

ENVIROMETRICS LIMITED

Financial statements

for the year ended 30 June 2003

Directors

P R Bull
P C Hudson

Secretary

P R Bull

Accountants

Moore Stephens
Chartered Accountants
12 Alma Square
Scarborough
North Yorkshire
YO11 1JU

Bankers

Barclays Bank PLC
PO Box 13
St Nicholas Street
Scarborough
North Yorkshire
YO11 2HS

Registered office

12 Alma Square
Scarborough
North Yorkshire
YO11 1JU

Company registration

England 1 674 821

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REGISTRAR OF COMPANIES**



ENVIROMETRICS LIMITED

Directors' report

for the year ended 30 June 2003

The directors have pleasure in presenting their annual report to shareholders together with the company's unaudited accounts for the year ended 30 June 2003.

Principal activity

The company's principal activities are property investment and corporate promotion work.

Directors and their interests in the capital of the company

The directors and their family interests in the capital of the company during the period were:

	Ordinary £1 shares	
	30 June 2003	30 June 2002
P R Bull	100	100
P C Hudson	—	—

Elective resolutions

The shareholders have passed elective resolutions dispensing with the requirement to hold an annual general meeting and to lay the accounts before an annual general meeting. Nevertheless the directors would like to remind the shareholders that any shareholder has the right to call for the accounts to be laid before a meeting of the shareholders and this right may be exercised by notice in writing to the company's registered office within 28 days from the date of receipt of the accounts.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



P R Bull
Director

ENVIROMETRICS LIMITED

Statement of 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 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 judgments 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 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accountants' report to the directors on the unaudited accounts for the year ended 30 June 2003

As described above, the company's directors are responsible for the preparation of the accounts for the year ended 30 June 2003, set out on pages 4 to 8, and the directors consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985. In accordance with the directors' instructions, we have compiled these unaudited accounts in order to assist the directors to fulfil their statutory responsibilities, from the accounting records of Envirometrics Limited, and from information and explanations supplied to us.

12 Alma Square
Scarborough
YO11 1JU

14 April 2004



MOORE STEPHENS

Chartered Accountants

ENVIROMETRICS LIMITED

Profit and loss account

for the year ended 30 June 2003

	Note	£	2002 £
Turnover	1	33,254	31,754
Gross profit		<u>33,254</u>	<u>31,754</u>
Administrative expenses		4,845	5,756
Operating profit	8	<u>28,409</u>	<u>25,998</u>
Interest receivable and similar income		355	764
Profit on ordinary activities before taxation		<u>28,764</u>	<u>26,762</u>
Taxation on profit on ordinary activities	9	5,464	4,817
Profit on ordinary activities after taxation		<u>23,300</u>	<u>21,945</u>
Dividend – paid		–	10,000
Retained profit for the year	7	<u>23,300</u>	<u>11,945</u>

Statement of total recognised gains and losses

for the year ended 30 June 2003

	£	2002 £
Profit for the year	23,300	11,945
Unrealised surplus on property revaluation	50,000	–
Total recognised gains relating to the year	<u>73,300</u>	<u>11,945</u>

ENVIROMETRICS LIMITED

Balance sheet

as at 30 June 2003

	Note	£	£	2002 £	2002 £
Fixed assets					
Tangible assets	2		9,391		11,498
Investment property	3		300,000		250,000
			<u>309,391</u>		<u>261,498</u>
Current assets					
Debtors	4	44,246		483	
Cash at bank and in hand		33,696		52,815	
		<u>77,942</u>		<u>53,298</u>	
Creditors: amounts falling due within one year	5	9,932		10,603	
Net current assets			<u>68,010</u>		<u>42,695</u>
Total assets less current liabilities			<u>377,401</u>		<u>304,193</u>
Provisions for liabilities and charges					
Deferred tax	10		8,909		9,001
Net assets			<u>368,492</u>		<u>295,192</u>
Capital and reserves					
Called up share capital	6		100		100
Revaluation reserve	7		235,746		185,746
Profit and loss account	7		132,646		109,346
			<u>368,492</u>		<u>295,192</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

For the year in question the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. The members have not required the company to obtain an audit of its accounts for the period in accordance with s249B(2). The directors acknowledge their responsibilities for:

- a) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- b) preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of section 226 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

Approved by the board of directors on 14 April 2004.



P R Bull
Director

ENVIROMETRICS LIMITED

Notes to the accounts

for the year ended 30 June 2003

1 Accounting policies

These accounts have been prepared under the historical cost convention, as modified by the revaluation of freehold property, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), adopting the following principal accounting policies.

