

THOMAS RESEARCH SERVICES LIMITED

FINANCIAL STATEMENTS

31st AUGUST 2002

COMPANY NUMBER 2518421



E. DAVID GRAY - CHARTERED ACCOUNTANT - THORNGUMBALD

THOMAS RESEARCH SERVICES LIMITED

Directors' Report

The directors present their report and the unaudited accounts for the year ended 31 August 2002.

Directors' Responsibilities

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

Activities

The company's principal activity, which is unchanged since last year, is the provision of consultancy services in respect of slag analysis.

Directors and their Interests

The directors at 31 August 2002 and their interests in the share capital of the company throughout the year then ended were as follows:-

Ordinary Shares

G. H. Thomas Esq.	4,208
Mrs. P. M. Thomas	4,208
I. D. Thomas Esq.	4,208

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

By order of the board


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Secretary - Mrs. P. M. Thomas
23rd May 2003

Registered Office

4 Tattershall Castle Court
New Holland
Lincolnshire

THOMAS RESEARCH SERVICES LIMITED

PROFIT AND LOSS ACCOUNT
YEAR ENDED 31st AUGUST, 2002

<u>Notes</u>	<u>2001/2002</u>	<u>2000/20001</u>
2 <u>Turnover</u>	105243	111921
Cost of Sales	<u>50247</u>	<u>52079</u>
<u>Gross profit</u>	<u>54996</u>	<u>59842</u>
Administrative expenses	<u>101126</u>	<u>87444</u>
<u>Operating profit (loss)</u>	<u>(46130)</u>	<u>(27602)</u>
Interest receivable	264	446
Rent and Sundry Income	<u>12076</u>	<u>6247</u>
	<u>12340</u>	<u>6693</u>
3 <u>Profit (Loss) on ordinary activities before taxation</u>	(33790)	(20909)
7 Tax on profit on ordinary activities	<u>2883</u>	<u>(3567)</u>
<u>Profit for the financial year on ordinary activities after taxation</u>	(36673)	(17342)
Dividends	<u>-</u>	<u>-</u>
	<u>(36673)</u>	<u>(17342)</u>
Balance brought forward	<u>92871</u>	<u>110213</u>
Retained profit carried forward	<u><u>£ 56198</u></u>	<u><u>£ 92871</u></u>

THOMAS RESEARCH SERVICES LIMITED

BALANCE SHEET AS AT 31st AUGUST 2002

<u>Notes</u>		<u>2002</u>	<u>2001</u>
8	<u>Tangible fixed assets</u>	34215	68880
	<u>Current assets</u>		
	Stock and Work In Progress	1350	2225
4	Debtors	50306	30011
	Cash at bank and in hand	<u>15131</u>	<u>43657</u>
		66787	75893
5	<u>Creditors: Amounts falling due</u> <u>Within one year</u>	<u>27972</u>	<u>35070</u>
		38815	40823
	<u>Total assets less current liabilities</u>	<u>£ 73030</u>	<u>£ 109703</u>
	<u>Capital and reserves</u>		
6	Called up share capital	16832	16832
	Profit and Loss Account	<u>56198</u>	<u>92871</u>
		<u>£ 73030</u>	<u>£ 109703</u>

For the year ended 31st August 2002 the company was entitled to exemption under section 249A(1) of the Companies Act 1985.

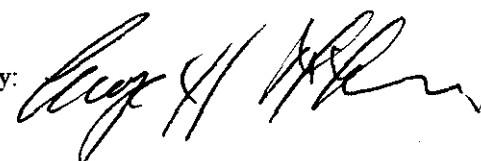
No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibilities for:

- i) Ensuring the company keeps accounting records which comply with section 221; and
- ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The accounts are prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved by the board of directors on 23rd May 2003 and signed on their behalf by:



Director – G. H. Thomas Esq.

THOMAS RESEARCH SERVICES LIMITED

NOTES TO THE ACCOUNTS AT 31st AUGUST 2002

1 Accounting policies

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

Laboratory equipment	20% written down value
Laboratory fixtures and fittings	10% written down value
Office Equipment	20% written down value
Motor vehicles	25% written down value
Expenditure on Leasehold Property	Over three years

Stocks and Work in Progress

These are valued at the lower of cost and net realisable value. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

	<u>2002</u>	<u>2001</u>
2 <u>Turnover</u>		
The percentage of turnover relating to non-UK markets is:	0.00%	0.00%
3 <u>Profit on ordinary activities before taxation</u>		
This is stated after charging:		
Directors' emoluments	<u>£ 43285</u>	<u>£ 34043</u>
Depreciation – owned assets	<u>£ 26956</u>	<u>£ 18744</u>
4 <u>Debtors</u>		
Trade debtors	47730	22822
Corporation Tax	–	2883
Prepayments	948	1991
Other Debtors	1628	2315
	<u>£ 50306</u>	<u>£ 30011</u>
5 <u>Creditors: Amounts falling due within one year</u>		
Trade Creditors	1341	1015
Taxation and Social Security	6706	8608
Directors' account	16860	23070
Other creditors	3065	2377
	<u>£27972</u>	<u>£ 35070</u>

THOMAS RESEARCH SERVICES LIMITED

NOTES TO THE ACCOUNTS AT 31st AUGUST 2002

	<u>2002</u>	<u>2001</u>
6 <u>Called up share capital</u>		
Ordinary shares of £1 each:		
Authorised	<u>£ 20000</u>	<u>£ 20000</u>
Allotted and fully paid	<u>£ 16832</u>	<u>£ 16832</u>
7 <u>Tax on profit on ordinary activities</u>		
UK Corporation Tax – Year to 31-8-99	2886	(2886)
Interest received	<u>–</u>	<u>(681)</u>
	<u>£ 2886</u>	<u>£ (3567)</u>

Deferred taxation has not been provided in these accounts. This arises from the timing differences between depreciation provisions on fixed assets and the capital allowances claims made for tax purposes. The amount of Corporation Tax so deferred at 31st August 2002 is £NIL.

8 <u>Tangible fixed assets</u>	<u>Expenditure on leasehold property</u>	<u>Plant and machinery, etc.</u>	<u>Total</u>
<u>Cost</u>			
At 1 st September 2001	9661	190415	200076
Additions	–	2291	2291
Disposals	–	69600	69600
At 31 st August 2002	<u>£ 9661</u>	<u>£ 123106</u>	<u>£ 132767</u>
<u>Depreciation</u>			
At 1 st September 2001	6951	124245	131196
Provided during the year	1355	25601	26956
Disposals	–	59600	59600
At 31 st August 2002	<u>£ 8306</u>	<u>£ 90246</u>	<u>£ 98552</u>
<u>Net book value</u>			
At 31 st August 2002			<u>£ 34215</u>
At 31 st August 2001			<u>£ 68880</u>