

Report of the Directors and  
Financial Statements  
for the Year Ended 30 September 2006  
for  
Advante Limited

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Advante Limited

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for the Year Ended 30 September 2006

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**Advante Limited**

**Company Information**  
**for the Year Ended 30 September 2006**

**DIRECTORS:**

J Newby FCIOB  
F S Chapman  
T W H Cameron FCCA  
W F H Welten

**SECRETARY:**

I H Simpson LLB

**REGISTERED OFFICE:**

Phoenix House  
Christopher Martin Road  
Basildon  
Essex  
SS14 3HG

**REGISTERED NUMBER:**

653012 (England and Wales)

**AUDITORS:**

Wright Vigar Limited  
Registered Auditors  
Chartered Accountants & Business Advisers  
15 Newland  
Lincoln  
Lincolnshire  
LN1 1XG

Advante Limited

Managing Director's Report  
for the Year Ended 30 September 2006

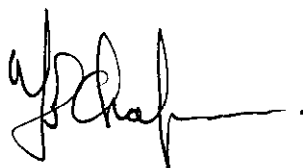
I wish to report profits of £1,250,362 as against £1,333,889 for the previous year. It has been an important year of consolidation with many initiatives implemented, which will serve us well in the future. The launch of our WelGen units late last year has been well received by our customers and has been extended during the year, by the addition of the 250 and 500 models. Together with the original Oasis models, Advanté now provide an unrivalled range of welfare units. Reorganisation of our sales, service and production teams took place during the year. The latter will benefit further from the completion next Spring of the construction of a new depot and distribution facility at our Paycocke Road, Basildon site.

Advanté have continued to invest in I.T to drive the business more efficiently and give us the flexibility to integrate with clients in the future.

Our Client base has been extended during the year by our marketing team and will continue with emphasis being placed on expanding our market share in the Midlands.

I would like to thank all of our Clients for giving us the opportunity to work with them and I look forward to extending the good working relationships, during the forthcoming year.

Lastly, none of the above would be possible without the staff at Advanté. All staff embrace the ambitions of the Company and work at making the vision turn into reality. My personal thanks to you all.

A handwritten signature in black ink, appearing to read 'F S Chapman', with a long horizontal flourish extending to the right.

F S Chapman  
8 February 2007

## Advante Limited

### Report of the Directors for the Year Ended 30 September 2006

The directors present their report with the financial statements of the company for the year ended 30 September 2006.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of hiring and servicing contractors' plant and machinery.

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

#### **Company Performance**

Advante's turnover in the year increased from £6,008,134 to £6,052,090. Profits before taxation fell from £1,333,889 to £1,250,362. The managing director's report provides details of developments in the year and future plans. Key performance indicators are regularly assessed by the directors of the Company.

#### **Risks and Uncertainties**

The directors of the Company regularly meet to review any risks and uncertainties that are either currently faced by the Company or will potentially be faced by the Company in the future. Measures are then agreed upon to be put in place to mitigate these risks and uncertainties.

#### **DIVIDENDS**

Interim dividends per share were paid as follows:

1500	- 20 January 2006
1330	- 6 April 2006
800	- 5 July 2006
1330	- 19 September 2006
<hr/>	
4960	
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The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2006 will be £496,000.

#### **DIRECTORS**

The directors during the year under review were:

J Newby FCIOB  
F S Chapman  
T W H Cameron FCCA  
W F H Welten

The directors holding office at 30 September 2006 did not hold any beneficial interest in the issued share capital of the company at 1 October 2005 or 30 September 2006.

The interest of J Newby in the share capital of Gee Group Limited is noted in the financial statements of that company.

#### **CHARITABLE CONTRIBUTIONS**

Charitable donations in the year amounted to £630.

**Advante Limited**

**Report of the Directors**  
**for the Year Ended 30 September 2006**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and 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 the profit or loss of the company for that period. In preparing these 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;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Wright Vigar Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

  
I H Simpson LLB - Secretary

8 February 2007

**Report of the Independent Auditors to the Shareholders of**  
**Advante Limited**

We have audited the financial statements of Advante Limited for the year ended 30 September 2006 on pages seven to twenty five. 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 Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out on page four.

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 Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if 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. This other information comprises only the Report of the Directors and the Managing Director's Report. 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.

