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Global Resources Group Limited
(formerly Global Highland Management Services Limited)

Group Report and Financial Statements

31 March 2006

TUESDAY



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COMPANIES HOUSE

Global Resources Group Limited
(Formerly Global Highland Management Services Limited)

Registered No ~~SC65126~~

172021

Directors

R J MacGregor
I R MacGregor
M A L MacGregor
D A MacGregor
W Hamilton
P V Wisely
A B Mair

Secretary

R J MacGregor

Auditors

Ernst & Young LLP
Barony House
Stoneyfield Business Park
Stoneyfield
Inverness
IV2 7PA

Bankers

Bank of Scotland
2 6 Eastgate
Inverness
IV2 3NA

Solicitors

Stronachs
34 Albyn Place
Aberdeen
AB10 6XF

Registered office

19 Academy Street
Inverness
IV1 1JN

Directors' report

The directors present their report and the group accounts for the period 6 April 2005 to 31 March 2006

Results and dividends

The profit for the year, after taxation, amounted to £602,062 and is dealt with as shown in the profit and loss account. A dividend of £133,333 was paid during the year.

Principal activity and review of the business

Global Resources Group are a dynamic, fast growing organisation focused on the provision of world class services and solutions. These services and solutions encompass an integrated range of business units providing:

- Engineering services
- Fabrication Services
- Resource Management
- Supply Chain Management
- Quality Management and 3rd Party Inspection
- Pipelines Support

The Group operates in both the Oil and Gas and Non-Oil and Gas markets and has met with particular success in the drilling, subsea, production support, petro chem and utilities sectors with expected turnover to be in excess of £65m for the financial year ending 31 March 2007.

The Board have a strategy for organic growth allied to a carefully targeted acquisition plan, all of which is underpinned by a commitment to attract, retain and develop our key resource people.

The company changed its name to Global Resources Group Limited on 30 March 2006.

Directors and their interests

The directors at 31 March 2006 and their interests in the share capital of the company were as follows:

	<i>At 31 March 2006</i>	<i>At 5 April 2005</i>
	<i>Ordinary shares</i>	<i>Ordinary shares</i>
R J MacGregor	380,000	380,000
I R MacGregor		
M A L MacGregor		
D A MacGregor		

Subsequent to the period end, the following were appointed as directors of the company:

W Hamilton	(appointed 25 July 2006)
J M Murphy	(served from 25 July 2006 to 21 September 2006)
P V Wisely	(appointed 25 July 2006)
A B Mair	(appointed 25 July 2006)

Directors' report

Directors' statement as to disclosure of information to auditors

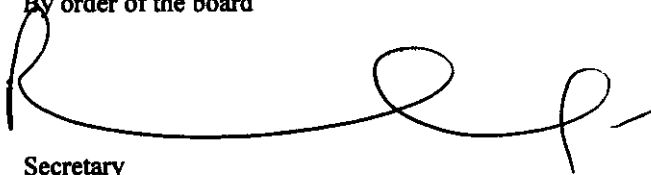
The directors who are members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the group's auditors, each of the directors confirms that

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the group's auditors are unaware, and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the group's auditors are aware of that information

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

By order of the board



Secretary

29/1/2007

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of Global Resources Group Limited

We have audited the group and parent company financial statements (the "financial statements") of Global Resources Group Limited for the period ended 31 March 2006 which comprise the Group Profit and Loss Account, Group Balance Sheet, Company Balance Sheet, Group Statement of Cash Flows and the related notes 1 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the group'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 group'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 group and the group'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 Annual Report of the financial statements in accordance with applicable United Kingdom law and 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 financial statements.

In addition we report to you if, in our opinion, the group has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report 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 group's and 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.

