

**HANSCOMB EUROPE LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007**

**COMPANY REGISTRATION NUMBER 3896620**

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**HANSCOMB EUROPE LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007  
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# **HANSCOMB EUROPE LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2007**

The directors present their report and the audited financial statements of the company for the year ended 31 March 2007

#### **Nature of business**

The principal activity of the Company was that of the provision of property-related services. The Company also continues to hold investments in subsidiaries whose activities included the provision of project management services and quantity surveying.

#### **Results and dividends**

The Company is a non-trading Company. A profit after tax for the year of £1,098,860 (2006 profit £89,179) is shown in the income statement on page 6. No dividends have been paid during the year (2006 nil). A dividend of £1,150,000 has been received from Hanscomb (UK) Limited during the year (2006: £128,000, from Hanscomb (Russia) Limited).

#### **Business review and future developments**

The Company does not expect to trade in the coming years. The Company resides in England and was incorporated in England and Wales.

#### **Directors**

The directors who served during the year and up to the date of signing these financial statements were as follows:

Griffiths, Alun Hughes  
Hall, Richard William  
MacLeod, Robert James  
Purser, Ian Robert  
Sowerby, Mark Andrew

Directors and officers of the Atkins Group have the benefit of a directors' and officers' liability insurance policy, which provides appropriate cover in respect of legal actions brought against its directors. Disclosure of such indemnities is required by the Companies Act 1985. All directors have deeds of indemnity that are in force as at the date of this report. Neither the insurance nor the indemnities provide cover where the director has acted fraudulently or dishonestly. This is a qualifying third party indemnity provision for the purposes of the Companies Act 1985.

#### **Directors' remuneration and interests**

All the directors' interests in the share capital of WS Atkins plc, the ultimate parent undertaking, required to be disclosed under the Companies Act 1985, are set out below:

WS Atkins plc  
Ordinary shares of 0.05p

	1 April 2006 (or date of appointment)		31 March 2007	
	Shares	Options	Shares	Options
Griffiths, Alun Hughes	16,320	83,124	16,565	60,223
Hall, Richard William	10,661	106,686	34,351	71,193
MacLeod, Robert James	10,281	61,912	15,456	95,050
Purser, Ian Robert	44,195	29,980	44,195	11,356
Sowerby, Mark Andrew	1,389	8,501	1,389	13,596

# **HANSCOMB EUROPE LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2007**

During the year options over WS Atkins plc ordinary shares of 0.05 pence were granted / exercised as follows

	Granted	Exercised
Griffiths, Alun Hughes	17,099	40,000
Hall, Richard William	4,507	40,000
MacLeod, Robert James	33,138	-
Purser, Ian Robert	1,376	20,000
Sowerby, Mark Andrew	5,095	-

The options above were awarded under discretionary an all-employee share plans

All interests at the date shown are beneficial and are in respect of numbers of ordinary shares in WS Atkins plc. Other than as stated above, no director had any interest in the share capital of the Company or of any other subsidiary undertaking of WS Atkins plc at the relevant dates.

#### **Statement of directors' responsibilities in relation to financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 and loss of the Company 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,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and 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.

#### **Disclosure of information to auditors**

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234Za of the Companies Act 1985.

# **HANSCOMB EUROPE LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2007**

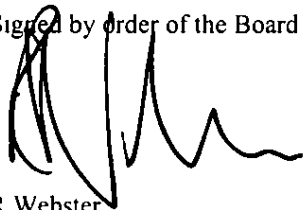
#### **Independent auditors**

The Company had, immediately prior to 1 October 2007, elective resolutions in force electing to dispense with the requirement to hold annual general meetings, lay accounts before a general meeting and the annual re-appointment of auditors. As a result, under the transitional arrangements and saving provisions relating to the implementation of the Companies Act 2006 ("the CA2006")

- the Company is not to be treated as one whose articles expressly require it to hold an AGM,
- the Company is no longer required to lay its accounts before a general meeting, and
- the auditors are deemed re-appointed under the CA2006

This report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies

Signed by order of the Board



R Webster  
Company Secretary

28 January 2008

Registered office  
Woodcote Grove  
Ashley Road  
Epsom  
Surrey KT18 5BW

**HANSCOMB EUROPE LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**  
**HANSCOMB EUROPE LIMITED FOR THE YEAR ENDED**  
**31 MARCH 2007**

We have audited the financial statements of Hanscomb Europe Limited for the year ended 31 March 2007 which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been 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 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 the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**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 judgments 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.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Company's affairs as at 31 March 2007 and of its profit and cashflows 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 Directors' Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*  
PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Newcastle Upon Tyne