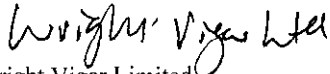
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Report of the Independent Auditors to the Shareholders of**  
**Advante Limited**

**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 30 September 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



Wright Vigar Limited  
Registered Auditors  
Chartered Accountants & Business Advisers  
15 Newland  
Lincoln  
Lincolnshire  
LN1 1XG

8 February 2007



**Advante Limited**

**Profit and Loss Account**  
**for the Year Ended 30 September 2006**

		2006	2005 as restated
	Notes	£	£
<b>TURNOVER</b>		6,052,090	6,008,134
Cost of sales		3,641,096	3,471,349
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		2,410,994	2,536,785
Administrative expenses		1,150,632	1,137,896
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	3	1,260,362	1,398,889
Other finance costs	20	10,000	17,000
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,250,362	1,381,889
Tax on profit on ordinary activities	4	381,391	437,811
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		868,971	944,078
		<hr/>	<hr/>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

Advante Limited

Statement of Total Recognised Gains and Losses  
for the Year Ended 30 September 2006

	2006	2005 as restated
	£	£
<b>PROFIT FOR THE FINANCIAL YEAR</b>	868,971	944,078
Pension scheme actuarial gain	<u>16,500</u>	<u>42,000</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	885,471	<u>986,078</u>
Prior year adjustment	Note 6	
	<u>(219,000)</u>	
<b>TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT</b>	<u>666,471</u>	

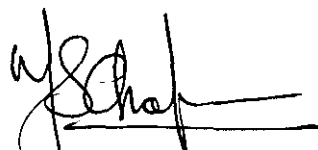
The notes form part of these financial statements

**Advante Limited**

**Balance Sheet**  
**30 September 2006**

		2006		2005 as restated	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	7		30,952		34,241
Tangible assets	8		5,250,852		4,324,029
Investments	9		<u>1</u>		<u>1</u>
			5,281,805		4,358,271
<b>CURRENT ASSETS</b>					
Stocks	10	62,268		65,532	
Debtors	11	2,815,039		2,677,479	
Cash at bank		<u>568,633</u>		<u>259,548</u>	
		3,445,940		3,002,559	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>2,446,581</u>		<u>2,193,481</u>	
<b>NET CURRENT ASSETS</b>			<u>999,359</u>		<u>809,078</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			6,281,164		5,167,349
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		(1,107,764)		(370,148)
<b>PROVISIONS FOR LIABILITIES</b>	17		(735,590)		(691,862)
<b>PENSION LIABILITY</b>	20		<u>(162,000)</u>		<u>(219,000)</u>
<b>NET ASSETS</b>			<u><u>4,275,810</u></u>		<u><u>3,886,339</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		100		100
Profit and loss account	19		<u>4,275,710</u>		<u>3,886,239</u>
<b>SHAREHOLDERS' FUNDS</b>	24		<u><u>4,275,810</u></u>		<u><u>3,886,339</u></u>

The financial statements were approved by the Board of Directors on 8 February 2007 and were signed on its behalf by:

  
F S Chapman - Director

The notes form part of these financial statements

**Advante Limited**

**Cash Flow Statement**  
**for the Year Ended 30 September 2006**

		2006		2005 as restated	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		2,057,165		2,901,086
Taxation			(339,896)		(466,886)
Capital expenditure	2		(502,709)		(356,069)
Equity dividends paid			(496,000)		(602,000)
			<u>718,560</u>		<u>1,476,131</u>
Financing	2		(409,475)		(734,828)
Increase in cash in the period			<u><u>309,085</u></u>		<u><u>741,303</u></u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase in cash in the period		309,085		741,303	
Cash outflow from decrease in debt and lease financing		<u>409,475</u>		<u>734,828</u>	
Change in net debt resulting from cash flows			718,560		1,476,131
New finance leases			<u>(1,183,598)</u>		<u>(234,763)</u>
Movement in net debt in the period			(465,038)		1,241,368
Net debt at 1 October			<u>(504,799)</u>		<u>(1,746,167)</u>
Net debt at 30 September			<u><u>(969,837)</u></u>		<u><u>(504,799)</u></u>

