary shares of £1 each	8,000	8,000
	<u>8,000</u>	<u>8,000</u>

**12. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' DEFICIT**

	2004 £	2003 £
Opening equity shareholders' deficit	(210,397)	(245,571)
Share capital issued	-	2,000
Profit for the year	146,271	33,174
	<u>(64,126)</u>	<u>(210,397)</u>
Closing equity shareholders' deficit	<u>(64,126)</u>	<u>(210,397)</u>

**13. ULTIMATE PARENT COMPANY AND CONTROLLING ENTITY**

The ultimate parent company and controlling entity is Enterra Holdings Limited, a company incorporated in Canada. Enterra Holdings Limited is the parent company of the only group for which consolidated accounts are prepared which include the company. Copies of the accounts of Enterra Holdings Limited are available from 2390 Argentia Road, Mississauga, Ontario, L5N 5Z7, Canada.

**14. RELATED PARTY TRANSACTIONS**

In accordance with Financial Reporting Standard No.8 "Related Party Disclosures", transactions with other group undertakings within, and investee related parties of, Enterra Holdings Limited have not been disclosed in these financial statements.