Independent auditors' report

to the members of Global Resources Group Limited (continued)

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 group's and the parent company's affairs as at 31 March 2006 and of the group's profit for the period then ended,
- the financial statements have been properly prepared in accordance with the provisions of the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Ernst & Young LLP
Registered Auditor
Inverness

29/1/2007

Group Profit and Loss Account

at 31 March 2006

		<i>Period to 31 March 2006</i>	<i>Year to 5 April 2005</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Turnover	2	23,624,725	11,273,953
Cost of sales		19,420,197	9,533,443
Gross profit		4,204,528	1,740,510
Administrative expenses		3,116,763	839,994
Operating profit	3	1,087,765	900,516
Amounts written off investments			(32,000)
Interest receivable		7,634	14,915
Interest payable and similar charges	6	(24,097)	
Profit on ordinary activities before taxation		1,071,302	883,431
Tax on profit on ordinary activities	7	334,832	221,403
Profit on ordinary activities after taxation		736,470	662,028

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £736,470 attributable to the shareholders for the period ended 31 March 2006 (2005 profit of £662,028)

Group Balance Sheet

at 31 March 2006

		31 March 2006	5 April 2005
	Notes	£	£
Fixed assets			
Intangible assets	8	(30,806)	
Tangible assets	9	267,355	29,133
Investments	10	125,000	
		<u>361,549</u>	<u>29,133</u>
Current assets			
Debtors	11	7,865,057	1,724,417
Cash at bank and in hand		76,000	616,770
		<u>7,941,057</u>	<u>2,341,187</u>
Creditors amounts falling due within one year	12	6,458,006	1,178,887
		<u>1,483,051</u>	<u>1,162,300</u>
Net current assets			
		<u>1,844,600</u>	<u>1,191,433</u>
Total assets less current liabilities			
Provisions for liabilities and charges	7	1,894	
Accruals and deferred income			
Deferred government grants	13		3,864
		<u>1,842,706</u>	<u>1,187,569</u>
Minority interest		52,000	
		<u>1,790,706</u>	<u>1,187,569</u>
Capital and reserves			
Called up share capital	14	380,000	380,000
Share premium account	15	5,000	5,000
Other reserves	15	135,000	135,000
Profit and loss account	15	1,270,706	667,569
		<u>1,790,706</u>	<u>1,187,569</u>
Equity shareholders' funds	15	<u>1,790,706</u>	<u>1,187,569</u>

Director

29/1/2007

Balance sheet

at 31 March 2006

	Notes	31 March 2006 £	5 April 2005 £
Fixed assets			
Intangible assets	8		
Tangible assets	9	133,045	29,133
Investments	10	350,001	
		<u>483,046</u>	<u>29,133</u>
Current assets			
Debtors	11	6,542,621	1,724,417
Cash at bank and in hand		6,957	616,770
		<u>6,549,578</u>	<u>2,341,187</u>
Creditors: amounts falling due within one year	12	5,233,850	1,178,887
Net current assets/(liabilities)		<u>1,315,728</u>	<u>1,162,300</u>
Total assets less current liabilities		<u>1,798,774</u>	<u>1,191,433</u>
Accruals and deferred income			
Deferred government grants	13		3,864
		<u>1,798,774</u>	<u>1,187,569</u>
Capital and reserves			
Called up share capital	14	380,000	380,000
Share premium account	15	5,000	5,000
Other reserves	15	135,000	135,000
Profit and loss account	15	1,278,774	667,569
Equity shareholders' funds	15	<u>1,798,774</u>	<u>1,187,569</u>


Director

29/1/ 2007

Group Statement of cash flows

for the year ended 31 March 2006

		31 March 2006	5 April 2005
	Notes	£	£
Net cash (outflow)/inflow from operating activities	17(a)	(1,647,424)	523,653
Returns on investments and servicing of finance	17(b)	(16,463)	14,915
Taxation	17(b)	(206,588)	(632)
Capital expenditure and financial investments	17(b)	(298,995)	(85,621)
Acquisitions and disposals	17(b)	(389,303)	
Financing	17(b)		10,000
(Decrease)/increase in cash		<u>(2,558,773)</u>	<u>462,315</u>

Reconciliation of net cash flow to movement in net debt

		2006	2005
	Notes	£	£
(Decrease)/increase in cash	17(c)	(2,558,773)	462,315
Loan acquired with subsidiary		(61,516)	
Movement in net debt		<u>(2,620,289)</u>	<u>462,315</u>
Net funding at 1 April	17(c)	616,770	154,455
Net funding at 31 March	17(c)	<u>(2,003,519)</u>	<u>616,770</u>

Notes to the financial statements

at 31 March 2006

1. Accounting policies

Accounting convention

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

The implementation of FRS21 "Events after the balance sheet date" has resulted in a change in the treatment of dividends. Where an entity declares dividends after the balance sheet date, the entity shall not recognise those dividends as a liability at the balance sheet date. The dividend is recognised in the period it is paid.

