

**AOC ARCHAEOLOGY LTD.
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31st MARCH 2004**



THE A9 PARTNERSHIP LIMITED
Chartered Accountants & Registered Auditors
Abercorn School
Newton
Broxburn
EH52 6PZ

AOC ARCHAEOLOGY LTD.

ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2004

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AOC ARCHAEOLOGY LTD.

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31st March 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Abercorn School
Newton
Broxburn
EH52 6PZ

28th April 2005



THE A9 PARTNERSHIP LIMITED
Chartered Accountants
& Registered Auditors

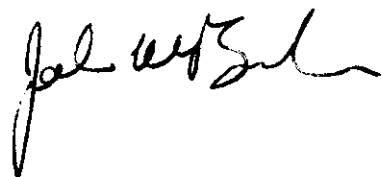
AOC ARCHAEOLOGY LTD.**ABBREVIATED BALANCE SHEET****31st MARCH 2004**

	Note	2004 £	£	2003 £	£
FIXED ASSETS	2				
Tangible assets			48,664		34,324
CURRENT ASSETS					
Stocks		12,590		18,348	
Debtors		193,570		166,998	
Cash at bank and in hand		341		169	
		<u>206,501</u>		<u>185,515</u>	
CREDITORS: Amounts falling due within one year	3	<u>410,732</u>		<u>305,479</u>	
NET CURRENT LIABILITIES			(204,231)		(119,964)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(155,567)</u>		<u>(85,640)</u>
CREDITORS: Amounts falling due after more than one year	4		<u>26,360</u>		<u>33,333</u>
			<u>(181,927)</u>		<u>(118,973)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	6		40,000		40,000
Other reserves			7,500		7,500
Profit and loss account			<u>(229,427)</u>		<u>(166,473)</u>
DEFICIENCY			<u>(181,927)</u>		<u>(118,973)</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved and signed by the director on 28th April 2005.

MR J. BARBER



AOC ARCHAEOLOGY LTD.**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31st MARCH 2004****1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles	25% - Reducing balance
Equipment	15% - Reducing balance

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

AOC ARCHAEOLOGY LTD.

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2004

1. ACCOUNTING POLICIES *(continued)*

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;

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 profits 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.

Going concern

The directors are fully aware of the negative balance sheet position and have taken appropriate steps to address the issue. The company relies on the support of its group companies, which have stated they are willing to continue to support the company. The accounts are therefore presented on a going concern basis.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1st April 2003	60,144
Additions	25,012
Disposals	(5,300)
At 31st March 2004	<u>79,856</u>
DEPRECIATION	
At 1st April 2003	25,820
Charge for year	7,877
On disposals	(2,505)
At 31st March 2004	<u>31,192</u>
NET BOOK VALUE	
At 31st March 2004	<u>48,664</u>
At 31st March 2003	<u>34,324</u>

AOC ARCHAEOLOGY LTD.

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st MARCH 2004

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2004	2003
	£	£
Bank loans and overdrafts	<u>85,771</u>	<u>84,904</u>

4. CREDITORS: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2004	2003
	£	£
Bank loans and overdrafts	<u>19,047</u>	<u>33,333</u>

5. RELATED PARTY TRANSACTIONS

AOC Archaeology is under the control of its holding company, AOC Holdings limited. Related party transactions are as follows:

Purchases from AOC (Scotland) Ltd were	£3,820.
Sales to AOC (Scotland) Ltd were	£5,230.
Management fees from AOC Holdings Ltd were	£19,556.

Balances outstanding at 31 March 2004 were as follows:

Inter Company Accounts:

Due to AOC (Scotland) Ltd was	£87,114.
Due to AOC Holdings Ltd was	£124,845.

Included in trade debtors was £29,311 due from AOC Scotland Ltd.

Included in trade creditors was £16,766 due to AOC Scotland Ltd.

At the year end the company also owed £10,000 to Mr J. Kovacik a former director of the company who retired during the year. There is no interest charged on this and no agreed repayment terms.

6. SHARE CAPITAL

Authorised share capital:

	2004	2003
	£	£
45,000 Ordinary shares of £1 each	<u>45,000</u>	<u>45,000</u>

Allotted, called up and fully paid:

	2004		2003	
	No	£	No	£
Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>

7. ULTIMATE PARENT COMPANY

AOC Holdings Ltd a company registered in Scotland number SC196924 holds 100% of the issued share capital of AOC Archaeology Ltd.