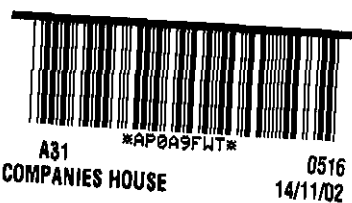


Company Number: 3133832

Resource and Environmental Consultants Limited

Abbreviated Accounts

for the year ended 31st December 2001



Auditors' Report to Resource and Environmental Consultants Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements set out on pages 2 to 5 together with the financial statements of Resource and Environmental Consultants Limited for the year ended 31st December 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements 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 financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 5 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: 14th October 2002**

Resource and Environmental Consultants Limited

Abbreviated Balance Sheet

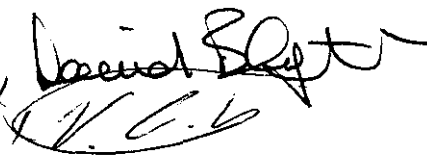
as at 31st December 2001

	Notes	£	2001 £	£	2000 £
Fixed assets	2				
Tangible fixed assets			226,921		139,905
Current assets					
Stock		17,801		15,790	
Debtors		429,009		236,263	
Cash at bank		-		135	
		446,810		252,188	
Creditors: amounts falling due within one year		(421,297)		(193,242)	
Net current assets			25,513		58,946
Total assets less current liabilities			252,434		198,851
Creditors: amounts falling due after more than one year			(228,105)		(204,832)
			24,329		(5,981)
Capital and reserves					
Share capital	5		1,800		1,800
Profit and loss account			22,529		(7,781)
Shareholders' funds			24,329		(5,981)

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These abbreviated accounts were approved by the board on 14th October 2002 and signed on its behalf.

D Blyth
V C Parr
Directors



Resource and Environmental Consultants Limited

Notes to the Abbreviated Accounts

for the year ended 31st December 2001

1 Accounting policies

Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

Turnover

Turnover represents the invoiced amount of services provided less allowances, excluding value added tax.

Research and development

Research and development expenditure is charged to the profit and loss account in the period in which it is incurred.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets over their expected useful lives. The principal annual rates and methods used are:

Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance
Furniture and equipment	10% reducing balance
Fixtures and fittings	20% reducing balance

Leasing and hire purchase

Certain tangible fixed assets are held under finance leases and hire purchase agreements. These assets are included in the balance sheet and are depreciated accordingly. The capital element of the corresponding financing commitments is included in the balance sheet. The finance element of repayments is charged to the profit and loss account in proportion to the reducing capital element outstanding.

All other leases held are operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is calculated under the liability method at the appropriate rate of tax in respect of timing differences between profits as computed for tax purposes and profits as stated in the financial statements to the extent that, in the opinion of the directors, those differences will give rise to tax liabilities in the foreseeable future.

Pension costs

Pension costs are recognised on a systematic basis over the period that the company benefits from the services of the employees who are members of the pension scheme.

Resource and Environmental Consultants Limited

Notes to the Abbreviated Accounts

for the year ended 31st December 2001

2 Fixed assets

	Tangible fixed assets £
Cost	
At 1st January 2001	235,718
Additions	130,718
Disposals	(11,804)
At 31st December 2001	354,632
Depreciation	
At 1st January 2001	95,813
Charge for the year	40,278
On disposals	(8,380)
At 31st December 2001	127,711
Net book value	
At 31st December 2001	226,921
<i>At 31st December 2000</i>	<i>139,905</i>

3 Secured creditors

The bank overdraft totalling £78,011 (2000 : £90,930) is secured by an unscheduled mortgage debenture dated 22nd January 1999 incorporating a fixed and floating charge over all current and future assets of the company.

	2001 £	2000 £
4 Obligations under hire purchase contracts and finance leases		
Obligations under hire purchase contracts and finance leases are analysed between amounts payable:		
In the next year	11,857	9,759
In the second to fifth years inclusive	16,960	8,947
	28,817	18,706

Obligations under hire purchase contracts and finance leases are secured on the assets concerned.

Resource and Environmental Consultants Limited

Notes to the Abbreviated Accounts

for the year ended 31st December 2001

5	Share capital	2001	2000
		£	£
	Authorised		
	Equity shares		
	100,000 Ordinary shares of £1 each	100,000	100,000
		<u> </u>	<u> </u>
	Allotted		
	Equity shares		
	1,800 Allotted, called up and fully paid ordinary shares of £1 each	1,800	1,800
		<u> </u>	<u> </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 earnings ratio of 7 based on profits in the year ended November 2005.

6 Transactions with directors

Included in other debtors is a loan to D Blyth of £291 (2000: £291). £291 was the maximum amount overdrawn during the year and no interest was charged.