Basis of consolidation

The consolidated accounts incorporate the accounts of the company and its subsidiary undertakings for the period ended 31 March 2006. Unless otherwise stated, the acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

In accordance with Section 230(4) of the Companies Act 1985, Global Resources Group Limited is exempt from the requirement to present its own profit and loss account. The result of the financial year dealt within the financial statements of Global Resources Group Limited is disclosed in note 16 to these accounts.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Computer equipment	33% straight line
Office equipment	20% straight line
Motor vehicles	25% straight line
Plant	20% straight line

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Notes to the financial statements

at 31 March 2006

1. Accounting policies (continued)

Deferred taxation (continued)

- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,
- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profit from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date

All differences are taken to the profit and loss account

Operating lease agreements

Rentals paid under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Pensions

The company makes contributions to personal pension plans for certain employees of the company. These contributions are charged in the profit and loss account as they become payable in accordance with the rules of the schemes

2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties, in respect of goods and services supplied by the company

	<i>Period to 31 March 2006 £</i>	<i>Year to 5 April 2005 £</i>
United Kingdom	23,091,201	7,563,737
EC	2,533,524	3,710,216
	<u>23,624,725</u>	<u>11,273,953</u>

Notes to the financial statements

at 31 March 2006

3. Operating profit

This is stated after charging

	<i>Period to 31 March 2006 £</i>	<i>Year to 5 April 2005 £</i>
Depreciation of owned fixed assets	58,185	33,989
Amortisation of goodwill		7,881
Auditors' remuneration fees to group auditor	12,000	6,000
paid to subsidiary auditors	9,500	
Net loss/(profit) on foreign currency translation	2,586	(203,121)
Government grants released	(3,864)	(9,663)
	<u> </u>	<u> </u>

4. Directors' emoluments

	<i>Period to 31 March 2006 £</i>	<i>Year to 5 April 2005 £</i>
Emoluments	109,457	62,079
	<u> </u>	<u> </u>

5. Staff costs

	<i>Period to 31 March 2006 £</i>	<i>Year to 5 April 2005 £</i>
Wages and salaries	1,491,236	433,471
Social security costs	164,611	45,102
Pension costs	32,545	9,307
	<u>1,688,392</u>	<u>487,880</u>

The average number of employees (including directors) within each category of persons during the year was

	<i>2006 No</i>	<i>2005 No</i>
Management	2	2
Administration staff	45	17
	<u>47</u>	<u>19</u>

Notes to the financial statements

at 31 March 2006

6. Interest payable and similar charges

	<i>Period to 31 March 2006 £</i>	<i>Year to 5 April 2005 £</i>
Bank loans and overdraft	24,014	
Other interest	83	
	<u>24,097</u>	<u></u>

7. Taxation on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	<i>Period to 31 March 2006 £</i>	<i>Year to 5 April 2005 £</i>
<i>Current tax</i>		
UK corporation tax	342,393	224,924
Tax overprovided in previous years	(6,666)	(3,521)
Total current tax (note 7(b))	<u>335,727</u>	<u>221,403</u>
<i>Deferred tax</i>		
Origination and reversal of timing allowances (note 7(c))	(895)	
Tax on profit on ordinary activities	<u>334,832</u>	<u>221,403</u>

Notes to the financial statements

at 31 March 2006

7. Taxation on ordinary activities

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2005 – 30%) The differences are reconciled below

	2006 £	2005 £
Profit on ordinary activities before tax	1,071,302	883,431
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005 – 30%)	321,391	265,029
Expenses not deductible for tax purposes and non taxable income	21,855	29,132
Income not deductible for tax purposes		(68,213)
Accelerated capital allowances	(5,723)	(1,018)
Short term timing differences	1,250	
Tax overprovided in prior years	(6,666)	(3,521)
Others	3,620	
Marginal relief		(6)
Total current tax (note 7(a))	<u>335,727</u>	<u>221,403</u>

(c) Deferred tax

	2006 £	2005 £
Accelerated capital allowances (note 7(a))	<u>895</u>	
		£
At 1 April 2005		
Profit and loss account movement arising during the year		895
Acquired on purchase of subsidiary		999
At 31 March 2006		<u>1,894</u>

