

1. The Company was incorporated on 17 February 1997, and commenced trading on 1 March 1997. The Company's Accounting Reference Date is 31 December.

The Company operates as a close company, as defined by HM Inland Revenue. Of the £1000 authorised share capital, £100 is issued and held between the Company's two directors, in the form of £1 ordinary paid-up shares.

The Company has no permanent employees, other than its two directors.

2. The principal business of the Company, throughout the period covered by this report, remained the provision of professional consultancy services to the civil engineering and related industries, both in the UK and overseas.
3. Despite an encouraging start to the year, business was severely curtailed by the cancellation or deferral of several anticipated projects, UK and overseas, in respect of which consultancy commissions had been secured. Additionally, default on the part of the Guinea Government, in respect of a contract already commenced, caused severe difficulty to one of the Company's clients Divemex Limited; this resulting in the curtailment of work for that client and delays in payment of fees, a substantial proportion of which remained unpaid as of year end. On a gross turnover of £16,293, including written-off debts of £2,298, the Company therefore sustained a small trading loss of £225.

While continuing to provide incidental support to Divemex Limited, in an effort to resolve difficulties in West Africa, the Company's activity for the second half of the year was concentrated on prospecting for new commissions.

4. Expenditure on capital assets during 2000 was confined to replacement and modest upgrading of IT hardware and software, the latter benefitting from a newly-introduced concession allowing 100% first-year write-down for tax purposes. The Company's capital assets consist mainly of IT equipment, crucial to its activities, and all of which was considered sufficiently up-to-date to meet current requirements.
5. The accounts for the period ended 31 December 2000 are appended hereto.

Having regard to the fact that turnover was less than £1,000,000, and under the provisions of the Audit Exemption Regulations (Companies Act 1985, §§249A-E), the Directors have elected to dispense with an independent audit for the 2000 Accounts.

Appropriation is set out in the attached accounts; the year's trading loss and fixed asset acquisitions being charged wholly to the Profit & Loss Account. After due adjustment for non-deductible expenses, the chargeable out-turn remains in loss, and the Directors therefore consider that no provision is required in respect of Corporation Tax for the year in question.

Having regard also to the position re Debtors' Account as of year-end, the Directors have therefore determined that no dividend be paid by the Company in respect of its 2000 financial year.

Andrew P.R. Sadleir (Secretary)

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} Directors
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Thirza Sadleir

Thirza Sadleir

10 September 2001



PROFIT & LOSS ACCOUNT: 1 January-31 December 2000

	£	£	notes
TURNOVER			a
sales	16074.68		
- fees			
- expenses	<u>217.97</u>		
		16292.65	b
COSTS			
directors' remuneration	4950.00		
employer's National Insurance	(0.70)		
directors' expenses	1389.22		
sub-contractors/suppliers	61.70		
premises - heating & lighting	210.10		
office costs	1657.47		c
other administrative overheads	611.25		d
bank, etc charges	129.37		
motor car - fuel			
- maintenance			
- tax, insurance, etc	3790.32		
miscellaneous, sundries	123.16		e
increase/(decrease) in accruals	107.42		
decrease/(increase) in work-in-progress	<u>800.00</u>		f
		(13829.31)	
CAPITAL CHARGES			
Fixed assets (not motor vehicles)			g
depreciation	346.01		
balancing charges	<u>44.41</u>		
		(390.42)	
BAD DEBTS			
unrecoverable losses written off		(<u>2297.87</u>)	h
PROFIT/(LOSS) BEFORE TAX		(<u>224.95</u>)	

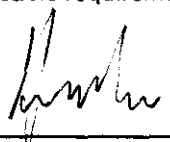
APPROPRIATION: 2000

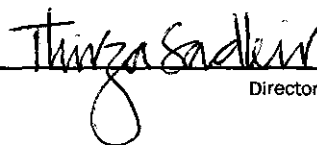
Profit/(Loss) before tax B/F	(224.95)	
Provide for Corporation Tax	<u>nil</u>	i
Net Profit/(Loss)	(224.95)	
Brought forward from 1999	626.02	
Additions to fixed assets (2000)	(339.09)	
Transfer to general reserve	nil	
Proposed total distribution	<u>nil</u>	
Balance carried forward to 2001	<u>61.98</u>	

