

Registered number: 5735394

Burgess Rail (Welding) Limited

Unaudited

Abbreviated accounts

For the period ended 30 September 2006



Burgess Rail (Welding) Limited

The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 5) have been prepared

Accountants' Report to the Board of Directors on the Unaudited financial statements of Burgess Rail (Welding) Limited

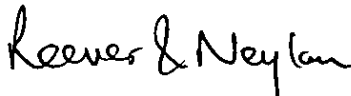
In accordance with the engagement letter dated 20 April 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss account, the Balance sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 30 September 2006 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Reeves and Neylan

Chartered Accountants

77 Biggin Street
Dover
Kent
CT16 1BB

23 May 2007

Burgess Rail (Welding) Limited

Abbreviated Balance Sheet As at 30 September 2006

| | Note | £ | 2006 £ |
|--|------|------------------|----------------------|
| Fixed assets | | | |
| Intangible fixed assets | 2 | | 55,000 |
| Tangible fixed assets | 3 | | 17,605 |
| | | | <u>72,605</u> |
| Current assets | | | |
| Stocks | | 37,241 | |
| Debts factored with recourse | | | |
| Gross debts (after provision for charges) | | 417,377 | |
| Other debtors | | 102,720 | |
| Cash at bank and in hand | | 2,915 | |
| | | <u>560,253</u> | |
| Creditors: amounts falling due within one year | | <u>(548,538)</u> | |
| Net current assets | | | <u>11,715</u> |
| Total assets less current liabilities | | | <u>84,320</u> |
| Creditors: amounts falling due after more than one year | 4 | | <u>(66,667)</u> |
| Net assets | | | <u><u>17,653</u></u> |
| Capital and Reserves | | | |
| Called up share capital | 5 | | 1 |
| Profit and loss account | | | <u>17,652</u> |
| Shareholders' funds | | | <u><u>17,653</u></u> |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 September 2006 and of its profit for the period then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 22 May 2007.



A Coyne
Director

The notes on pages 3 to 5 form part of these financial statements

Burgess Rail (Welding) Limited

Notes to the abbreviated accounts For the period ended 30 September 2006

1. Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

The revenue recognised is measured by reference to the amounts likely to be chargeable to customers, less a suitable allowance to recognise the uncertainties remaining in the completion of the obligations. Contingent income is recognised only when the contingent element is assured

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life

Amortisation is provided at the following rates

| | | | |
|----------|---|-----|---------------|
| Goodwill | - | 20% | straight line |
|----------|---|-----|---------------|

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

| | | | |
|-------------------|---|-----|---------------|
| Plant & machinery | - | 10% | straight line |
| Motor vehicles | - | 20% | straight line |

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1.7 Factored debts

Gross trade debtors subject to factoring are shown in the balance sheet within assets, and the corresponding liability in respect of the proceeds received from the factor are shown within liabilities. Interest charges on the facility are charged to the profit and loss account as they are incurred

Burgess Rail (Welding) Limited

Notes to the abbreviated accounts For the period ended 30 September 2006

2. Intangible fixed assets

| | £ |
|-----------------------|--------|
| Cost | |
| Additions | 60,000 |
| At 30 September 2006 | 60,000 |
| Amortisation | |
| Charge for the period | 5,000 |
| At 30 September 2006 | 5,000 |
| Net book value | |
| At 30 September 2006 | 55,000 |

3. Tangible fixed assets

| | £ |
|-----------------------|---------|
| Cost | |
| Additions | 20,000 |
| Disposals | (1,500) |
| At 30 September 2006 | 18,500 |
| Depreciation | |
| Charge for the period | 895 |
| At 30 September 2006 | 895 |
| Net book value | |
| At 30 September 2006 | 17,605 |

4. Creditors: Amounts falling due after more than one year

Included in creditors is a bank loan totalling £100,000 of which £66,667 is due after more than one year. The bank loan is secured by way of a fixed and floating charge over the assets of the company, first legal charge over land owned by a related party (The Travel Market Limited), and a unilateral personal guarantee from D Warren, a director, for £400,000, which covers this company as well as Burgess Marine Limited, Burgess Engineering Limited (in Administration), Burgess Marine Services Limited (in Administrative Receivership) and Burgess Rail Limited (in Administration).

Burgess Rail (Welding) Limited

Notes to the abbreviated accounts For the period ended 30 September 2006

5. Share capital

| | 2006 £ |
|---|-------------------|
| Authorised | |
| 10,000 Ordinary shares of £1 each | 10,000 |
| | <hr/> |
| Allotted, called up and fully paid | |
| 1 Ordinary share of £1 each | 1 |
| | <hr/> |

The company has issued one £1 share, at par

6. Directors' personal guarantees

A guarantee to secure all of the companies liabilities has been given by D Warren, in the sum of £400,000, in favour of HSBC Bank plc

7. Related party transactions

The company has purchased goods and services from The Travel Market Limited, a company owned by D Warren, one of the directors, during the period, at a cost of £474. The amount owed to The Travel Market Limited was £130

The company has also purchased goods and services from Burgess Marine Limited, also owned by D Warren, at a cost of £52,764. The amount owed to Burgess Marine Limited at 30 September 2006 was £18,307

8. Controlling party

The company is controlled by D Warren, who holds the only issued share