Notes to the financial statements

at 31 March 2006

8. Intangible fixed assets

Group

	<i>Goodwill</i> £
Cost	
At 5 April 2005	7,881
Net negative goodwill arising on acquisitions	(30,806)
At 31 March 2006	(22,925)
Amortisation:	
At 5 April 2005 and 31 March 2006	(7,881)
Net book value	
At 31 March 2006	(30,806)
At 6 April 2005	

Company

	<i>Goodwill</i> £
Cost	
At 5 April 2005 and 31 March 2006	7,881
Amortisation:	
At 5 April 2005 and 31 March 2006	(7,881)
Net book value	
At 31 March 2006	
At 6 April 2005	

Notes to the financial statements

at 31 March 2006

9. Tangible fixed assets

Group

	<i>Leasehold Property</i>	<i>Computer Equipment</i>	<i>Office Equipment</i>	<i>Motor Vehicles</i>	<i>Plant</i>	<i>Total</i>
	£	£	£	£	£	£
Cost						
At 5 April 2005	1,320	81,985	8,528	20,585	2,500	114,918
Additions	102,515	87,481	45,079	39,111	22,221	296,407
Disposals		(42,872)		(20,585)		(63,457)
At 31 March 2006	103,835	126,594	53,607	39,111	24,721	347,868
Depreciation						
At 5 April 2005	1,320	57,123	5,757	20,585	1,000	85,785
Provided during period		39,957	7,947	5,837	4,444	58,185
Disposals		(42,872)		(20,585)		(63,457)
At 31 March 2006	1,320	54,208	13,704	5,837	5,444	80,513
Net book value						
At 31 March 2006	102,515	72,386	39,903	33,274	19,277	267,355
At 6 April 2005		24,862	2,771		1,500	29,133

Company

	<i>Leasehold Property</i>	<i>Computer Equipment</i>	<i>Office Equipment</i>	<i>Motor Vehicles</i>	<i>Plant</i>	<i>Total</i>
	£	£	£	£	£	£
Cost						
At 5 April 2005	1,320	81,985	8,528	20,585	2,500	114,918
Additions		72,792	40,242	22,990	22,221	158,245
Disposals		(42,872)		(20,585)		(63,457)
At 31 March 2006	1,320	111,905	48,770	22,990	24,721	209,706
Depreciation						
At 5 April 2005	1,320	57,123	5,757	20,585	1,000	85,785
Provided during period		36,203	7,938	5,748	4,444	54,333
Disposals		(42,872)		(20,585)		(63,457)
At 31 March 2006	1,320	50,454	13,695	5,748	5,444	76,661
Net book value						
At 31 March 2006		61,451	35,075	17,242	19,277	133,045
At 6 April 2005		24,862	2,771		1,500	29,133

Notes to the financial statements

at 31 March 2006

10 Fixed asset investments

	<i>Shares in group companies £</i>	<i>Unlisted investments £</i>	<i>Total £</i>
Cost			
At 6 April 2005	10,000	72,000	82,000
Additions	225,001	125,000	350,001
At 31 March 2006	235,001	197,000	432,001
Amounts provided			
At 6 April 2005	10,000	72,000	82,000
Written off in the period			125,000
At 31 March 2006	10,000	72,000	207,000
Net book value:			
At 31 March 2006	225,001	125,000	350,001
At 6 April 2005			

Details of the investments in which the group and the company holds 20% or more of the nominal value of any class of share capital are as follows

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of voting</i>	<i>Nature of business</i>
Maris Limited	'A' ordinary Voting shares	100%	Providing consultancy to the oil and gas industry
Global Material Services Limited	Ordinary shares	100%	Providing outsourcing option with the energy industry

On 16 February 2006 the group acquired Maris Limited for a consideration of £225,000. The investment in Maris Limited has been included in the company's balance sheet at its fair value at the date of acquisition. No fair value adjustments were required.

Notes to the financial statements

at 31 March 2006

10 Fixed asset investments (continued)

Analysis of the acquisition of Maris Limited

Net assets at date of acquisition

	<i>Fair value to group £</i>
Tangible fixed assets	122,412
Debtors	1,035,088
Cash	119
Creditors due within one year	(663,490)
Bank overdraft	(164,421)
Term loan	(61,516)
	<u>268,192</u>
Minority interest	(56,000)
Goodwill	12,808
	<u>225,000</u>

On 27 September 2005 the company acquired 100% of Global Material Services Limited. The net assets acquired were £43,615, and the resulting negative goodwill of £43,614 is carried in the group balance sheet. No fair value adjustments were required.