29 January 2008

**HANSCOMB EUROPE LIMITED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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	Note	2007 £	2006 £
Administrative expenses		(5,193)	(54)
Profit on liquidation of investment	7	47,053	6,169
Impairment of investment	7	(93,000)	-
Amounts written off investments		-	(44,936)
<b>Operating loss</b>	<b>2</b>	<b>(51,140)</b>	<b>(38,821)</b>
Other income	3	1,150,000	128,000
<b>Profit before taxation</b>		<b>1,098,860</b>	<b>89,179</b>
Taxation	6	-	-
<b>Profit for the year</b>	<b>12</b>	<b>1,098,860</b>	<b>89,179</b>

The notes on pages 10 to 14 form part of these financial statements

**HANSCOMB EUROPE LIMITED**  
**BALANCE SHEET**  
**AS AT 31 MARCH 2007**

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	Note	2007 £	2006 £
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	7	3,346	114,017
<b>Current assets</b>			
Trade and other receivables	8	-	13,602
Cash and cash equivalents	9	44,985	22,686
		44,985	36,288
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	(8,711)	(1,209,545)
		(8,711)	(1,209,545)
<b>Net current assets/(liabilities)</b>		36,274	(1,173,257)
<b>Net assets/(liabilities)</b>		39,620	(1,059,240)
<b>Capital and reserves</b>			
Ordinary shares	11	100	100
Retained earnings		39,520	(1,059,340)
<b>Total Equity</b>		39,620	(1,059,240)

These financial statements on pages 6 to 14 were approved by the board of directors and are signed on their behalf by

*R. MacLeod*

Robert MacLeod  
28 January 2008

The notes on pages 10 to 14 form part of these financial statements



**HANSCOMB EUROPE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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	<b>Note</b>	<b>Ordinary Shares £</b>	<b>Retained Earnings £</b>	<b>Total Equity £</b>
Balance at 1 April 2005 brought forward		100	(1,148,519)	(1,148,419)
Profit for the year		-	89,179	89,179
Balance at 1 April 2006 brought forward		100	(1,059,340)	(1,059,240)
Profit for the year		-	1,098,860	1,098,860
<b>Balance at 31 March 2007 carried forward</b>	<b>11</b>	<b>100</b>	<b>39,520</b>	<b>39,620</b>

The notes on pages 10 to 14 form part of these financial statements.

**HANSCOMB EUROPE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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	Note	2007 £	2006 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	12	(1,192,425)	(90,536)
Tax paid		-	(42,404)
<b>Net cash generated from operating activities</b>		<b>(1,192,425)</b>	<b>(132,940)</b>
<b>Cash flows from investing activities</b>			
Dividends received		1,150,000	128,000
Disposal proceeds of investment		64,724	8,424
Investment in subsidiary		-	(91,450)
<b>Net cash inflow from investing activities</b>		<b>1,214,724</b>	<b>44,974</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>22,299</b>	<b>(87,966)</b>
Cash and cash equivalents at 1 April		22,686	110,652
<b>Cash and cash equivalents at 31 March</b>	13	<b>44,985</b>	<b>22,686</b>

The notes on pages 10 to 14 form part of these financial statements

**HANSCOMB EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**1. Accounting policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Basis of accounting**

These financial statements have been prepared in accordance with EU Endorsed International Financial Reporting Standards (IFRS) and IFRIC interpretations and the Companies Act 1985 applicable to companies reporting under IFRS. The financial statements have been prepared on the going concern basis under the historical cost convention.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, and no areas where assumptions and estimates are significant to the financial statements.

**Financial risk management**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. As part of the Atkins Group, the Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

**Foreign currency transactions and translation**

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in pounds sterling ("£"), which is the Company's functional and presentation currency.

**Taxation**

Current and deferred income tax are recognised in the income statement for the year except where the taxation arises as a result of a transaction or event that is recognised directly in equity. Income Tax arising on transactions or events recognised directly in equity is charged or credited directly to equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**Trade receivables**

Trade receivables are recognised at fair value less provision for impairment.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and at bank.

**Trade payables**

Trade payables are recognised at fair value.

