

MONO SCOTLAND LIMITED

**Report and Financial Statements
31 August 2006**



MONO SCOTLAND LIMITED

REPORT AND FINANCIAL STATEMENTS 31 AUGUST 2006

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MONO SCOTLAND LIMITED

REPORT AND FINANCIAL STATEMENTS 31 AUGUST 2006

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R D Cairns
G F Hill
R J C McFarlane
B D Dougherty

SECRETARY

B D Dougherty

REGISTERED OFFICE

48 St Vincent Street
Glasgow
G2 5TS

BANKERS

Bank of Scotland
11 Renfield Street
Glasgow
G2 5EZ

SOLICITORS

Brechun Tindal Oatts
48 St Vincent Street
Glasgow
G2 5HS

INDEPENDENT AUDITORS

Deloitte & Touche LLP
Glasgow

MONO SCOTLAND LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 31 August 2006

PRINCIPAL ACTIVITY

The principal activity of the company is that of a non trading holding company. There are no plans for the company to commence trading in the future.

On 24 February 2006 the company's ultimate parent company Mono Global Limited was acquired by Mono Global Group Limited.

DIRECTORS

The directors who served during the year were as follows

K A Lewandowski (resigned 1 January 2007)
B D Dougherty
R J C MacFarlane
R D Cairns
G F Hill

The interests of K A Lewandowski, B D Dougherty, R D Cairns, G F Hill and R J C MacFarlane in the shares of the ultimate holding company, Mono Global Group Limited, are disclosed in the financial statements of that company.

AUDITORS

In the case of each of the persons who are directors of the company at the date when this report was approved

- so far as the directors' is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The confirmation is given and should be interpreted in accordance with the provisions of S234A of the Companies Act 1985.

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.

By order of the Board,



B D Dougherty
Secretary

\ February 2007

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 its profit or loss for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONO SCOTLAND LIMITED

We have audited the financial statements of Mono Scotland Limited for the year ended 31 August 2006 which comprise the balance sheet and the related notes 1 to 12. 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

We read other information contained in the financial statements, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

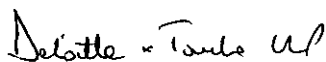
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 August 2006,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements.



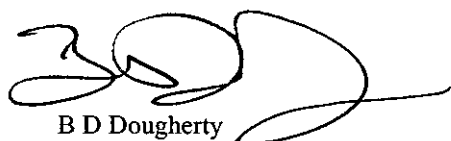
Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Glasgow, United Kingdom
15th February 2007

MONO SCOTLAND LIMITED

BALANCE SHEET 31 AUGUST 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Investments	3	<u>1,200,000</u>	<u>1,200,000</u>
CURRENT ASSETS			
Debtors	4	<u>327,164</u>	<u>327,164</u>
		327,164	327,164
CREDITORS: amounts falling due within one year	5	<u>(192,960)</u>	<u>(192,960)</u>
NET CURRENT ASSETS		<u>134,204</u>	<u>134,204</u>
NET ASSETS		<u>1,334,204</u>	<u>1,334,204</u>
CAPITAL AND RESERVES			
Called up share capital	6	27,157	27,157
Share premium account	7	1,307,039	1,307,039
Profit and loss account	7	<u>8</u>	<u>8</u>
SHAREHOLDERS' FUNDS	8	<u>1,334,204</u>	<u>1,334,204</u>

The financial statements were approved by the board of directors on 1 February 2007 and signed on their behalf by


B D Dougherty
Director

MONO SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2006

1. ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the current year and the preceding year, is set out below

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

As permitted by section 228 of the Companies Act 1985, the company has not prepared consolidated financial statements. The group results of Mono Global Group Limited consolidate the results of Mono Global Limited and its subsidiary undertakings

The financial statements therefore present information about the company as an individual undertaking and not as a group. The company has not traded in the year or the preceding year. Accordingly no profit and loss account is presented

Investments

Fixed asset investments are shown at cost less provision for any impairment

2. DIRECTORS' REMUNERATION

Directors' remuneration in both years has been borne by a fellow group undertaking and it has not been practical to apportion their services for this company

3. FIXED ASSET INVESTMENT

	2006 £	2005 £
Subsidiary undertakings at cost	1,200,000	1,200,000

Principal group investments

The company has investments in the following companies

<i>Subsidiary undertakings</i>	<i>Country of incorporation</i>	<i>Principal activity</i>	<i>Company Holding %</i>
Mono Consultants Limited	Scotland	Project managers, planning, acquisition and design consultants for telecoms market	100
Mono Consultants (Southern)* Limited	Scotland	Non trading	100

* Held through Mono Consultants Limited

At 31 August 2006 the profit after tax for Mono Consultants Limited was £1,572,576 (2005 £1,051,576). The net assets were £3,826,516 (2005 £2,253,940)

At 31 August 2006 the profit after tax for Mono Consultants (Southern) Limited was £Nil (2005 – £Nil). The net assets were £202,599 (2005 £202,599)

MONO SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

4. DEBTORS

	2006 £	2005 £
Amounts owed by subsidiary undertaking	<u>327,164</u>	<u>327,164</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Amounts due to subsidiary undertaking	<u>192,960</u>	<u>192,960</u>

6. CALLED UP SHARE CAPITAL

	2006 £	2005 £
Authorised		
78,000 ordinary E shares of 25p each	19,500	19,500
63,800 ordinary F shares of 25p each	15,950	15,950
	<u>35,450</u>	<u>35,450</u>

Allotted, called up and fully paid

50,464 ordinary E shares of 25p each	12,616	12,616
58,164 ordinary F shares of 25p each	14,541	14,541
	<u>27,157</u>	<u>27,157</u>

The shares rank pari passu in all respects

7. RESERVES

	Share premium account £	Profit and loss account £	Total £
At 31 August 2005 and 31 August 2006	<u>1,307,039</u>	<u>8</u>	<u>1,307,047</u>

8. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2006 £	2005 £
Opening and closing shareholder's funds	<u>1,334,204</u>	<u>1,334,204</u>

MONO SCOTLAND LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2006

9. RELATED PARTY TRANSACTIONS

The company has taken advantage of the provisions of FRS 8 "Related Party Disclosures" not to disclose transactions with other wholly owned subsidiary undertakings of the Mono Global Group Limited group

10. SUBSEQUENT EVENTS

On 1 January 2007 Ken Lewandowski resigned, with immediate effect, from his position as C E O of Mono Consultants Limited Mr Lewandowski cited personal reasons for his decision and advised of his resignation as director of the following group companies

Mono Global Group Limited	SC296339
Mono Global Limited	SC226981
Mono Consultants Limited	SC175320
Mono Scotland Limited	SC212999
Mono Electrical Services Limited	SC135826

The Board of directors approved the promotion and appointment of Brian Dougherty (formerly Finance Director) as C E O of Mono Consultants Limited with immediate effect The appointment was subsequently ratified by HBOS Group

The Board of Directors believe that the above changes in the executive Management team will have no impact on the ongoing viability of the business

11. CONTINGENT LIABILITIES AND GUARANTEES

The company has contingent liabilities in respect of cross guarantees on the overdrafts of its fellow group undertakings As at 31 August 2006, overdrafts of these companies totalled £2,181,269 (2005 £nil)

12. ULTIMATE HOLDING COMPANY

The ultimate parent company is Mono Global Group Limited, a company registered in Scotland The smallest and largest group into which the results of the company are consolidated is Mono Global Group Limited

Copies of the group financial statements are available from the Registrar of Companies