The notes form part of these financial statements

**Advante Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 30 September 2006**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2006	2005 as restated
	£	£
Operating profit	1,260,362	1,398,889
Depreciation charges	827,142	683,929
(Profit)/Loss on disposal of fixed assets	(64,370)	101,150
Decrease in stocks	3,264	17,465
Increase in debtors	(137,559)	(109,398)
Increase in creditors	243,326	874,051
Difference between pension charge and cash contributions	(75,000)	(65,000)
<b>Net cash inflow from operating activities</b>	<u><u>2,057,165</u></u>	<u><u>2,901,086</u></u>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2006	2005 as restated
	£	£
<b>Capital expenditure</b>		
Purchase of intangible fixed assets	(1,381)	(6,169)
Purchase of tangible fixed assets	(822,907)	(612,686)
Sale of tangible fixed assets	321,579	262,786
<b>Net cash outflow for capital expenditure</b>	<u><u>(502,709)</u></u>	<u><u>(356,069)</u></u>
<b>Financing</b>		
New loans in year	94,652	-
Capital repayments in year	(504,127)	(734,828)
<b>Net cash outflow from financing</b>	<u><u>(409,475)</u></u>	<u><u>(734,828)</u></u>

Advante Limited

Notes to the Cash Flow Statement  
for the Year Ended 30 September 2006

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.10.05 £	Cash flow £	Other non-cash changes £	At 30.9.06 £
Net cash:				
Cash at bank	259,548	309,085		568,633
	<u>259,548</u>	<u>309,085</u>		<u>568,633</u>
Debt:				
Hire purchase	(764,347)	504,127	(1,183,598)	(1,443,818)
Debts falling due within one year	-	(6,310)	-	(6,310)
Debts falling due after one year	-	(88,342)	-	(88,342)
	<u>(764,347)</u>	<u>409,475</u>	<u>(1,183,598)</u>	<u>(1,538,470)</u>
Total	<u>(504,799)</u>	<u>718,560</u>	<u>(1,183,598)</u>	<u>(969,837)</u>

**Advante Limited**

**Notes to the Financial Statements**  
**for the Year Ended 30 September 2006**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is the value of hire charges invoiced during the year, excluding value added tax.

**Patent Costs**

Patent costs are capitalised and amortised over 10 years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 25% on reducing balance
Plant and machinery	- 5% to 25% on reducing balance and 5% - 25% on cost
Fixtures and fittings	- 25% on cost and 10% to 33% on reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

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 that result in an obligation to pay more or less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Pensions**

The company operates a defined contribution and a defined benefit pension scheme. The contributions payable for the year are charged in the profit and loss account. Contributions for the year ended 30 September 2006 were £57,631 and £75,000 respectively.

**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**2. STAFF COSTS**

	2006	2005 as restated
	£	£
Wages and salaries	958,989	804,560
Social security costs	60,936	56,304
Other pension costs	57,631	20,242
	<u>1,077,556</u>	<u>881,106</u>

The average monthly number of employees during the year was as follows:

	2006	2005 as restated
Plant hire	26	14
Administration	14	20
	<u>40</u>	<u>34</u>

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2006	2005 as restated
	£	£
Other cost of sales	2,499,937	2,460,030
Depreciation - owned assets	532,915	340,192
Depreciation - assets on hire purchase contracts	289,557	339,442
(Profit)/Loss on disposal of fixed assets	(64,370)	101,150
Patents and licences amortisation	4,670	4,298
Other operating leases	37,881	77,248
Auditor's remuneration	9,700	9,500
	<u>312,715</u>	<u>272,535</u>
Directors' emoluments	<u>312,715</u>	<u>272,535</u>

The number of directors to whom retirement benefits were accruing was as follows:

	3	2
Money purchase schemes	<u>3</u>	<u>2</u>

Information regarding the highest paid director is as follows:

	2006	2005 as restated
	£	£
Emoluments etc	<u>137,267</u>	<u>124,885</u>



Advante Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2006

4. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2006	2005 as restated
	£	£
Current tax:		
UK corporation tax	312,863	438,709
Prior year adjustment	300	-
Total current tax	<u>313,163</u>	<u>438,709</u>
Deferred tax:		
Deferred tax	43,728	(27,898)
Deferred tax on actuarial gain	24,500	27,000
Total deferred tax	<u>68,228</u>	<u>(898)</u>
Tax on profit on ordinary activities	<u><u>381,391</u></u>	<u><u>437,811</u></u>