11 Debtors

	<i>Group</i>		<i>Company</i>	
	<i>31 March 2006</i>	<i>5 April 2005</i>	<i>31 March 2006</i>	<i>5 April 2005</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade debtors	7,765,867	1,704,020	6,507,845	1,704,020
Other debtors	41,777	16,617	27,350	16,617
Prepayments & accrued income	57,413	3,780	7,426	3,780
	<u>7,865,057</u>	<u>1,724,417</u>	<u>6,542,621</u>	<u>1,724,417</u>

Notes to the financial statements

at 31 March 2006

12. Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>31 March</i>	<i>5 April</i>	<i>31 March</i>	<i>5 April</i>
	<i>2006</i>	<i>2005</i>	<i>2006</i>	<i>2005</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Bank loan	61,516	-		
Bank overdraft	2,018,003	-	1,736,930	
Trade creditors	1,603,967	148,753	1,017,668	148,753
Corporation tax	350,279	222,035	332,214	222,035
Other creditors	180,339	102,062	130,068	102,062
Director's loan account	133,333		133,333	
Other taxes and social security costs	1,496,308	630,840	1,476,079	630,840
Accruals	614,261	75,197	407,558	75,197
	<u>6,458,006</u>	<u>1,178,887</u>	<u>5,233,850</u>	<u>1,178,887</u>

The bank loan and overdraft are secured by way of a bond and floating charge over the entire assets of the company.

The director's loan account represents a balance due to R J MacGregor. This amount is interest free and repayable on demand.

13. Accruals and deferred income

Deferred government grants

	<i>Group</i>		<i>Company</i>	
	<i>31 March</i>	<i>5 April</i>	<i>31 March</i>	<i>5 April</i>
	<i>2006</i>	<i>2005</i>	<i>2006</i>	<i>2005</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
At 6 April 2005	3,864	13,527	3,864	13,527
Released during the period	(3,864)	(9,663)	(3,864)	(9,663)
At 31 March 2006	<u></u>	<u>3,864</u>	<u></u>	<u>3,864</u>

14. Share capital

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>2006</i>	<i>2005</i>	<i>2006</i>	<i>2005</i>
	<i>No</i>	<i>No</i>	<i>£</i>	<i>£</i>
Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>	<u>380,000</u>	<u>380,000</u>

Notes to the financial statements

at 31 March 2006

15. Reconciliation of shareholders' funds and movement on reserves

Group

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and Loss account £	Total £
At 6 April 2005	380,000	5,000	135,000	667,569	1,187,569
Profit for period				736,470	736,470
Dividends				(133,333)	(133,333)
At 31 March 2006	380,000	5,000	135,000	1,270,706	1,790,706

Company

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total £
At 6 April 2005	380,000	5,000	135,000	667,569	1,187,569
Profit for period				744,538	744,538
Dividends				(133,333)	(133,333)
At 31 March 2006	380,000	5,000	135,000	1,278,774	1,798,774

16. Profit and loss account

In accordance with the exemption allowed by section 228(7) of the Companies Act 1985 the company has not presented its own profit and loss account. The profit for the period attributable to members of the parent company dealt within the accounts was £744,538 (2005 £662,028)

17. Notes to the statements of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2006 £	2005 £
Operating profit	1,087,765	900,516
Depreciation	58,185	33,989
Amortisation of goodwill and patents		7,881
Increase in debtors	(5,061,937)	(933,742)
Increase in creditors	2,272,427	524,672
Decrease in other provisions	(3,864)	(9,663)
Net cash (outflow)/inflow from operating activities	(1,647,424)	523,653

