

COMPANY REGISTRATION NUMBER 3133832

**RESOURCE AND ENVIRONMENTAL CONSULTANTS
LIMITED**

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2002



Blueprint Audit Limited
Chartered Accountants Registered Auditor
Sumner House
St Thomas's Road
Chorley
PR7 1HP

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

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RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

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 6, together with the financial statements of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, 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 6 are properly prepared in accordance with those provisions.

Blueprint Audit Limited

Blueprint Audit Limited
Registered Auditor
Sumner House
St. Thomas's Road
Chorley
Lancashire
PR7 1HP

Date: *29/10/03*

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

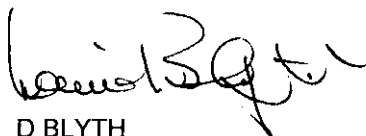
ABBREVIATED BALANCE SHEET

31 DECEMBER 2002

	Note	2002 £	2001 £
Fixed assets	2		
Tangible assets		221,420	226,921
Investments		1	-
		<u>221,421</u>	<u>226,921</u>
Current assets			
Stocks		29,200	17,801
Debtors	3	747,279	429,009
Cash at bank and in hand		13,947	-
		<u>790,426</u>	<u>446,810</u>
Creditors: Amounts falling due within one year		<u>571,007</u>	<u>421,297</u>
Net current assets		219,419	25,513
Total assets less current liabilities		<u>440,840</u>	<u>252,434</u>
Creditors: Amounts falling due after more than one year		379,753	228,105
Provisions for liabilities and charges		<u>7,664</u>	<u>-</u>
		<u>53,423</u>	<u>24,329</u>
Capital and reserves			
Called-up equity share capital	4	1,800	1,800
Profit and loss account		51,623	22,529
Shareholders' funds		<u>53,423</u>	<u>24,329</u>

These abbreviated financial statements 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 by the directors on 27 October 2003 and are signed on their behalf by:



D BLYTH



D WOOD

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES

Basis of accounting

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

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

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

Research and development

Research and development expenditure is written off in the year in which it is incurred.

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:

Plant & Machinery	- 25% reducing balance
Fixtures & Fittings	- 20% reducing balance
Motor Vehicles	- 25% reducing balance
Equipment	- 10% 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.

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.

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES *(continued)*

Leasing and hire purchase commitments

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital repayments outstanding.

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

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.

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.

Fixed asset investments

Fixed asset investments are stated at cost.

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

2. FIXED ASSETS

	Tangible Assets £	Investments £	Total £
Cost			
At 1 January 2002	354,632	–	354,632
Additions	59,970	1	59,971
Disposals	(14,706)	–	(14,706)
At 31 December 2002	<u>399,896</u>	<u>1</u>	<u>399,897</u>
Depreciation			
At 1 January 2002	127,711	–	127,711
Charge for year	59,586	–	59,586
On disposals	(8,821)	–	(8,821)
At 31 December 2002	<u>178,476</u>	<u>–</u>	<u>178,476</u>
Net book value			
At 31 December 2002	<u>221,420</u>	<u>1</u>	<u>221,421</u>
At 31 December 2001	<u>226,921</u>	<u>–</u>	<u>226,921</u>

The company owns 100% of the issued share capital of Resource & Environmental Consultants (Asbestos) Limited. As the company was only incorporated on 14th November 2002 there is no financial information available.

3. DEBTORS

Debtors include amounts of £40,515 (2001 - £14,869) falling due after more than one year.

4. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
100,000 £1 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2002		2001	
	No	£	No	£
£1 Ordinary shares of £1 each	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>	<u>1,800</u>

The company has agreed to a share option to one of its employees amounting to 5% of shares in the company. This will be exercisable in November 2005. The value of the shares will be based upon a price earning ratio of 7 based on profits in the year ended November 2005.

RESOURCE AND ENVIRONMENTAL CONSULTANTS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2002

5. TRANSACTIONS WITH DIRECTORS

Included in other debtors is a loan to D Blyth of £291 (2001 : £291). This is the maximum amount overdrawn during the year and no interest was charged.