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2006	2005 as restated
	£	£
Profit on ordinary activities before tax	<u>1,250,362</u>	<u>1,381,889</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 - 30%)	375,109	414,567
Effects of:		
Capital allowances in excess of depreciation	(50,321)	34,722
Permanent disallowable expenses	4,245	3,820
Prior year under provision	300	-
Profit on One Off Projects	3,330	-
Interest on pension scheme liability	18,000	18,900
Shortfall pension contribution paid in year	(22,500)	(19,500)
Expected return on pension scheme	(15,000)	(13,800)
Current tax charge	<u><u>313,163</u></u>	<u><u>438,709</u></u>

**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**5. DIVIDENDS**

	2006	2005 as restated
	£	£
Ordinary shares of £1 each		
Final proposed - ordinary £1	-	110,000
Interim paid - ordinary £1	496,000	220,000
	<u>496,000</u>	<u>330,000</u>

**6. PRIOR YEAR ADJUSTMENT**

The prior year adjustment of £219,000 relates to the recognition of the defined benefit pension scheme liability. Previously this deficit was disclosed in the notes to the financial statements but FRS17 - Retirement Benefits, now requires such liabilities to be provided for in the financial statements.

**7. INTANGIBLE FIXED ASSETS**

	Patents and licences £
<b>COST</b>	
At 1 October 2005	45,922
Additions	1,381
At 30 September 2006	<u>47,303</u>
<b>AMORTISATION</b>	
At 1 October 2005	11,681
Amortisation for year	4,670
At 30 September 2006	<u>16,351</u>
<b>NET BOOK VALUE</b>	
At 30 September 2006	<u>30,952</u>
At 30 September 2005	<u>34,241</u>

**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**8. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 October 2005	19,995	7,213,017	186,905	7,419,917
Additions	-	1,979,517	26,988	2,006,505
Disposals	-	(604,259)	-	(604,259)
At 30 September 2006	19,995	8,588,275	213,893	8,822,163
<b>DEPRECIATION</b>				
At 1 October 2005	10,190	3,004,692	81,007	3,095,889
Charge for year	2,451	790,429	29,592	822,472
Eliminated on disposal	-	(347,050)	-	(347,050)
At 30 September 2006	12,641	3,448,071	110,599	3,571,311
<b>NET BOOK VALUE</b>				
At 30 September 2006	7,354	5,140,204	103,294	5,250,852
At 30 September 2005	9,805	4,208,325	105,898	4,324,028

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
<b>COST</b>	
At 1 October 2005	2,324,020
Additions	1,295,445
Transfer to ownership	(471,537)
At 30 September 2006	3,147,928
<b>DEPRECIATION</b>	
At 1 October 2005	778,697
Charge for year	289,557
Transfer to ownership	(221,622)
At 30 September 2006	846,632
<b>NET BOOK VALUE</b>	
At 30 September 2006	2,301,296
At 30 September 2005	1,545,323

Advante Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2006

9. **FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1 October 2005 and 30 September 2006	1
<b>NET BOOK VALUE</b>	
At 30 September 2006	1
At 30 September 2005	1

The company's investments at the balance sheet date in the share capital of companies include the following:

**Wiggins Plant Limited**

Nature of business: Dormant company

	%
Class of shares:	holding
Ordinary £1	100.00

10. **STOCKS**

	2006	2005 as restated
	£	£
Raw materials and consumables	50,613	40,323
Finished goods	11,655	25,209
	<u>62,268</u>	<u>65,532</u>

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2006	2005 as restated
	£	£
Trade debtors	1,233,035	1,208,942
Amounts owed by group undertakings	1,308,741	1,332,570
Other debtors	140,411	-
Prepayments and accrued income	132,852	135,967
	<u>2,815,039</u>	<u>2,677,479</u>

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2006	2005 as restated
	£	£
Other loans (see note 14)	6,310	-
Hire purchase contracts (see note 15)	424,396	394,199
Trade creditors	1,383,478	978,223
Amounts owed to group undertakings	296,627	416,558
Amounts owed to parent company	43,000	75,000
Tax	108,638	135,371
Other creditors	184,132	194,130
	<u>2,446,581</u>	<u>2,193,481</u>