1.01 Depreciation

Depreciation of fixed assets has been provided at various rates which are anticipated to amortise the cost over the assets' expected useful lives. Indicative annual rates are:—

Plant & machinery (excluding computer equipment)	15% reducing balance basis
Computer equipment	33% straight line basis
Hire stock	10% straight line basis

1.02 Investment property

In accordance with the Financial Reporting Standard for Smaller Entities the directors have included the company's investment property in the balance sheet at their estimate of open market value. Surpluses on revaluation of investment property are credited to an undistributable investment revaluation reserve.

In common with many other investment companies and in accordance with the Financial Reporting Standard for Smaller Entities, no depreciation has been provided on freehold investment property. This departure from statutory principles is enabled under Section 226(5), Companies Act 1985 for the overriding purpose of presenting a true and fair view.

1.03 Turnover

Turnover comprises rental income, stated net of value added tax.

1.04 Deferred taxation

Deferred tax is recognised as a liability or asset if the transactions or events that give an obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date, although deferred tax assets are recognised only when it becomes more likely than not that they will be recoverable and deferred tax is not provided on timing differences arising when a fixed asset is revalued without there being any commitment to sell the asset.

2 Tangible assets

	Plant & machinery, fixtures, fittings, tools & equipment
Cost	£
As at 30.06.02	28,903
Additions	1,035
Disposals	(1,280)
As at 30.06.03	<u>28,658</u>
Depreciation	
As at 30.06.02	17,405
Provided in year	2,179
Disposals	(317)
As at 30.06.03	<u>19,267</u>
Net book value	
As at 30.06.02	<u>11,498</u>
As at 30.06.03	<u>9,391</u>

ENVIROMETRICS LIMITED

Notes to the accounts

for the year ended 30 June 2003

3 Investment property

Valuation	Freehold property £
As at 30.06.02	250,000
Revaluation	50,000
As at 30.06.03	<u>300,000</u>

The original cost of the investment property was £64,254.

4 Debtors	£	2002 £
Trade debtors	2,308	483
Other debtors	41,850	—
Prepayments and accrued income	88	—
	<u>44,246</u>	<u>483</u>

5 Creditors: amounts falling due within one year	£	2002 £
Other creditors including taxation and social security	8,606	9,307
Accruals and deferred income	1,326	1,296
	<u>9,932</u>	<u>10,603</u>

6 Share capital	£	2002 £
Authorised — £1 ordinary shares	<u>1,000</u>	<u>1,000</u>
Issued & fully paid — £1 ordinary shares	<u>100</u>	<u>100</u>

7 Reserves	Profit & loss account £	Revaluation reserve £
As at 30.06.02	109,346	185,746
Retained profit for the year	23,300	—
Revaluation surplus in year	—	50,000
As at 30.06.03	<u>132,646</u>	<u>235,746</u>

8 Operating profit	£	2002 £
Operating profit is stated after charging:		
Depreciation	2,179	2,413
Directors' remuneration	<u>—</u>	<u>—</u>

ENVIROMETRICS LIMITED

Notes to the accounts

for the year ended 30 June 2003

9	Taxation	£	2002 £
	Corporation tax	5,556	4,982
	Deferred tax	(92)	(165)
		<u>5,464</u>	<u>4,817</u>

10 Deferred taxation

The full potential liability and amount provided in the accounts relating to deferred taxation, assuming a tax rate of 19% (2002 – 19%), arise from the following timing differences between the tax computations and accounts:—

	£	2002 £
Full potential liability		
Capital allowances in excess of depreciation	<u>8,909</u>	<u>9,001</u>
Of which provided in the accounts		
Capital allowances in excess of depreciation	<u>8,909</u>	<u>9,001</u>

The deferred tax relating to the property revaluation surplus has not been quantified in the absence of an agreed 1982 market value.

11 Related party transactions

Included in turnover is rent charged to Castle Group Limited of £31,754. P R Bull is a director and major shareholder of Castle Group Limited and Envirometrics Limited.

P R Bull and his wife have a joint loan account with the company. At the year end there was a balance included in other debtors of £41,850. The maximum liability during the year was £42,162.

12 Contingent liabilities

The company has given unlimited guarantees to its bankers in favour of Castle Group Limited and its subsidiary companies.

13 Disclosure of control

For the purposes of the related party disclosure provisions of the Financial Reporting Standard for Smaller Entities, the company is controlled by Mr P R Bull, a director of the company.