Notes to the financial statements

at 31 March 2006

17. Notes to the statements of cash flows (continued)

(b) Analysis of cash flows for headings netted in the statement of cash flows

	2006 £	2005 £
<i>Returns on investments and servicing of finance</i>		
Interest received	7,634	14,915
Interest paid	(24,097)	
	<u>(16,463)</u>	<u>14,915</u>
	2006 £	2005 £
<i>Taxation</i>		
Corporation tax paid	(206,588)	(632)
	<u></u>	<u></u>
	2006 £	2005 £
<i>Capital expenditure and financial investment</i>		
Payment to acquire tangible fixed assets	(173,995)	(45,740)
Payments to acquire intangible fixed assets		(7,881)
Payments to acquire investments	(125,000)	(32,000)
	<u>(298,995)</u>	<u>(85,621)</u>
	2006 £	2005 £
<i>Acquisitions and disposals</i>		
Purchase of subsidiary undertakings	(225,001)	
Net overdraft acquired with subsidiary undertaking	(164,302)	
	<u>(389,303)</u>	<u></u>
	2006 £	2005 £
<i>Financing</i>		
Issue of ordinary share capital		10,000
	<u></u>	<u></u>

Notes to the financial statements

at 31 March 2006

17. Notes to the statements of cash flows (continued)

(c) Analysis of changes in net debt

	<i>At 1 April 2005 £</i>	<i>Cash flow £</i>	<i>Acquisitions £</i>	<i>At 31 March 2006 £</i>
Cash at bank and in hand	616,770	(540,770)		76,000
Bank overdraft		(2,018,003)		(2,018,003)
	<u>616,770</u>	<u>(2,558,773)</u>		<u>(1,942,003)</u>
Short term loans			(61,516)	(61,516)
	<u>616,770</u>	<u>(2,558,773)</u>	<u>(61,516)</u>	<u>(2,003,519)</u>

18. Other financial commitments

Group and company

At 31 March 2006 the group had annual commitments under non-cancellable operating leases as set out below

	<i>2006 £</i>	<i>Other than land and buildings 2005 £</i>
Operating leases which expire		
Within one year	4,830	6,879
In two to five years	9,369	
	<u>14,199</u>	<u>6,879</u>

19. Transactions with the directors

Included in 'other debtors' (note 11) are advances to a director, R J MacGregor. These advances are interest free and have no fixed repayment terms.

	<i>31 March 2006 £</i>	<i>5 April 2005 £</i>
Amount outstanding at 6 April		80
Monies repaid during year		(80)
	<u> </u>	<u> </u>
Amount outstanding at 5 April	<u> </u>	<u> </u>

The maximum amount outstanding during the year was £nil (2005 £80)

Notes to the financial statements

at 31 March 2006

19. Transactions with the directors (continued)

Included in 'other debtors' (note 11) are advances to a director, I R MacGregor. These advances are interest free and have no fixed repayment terms

	31 March 2006 £	5 April 2005 £
Amount outstanding at 6 April	108	
Monies advanced by company during year		108
Monies repaid during year	(108)	
Amount outstanding at 5 April		108

The maximum amount outstanding during the year was £108 (2005 £108)

20. Related party transactions

MacGregor Industrial Supplies

Turnover includes £975 (2005 nil) of sales to a related party, MacGregor Industrial Supplies Limited. At the balance sheet date the amount due from MacGregor Industrial Supplies Limited was nil (2005 nil). During the year the purchases of goods and services amounted to £151,851 (2005 - £15,633). At the balance sheet date the amount outstanding was £30,906 (2005 £2,572). J MacGregor, a close family member of R J MacGregor, had an interest in these transactions due to his shareholding in MacGregor Industrial Supplies Limited.

Ross County Football Club Limited

Turnover includes £1,507 (2005 £1,500) of sales to a related party, Ross County Football Club Limited. At the balance sheet date the amount due from Ross County Football Club Limited was £881 (2005 £881). During the year purchases of goods and services amounted to £58,454 (2005 £92,047). The amount outstanding at the balance sheet date was a £4,735 (2005 debtor of £387). R J MacGregor had an interest in these transactions due to his shareholding in Ross County Football Club Limited.

21. Post balance sheet events

In April and September 2006 Maris Limited bought back the non voting shares held by the minority interest. On 27 October 2006, Global Resources Group Limited hived up the business and assets of its Highland division to a wholly owned subsidiary Global Highland Management Services Limited. On 8 November 2006, Global Resources Group Limited acquired 100% of the share capital of Mountwest (706) Limited and on 30 November 2006, Mountwest (706) Limited acquired 75% of the share capital of Isleburn Limited. Global Resources Group Limited on 1 December 2006, acquired 100% of the share capital of Banford Associates Limited.

22. Ultimate controlling party

The ultimate controlling party identified by the company is R J MacGregor.