**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2006	2005 as restated
	£	£
Other loans (see note 14)	88,342	-
Hire purchase contracts (see note 15)	1,019,422	370,148
	<u>1,107,764</u>	<u>370,148</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	2006	2005 as restated
	£	£
Amounts falling due within one year or on demand:		
Other loans	<u>6,310</u>	<u>-</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>6,310</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>18,930</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Other loans more 5yrs instal	<u>63,102</u>	<u>-</u>

Advante Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2006

15. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

	2006	Hire purchase contracts 2005 as restated
	£	£
Gross obligations repayable:		
Within one year	488,196	423,849
Between one and five years	1,080,006	397,989
	<u>1,568,202</u>	<u>821,838</u>
Finance charges repayable:		
Within one year	63,800	29,650
Between one and five years	60,584	27,841
	<u>124,384</u>	<u>57,491</u>
Net obligations repayable:		
Within one year	424,396	394,199
Between one and five years	1,019,422	370,148
	<u>1,443,818</u>	<u>764,347</u>

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases
	2006	2005 as restated	2006
	£	£	£
Expiring:			
Within one year	-	-	33,394
Between one and five years	-	-	23,406
In more than five years	149,532	69,532	-
	<u>149,532</u>	<u>69,532</u>	<u>56,800</u>
	<u>149,532</u>	<u>69,532</u>	<u>77,248</u>

16. **SECURED DEBTS**

The following secured debts are included within creditors:

	2006	2005 as restated
	£	£
Hire purchase contracts	<u>1,443,818</u>	<u>764,347</u>

The bank overdraft and HP are secured firstly on the company's fixed assets and secondly by a guarantee from Gee Group.

**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**17. PROVISIONS FOR LIABILITIES**

	2006	2005 as restated
	£	£
Deferred tax	<u>735,590</u>	<u>691,862</u>
		Deferred tax
		£
Balance at 1 October 2005		691,862
Accelerated capital allowances		<u>43,728</u>
Balance at 30 September 2006		<u>735,590</u>

**18. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:			2006	2005 as restated
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

**19. RESERVES**

	Profit and loss account £
At 1 October 2005	4,105,239
Prior year adjustment	<u>(219,000)</u>
	3,886,239
Profit for the year	868,971
Dividends	(496,000)
Actuarial gain	<u>16,500</u>
At 30 September 2006	<u>4,275,710</u>
Profit and loss account excluding pension liability	4,437,710
Pension deficit	<u>(162,000)</u>
Profit and loss account	<u>4,275,710</u>

**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**20. PENSION COMMITMENTS**

**Defined benefit scheme**

The company operates a funded pension scheme in the UK.

A full actuarial valuation was carried out at 30 September 2006 by a qualified independent actuary.

*The assumptions used by the actuary are best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.*

*The fair value of the Plan's assets, which are not intended to be realised in the short term and may be subject to significant changes before they are realised, and the present value of the Plan's liabilities, which are derived from cashflow projections.*

Volatility of FRS17

It should be noted that the methodology and assumptions prescribed for the purposes of FRS17 mean that the disclosures will be inherently volatile, varying greatly according to investment market conditions at each accounting date.

Contributions

During the year, the company contributed £75,000 (2005: £65,000). Under the current Schedule of Contributions, the Company is required to contribute £75,000 in the year ended 30 September 2007.

The main assumptions used by the actuary are noted below.

	30.9.06	30.9.05	30.9.04
Rate of increase in pensions in payment	3%	3%	3%
Discount rate for scheme liabilities	5.10%	5%	5.50%
Inflation assumption	3.10%	3%	3.10%

The assets in the scheme and the expected rate of return were:

	Long-term rate of return expected at 30.9.06	Value at 30.9.06 £	Long-term rate of return expected at 30.9.05	Value at 30.9.05 £	Long-term rate of return expected at 30.9.04	Value at 30.9.04 £
Equities	6.90%	420,000	6.80%	389,500	7.30%	342,000
Bonds	4.40%	363,500	4.30%	349,500	4.80%	332,500
Cash & other	4.75%	166,000	4.50%	164,000	4.75%	85,500
Index Linked Gilts	4.40%	68,500	0%	-	0%	-
Total market value of assets		1,018,000		903,000		760,000
Present value of scheme liabilities		(1,249,500)		(1,216,000)		(1,163,000)
Deficit in scheme		(231,500)		(313,000)		(403,000)
Related deferred tax liability		69,500		94,000		121,000
Net pension liability		<u>(162,000)</u>		<u>(219,000)</u>		<u>(282,000)</u>



