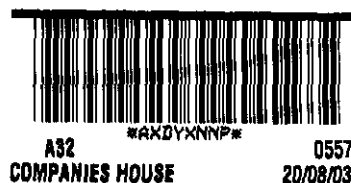


ALFRED H KNIGHT UK HOLDINGS LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2003



Company Registration Number 04323162

Blueprint Audit Limited
Chartered Accountants Registered Auditor
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

ALFRED H KNIGHT UK HOLDINGS LIMITED

FINANCIAL STATEMENTS

PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

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ALFRED H KNIGHT UK HOLDINGS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	DJL Knight RK Knight
Company secretary	Sandra Sadler
Registered office	Eccleston Grange Prescot Road St Helens Merseyside WA10 3BQ
Auditors	Blueprint Audit Limited Chartered Accountants Registered Auditor Sumner House St Thomas's Road Chorley Lancashire PR7 1HP

ALFRED H KNIGHT UK HOLDINGS LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

The directors have pleasure in presenting their report and the financial statements of the company for the period from 15 November 2001 to 31 March 2003.

Principal activities and business review

The company was incorporated on 15th November 2001 with the name Scooplevel Limited. The company changed its name on 11th February 2002 to Alfred H Knight UK Holdings Limited.

The company issued one £1 Ordinary share on the 15th November 2001 and 999 £1 Ordinary shares on 1st February 2002. All issued shares are fully paid.

The principal activity of the company during the year was that of a holding company.

The directors are satisfied with the results for the year

Results and dividends

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

The directors have not recommended a dividend.

Directors

The directors who served the company during the period were as follows:

DJL Knight	(Appointed 1 February 2002)
RK Knight	(Appointed 1 February 2002)
Instant Companies Limited	(Served from 15 November 2001 to 1 February 2002)

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

Directors' responsibilities

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 at the end of the period and of the profit or loss for the period then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 8, and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

ALFRED H KNIGHT UK HOLDINGS LIMITED

THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

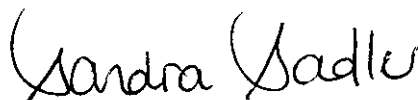
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint Blueprint Audit Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Eccleston Grange
Prescot Road
St Helens
Merseyside
WA10 3BQ

Signed by order of the directors



SANDRA SADLER
Company Secretary

Approved by the directors on 11/08/03

ALFRED H KNIGHT UK HOLDINGS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

We have audited the financial statements on pages 6 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards are set out in the Statement of Directors' Responsibilities on pages 2 to 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom 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 to you 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 and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

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.

ALFRED H KNIGHT UK HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2003 and of its profit for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.

Blueprint Audit Limited

Blueprint Audit Limited
Registered Auditor
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

Date: *11/08/03*

ALFRED H KNIGHT UK HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

	Period from 15 Nov 01 to 31 Mar 03
Note	£
Turnover	—
Administrative expenses	—
Profit on ordinary activities before taxation	—
Tax on profit on ordinary activities	—
Retained profit for the financial period	—

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 period as set out above.

ALFRED H KNIGHT UK HOLDINGS LIMITED

BALANCE SHEET

31 MARCH 2003

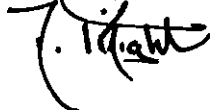
	Note	31 Mar 03 £
Fixed assets		
Investments	4	21,002
Creditors: Amounts falling due within one year	5	20,002
Total assets less current liabilities		<u>1,000</u>
Capital and reserves		
Called-up equity share capital	7	<u>1,000</u>
Shareholders' funds	8	<u>1,000</u>

These financial statements were approved by the directors on the 11/08/03 and are signed on their behalf by:

DJL KNIGHT



RK KNIGHT



ALFRED H KNIGHT UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Consolidation

The company was, at the end of the period, a wholly-owned subsidiary of another company incorporated in the EEC and in accordance with section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

2. OPERATING PROFIT

Operating profit is stated after charging:

Period
from
15 Nov 01
to
31 Mar 03
£

Directors' emoluments

—

Directors' remuneration has been paid by another group company in the year.

Auditors' remuneration has been paid by another group company in the year.

3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the period.

ALFRED H KNIGHT UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

4. INVESTMENTS

	Shares in group undertakings £
Cost	
Additions	221,004
At 31 March 2003	<u>221,004</u>
Amounts written off	
Written off in period	200,002
At 31 March 2003	<u>200,002</u>
Net book value At 31 March 2003	<u>21,002</u>

The company owns 100% of the issued ordinary share capital of the UK companies listed below,

Name of company and registered office	Nature of business
Aynsome Laboratories Limited	Analysis of food products
Alfred H Knight Consultancy Limited	Consultancy and failure investigations
Alfred H Knight Eastern Europe Limited	Sampling and assaying
A H Knight Asia Laboratory Limited	Sampling and assaying
A H Knight Asia Limited	Sampling and assaying
Alfred H Knight International Limited	Sampling and assaying
Knight Energy Services International Limited	Sampling and assaying
Knight Energy Services Limited	Sampling and assaying

5. CREDITORS: Amounts falling due within one year

	31 Mar 03 £
Amounts owed to group undertakings	<u>20,002</u>

ALFRED H KNIGHT UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 15 NOVEMBER 2001 TO 31 MARCH 2003

6. RELATED PARTY TRANSACTIONS

The company was under the control of Alfred H Knight Holdings Limited throughout the current.

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

7. SHARE CAPITAL

Authorised share capital:

	31 Mar 03
	£
1,000 Ordinary shares of £1 each	<u>1,000</u>

Allotted, called up and fully paid:

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

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Mar 03
	£
New equity share capital subscribed	<u>1,000</u>
Net addition to funds	<u>1,000</u>
Closing shareholders' equity funds	<u>1,000</u>

9. ULTIMATE PARENT COMPANY

The directors consider the ultimate parent company to be Alfred H Knight Holdings Limited which is the only undertaking that prepares group accounts including the financial statements of the company. Copies of the group accounts can be obtained at the registered office of this company.