	£	£	notes
ASSETS			
Fixed Assets (book value after depreciation)			
office equipment, including computers	<u>630.37</u>		
total fixed assets		630.37	
Current Assets			
cash and bank accounts	nil		
trade debtors	7593.62		b
directors' current accounts	828.15		j
PAYE and NICs overpaid	73.69		
work in progress	<u>300.00</u>		f
total current assets		8795.46	
TOTAL ASSETS		<u>9425.83</u>	
ISSUED CAPITAL			
100 ordinary shares of £1 each, fully paid		100.00	
REVENUE RESERVES			
Accumulated cost of fixed assets	2354.49		
General Reserve	4400.00		
Profit & Loss A/c	<u>61.98</u>		
		6816.47	
TOTAL SHAREHOLDERS' INTERESTS		6916.47	
Corporation Tax (year to 31/12/2000)	nil		i
		<u>nil</u>	
CAPITAL EMPLOYED		6916.47	
CURRENT LIABILITIES			
(amounts falling due within 30 days)			
Value Added Tax	185.37		k
Corporation Tax (year to 31/12/1999)	590.89		l
bank current a/c overdraft	998.60		
trade creditors (nil) and accruals	135.58		m
directors' current accounts	598.92		j
(amounts falling due within 1 year)			
proposed final dividend	nil		
total current liabilities		2509.36	
TOTAL LIABILITIES		<u>9425.83</u>	

The Directors hereby confirm, with reference to the Companies Act 1985 ("the Act"), and relevant amendments:

- that they have elected to dispense with an audit of these accounts, under the provisions of §249A(1) of the Act;
 - that no notice has been deposited under §249B(2) of the Act;
- and acknowledge their responsibility:
- for ensuring the maintenance of the Company's accounting records in compliance with §221 of the Act;
 - for so preparing these accounts as to give a true and fair view of the Company and of its profit for the period stated, in accordance with the requirements of §226 of the Act, and that they otherwise comply with the applicable requirements of the Act relating to accounts.


 ANDREW P.A. SADDLEIR


 Thirza Saddleir

Notes to the 2000 Accounts

- a All figures are quoted exclusive of Value Added Tax, to the extent that VAT is payable to/recoverable from HM Customs & Excise.
- b As invoiced to 31/12/00. See comments at Report ¶3 (page i) in respect of overdue debtors.
- c Includes £1298.38 telecommunications costs (UK-West Africa telephone and fax charges).
- d Includes £91.36 as business entertainment, this figure being added back to profit for calculation of Corporation Tax (see note i below).
- e Mainly miscellaneous gratuities and advances to Divemex Ltd. African personnel.
- f Work in Progress: (see comments in Report ¶3) restricted to notional 50% of international telephone charges incurred July-December 2000, rounded down to nearest £25. (WIP at 31/12/99 was £1100.)
- g Fixed Assets consist primarily of computer equipment and software. The majority of items are therefore classified as short-life assets, individual valuations being maintained on an asset database. Advantage has been taken of enhanced (40% and 100%) first-year write-down rates for small companies.

The fixed asset valuation summary for 2000 is as follows (excludes motor vehicles - see note h below):

	<u>short-life</u>	<u>pooled</u>	<u>all assets</u>
book value B/F	652.95	28.75	681.70
additions	339.09	nil	339.09
disposals	nil	nil	nil
depreciation	338.82	9.59	346.01
balancing charges	<u>44.41</u>	<u>N/A</u>	<u>44.41</u>
book value C/F	608.81	21.56	630.37

- h Motor vehicle accepted in part-payment of outstanding fees, at agreed nominal value. Write-off represents shortfall of proceeds on actual disposal, after allowing for necessary major repairs, disposal costs (advertising, etc.), and output VAT due on effective fee payment. This vehicle was then sold at book value to Andrew Sadleir, no depreciation being charged to Company accounts.
- i Calculation of Corporation Tax (small companies rate) - see Report ¶5 (page i).
- | | |
|---|--------------|
| Trading profit/(loss) | (224.95) |
| Accrual for interest due to IR (see note m) | 11.82 |
| Business entertainment (see note d) | <u>91.36</u> |
| Taxable profit/(loss) | (121.77) |
- Provision for Corporation Tax (self-assessment) = nil.
- j ie Andrew Sadleir (828.15)
Thirza Sadleir 598.92
(229.23)
- k Due 31 January 2001.
- l Payments due January-June 2001.
- m Includes £11.82 interest due to Inland Revenue in respect of 1999 Corporation Tax payment (note l), this figure being added back to profit for calculation of Corporation Tax (see note i).