**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**20. PENSION COMMITMENTS - continued**

**Analysis of the amount charged to operating profit**

	2006	2005 as restated
	£	£
Past service costs	(75,000)	(65,000)
Total operating charge	<u>(75,000)</u>	<u>(65,000)</u>

**Analysis of the amount credited to other finance income**

	2006	2005 as restated
	£	£
Expected return on pension scheme assets	50,000	46,000
Interest on pension scheme liabilities	(60,000)	(63,000)
Net return	<u>(10,000)</u>	<u>(17,000)</u>

**Analysis of the amount recognised in statement of total recognised gains and losses (STRGL)**

	2006	2005 as restated
	£	£
Actual return less expected return on pension scheme assets	20,500	69,500
Experience gains and losses arising on the scheme liabilities	(18,000)	47,500
Changes in assumptions underlying the present value of the scheme liabilities	14,000	(75,000)
Actuarial gain recognised in STRGL	<u>16,500</u>	<u>42,000</u>

**Movement in deficit during the year**

	2006	2005 as restated
	£	£
Deficit in scheme at start of year	(313,000)	(403,000)
Past service costs	75,000	65,000
Other finance income	(10,000)	(17,000)
Actuarial gain	16,500	42,000
Deficit in scheme at end of year	<u>(231,500)</u>	<u>(313,000)</u>

**Advante Limited**

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 September 2006**

**20. PENSION COMMITMENTS - continued**

**History of experience gains and losses**

	2006	2005	2004	2003	2002
Difference between the expected and actual return on scheme assets:					
amount (£)	20,500	69,500	3,000	(9,000)	(80,000)
percentage of scheme assets	2%	8%	0%	(1)%	(13)%
Experience gains and losses on scheme liabilities:					
amount (£)	(18,000)	47,500	4,000	5,000	(9,500)
percentage of the present value of the scheme liabilities	1%	(4)%	0%	0%	1%
Total actuarial gain or loss:					
amount (£)	16,500	42,000	30,500	(48,500)	(190,000)
percentage of the present value of the scheme liabilities	(1)%	(3)%	(3)%	4%	4%

**Defined contribution scheme**

The Group operates a money purchase pension scheme, The Gee Construction Pension & Life Assurance Scheme, of which the Company is a contributing employer. Under the scheme the employer pays a 7% contribution rate and the employee 5% as a percentage of salary, after lower earnings limit deducted, into separate personal funds for each scheme member. The retirement benefits will, therefore, depend upon the funds available to each member at retirement. The Scheme is invested with AXA Sun Life Pensions Management Ltd, and the Scheme administrators are Towry Law Pension Services Limited.

During the year the Company contributed £57,631 (2005: £20,242).

Life assurance benefit of three times annual salary is maintained and the employer pays the premiums to the insurance company to cover this cost.

**21. ULTIMATE PARENT COMPANY**

The immediate parent company is Gee Group Limited, a company incorporated in England and Wales. The ultimate holding company is Headcrown Limited, a company incorporated in England and Wales.

**22. CONTINGENT LIABILITIES**

The company is party to an unlimited cross guarantee and debenture in respect of bank overdrafts of the Gee Group companies which at 30 September 2006 amounted to £891,762 (2005: £1,044,383).

**23. RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption conferred by FRS 8 to subsidiary undertakings, 90% of whose voting rights are controlled within the group, not to disclose transactions with other group companies.

Advante Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2006

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006	2005 as restated
	£	£
Profit for the financial year	868,971	944,078
Dividends	(496,000)	(330,000)
	<hr/>	<hr/>
	372,971	614,078
Other recognised gains and losses relating to the year (net)	16,500	42,000
	<hr/>	<hr/>
<b>Net addition to shareholders' funds</b>	389,471	656,078
Opening shareholders' funds (originally £4,105,339 before prior year adjustment of £(219,000))	3,886,339	3,230,261
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	4,275,810	3,886,339
	<hr/>	<hr/>
Equity interests	4,275,810	3,886,339
	<hr/>	<hr/>