# HANSCOMB EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2007

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#### Investments

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment

Assets that have an indefinite useful life are not subject to amortisation and are reviewed for impairment annually and when there are indications that the carrying value may not be recoverable. Assets that are subject to amortisation are reviewed for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

#### New IFRS standards and interpretations not applied

(a) *Standards, amendments and interpretations effective in current financial year but not relevant*

- Amendment to IAS 39, *Cash flow hedge accounting of forecast intra-group transactions*
- Amendment to IAS 39, *The fair value option*
- Amendment to IAS 39, *Financial guarantee contracts*
- IFRS 6, *Exploration for and Evaluation of Mineral Resources*
- Amendment to IFRS 1, *First time adoption of International Financial Reporting Standards and IFRS 6, Exploration for and Evaluation of Mineral Resources*
- IFRIC 4, *Determining whether an arrangement contains a lease*
- IFRIC 5, *Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds*
- IFRIC 6, *Liabilities arising from participating in a specific market - Waste electrical and electronic equipment*

(c) *Interpretations to existing standards that are not yet effective and have not been adopted early by the Company*

- IFRIC 9, *Re-assessment of embedded derivatives* (not yet endorsed by the EU)
- IFRIC 10, *Interim Financial Reporting and Impairment*
- IFRIC 11 – IFRS2 – *Group and Treasury Share Transactions*

(d) *Interpretations to existing standards that are not yet effective and not relevant for the Company's operations*

- IFRIC 7, *Applying the restatement approach under IAS 29 Financial reporting in hyperinflationary economies*
- IFRIC 8, *Scope of IFRS 2* (not yet endorsed by the EU)

There would be no impact on this year's results in respect of new IFRS standards and interpretations not yet applied

#### 2. Services provided by the Company's auditors

Statutory audit fees have been borne by a fellow subsidiary Company, Hanscomb (UK) Limited

#### 3. Other income

	2007 £	2006 £
Dividends received	1,150,000	128,000

#### 4. Employee benefit costs

There were no employees during the year (2006 nil)

#### 5. Directors' remuneration

No directors' remuneration was paid during the year (2006 £nil). The directors did receive remuneration from other companies within the Group.

**HANSCOMB EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**6. Taxation**

**a) Analysis of charge in the period**

	2007 £	2006 £
Current tax		
- Current year	-	-
- Prior years	-	-
Tax on profit on ordinary activities	-	-
Profit/(Loss) per income statement	1,098,860	89,179
Effective tax rate	0%	0%

The tax for the period is lower (2006 lower) than the standard rate of corporation tax in the UK (30%) The differences are explained below

	2007 %	2006 %
UK Statutory tax rate	30	30
Increase resulting from		
Expenses not deductible for tax purposes	(29)	(32)
Losses claimed and paid for at lower rate or nil consideration	(1)	2
Tax rate	-	-

**7. Investments**

	2007 £	2006 £
<b>Cost</b>		
At 1 April	114,017	24,822
Acquisitions	-	91,450
Disposal	(17,671)	(2,255)
At 31 March	96,346	114,017
<b>Impairment</b>		
At 1 April	-	-
Impairment in year	(93,000)	-
At 31 March	(93,000)	-
<b>Net book value at 31 March</b>	<b>3,346</b>	<b>114,017</b>

**Disposal of Hanscomb GmbH**

	Total £
Cost at 1 April 2007	17,671
Disposal proceeds	(64,724)
Profit on disposal	(47,053)

**HANSCOMB EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**7. Investments (continued)**

Hanscomb Europe Limited holds investments in the share capital of the following companies

<b>Principal subsidiary undertaking</b>	<b>Country of incorporation or registration</b>	<b>Class and percentage holding</b>	<b>Nature of business</b>
Hanscomb (UK) Limited	England	100% ordinary	Quantity Surveying and Project Management
Hanscomb (Russia) Limited	England	100% ordinary	Non-trading
Hanscomb Polska Sp Zo o	Poland	100% ordinary	Quantity Surveying and Project Management
London Group Projects Limited*	England	100% ordinary	Non-trading

\*London Group Projects Limited is owned via Hanscomb (UK) Limited.

On 25 October 2006, Hanscomb GmbH was liquidated, and surplus funds of £64,724 were returned to the Company

**8. Trade and other receivables**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Amounts due from group undertakings	-	13,602

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment

**9. Cash and cash equivalents**

Cash and cash equivalents include the following for the purposes of the cashflow statement

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	44,985	22,686

**10. Trade and other payables**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Amounts payable to group undertakings	8,711	1,209,545

Amounts owed to group undertakings are unsecured, interest free and have no fixed date of repayment

**11. Ordinary shares**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
100 ordinary shares of £1 each	100	100
<b>Issued and fully paid</b>		
100 ordinary share of £1 each	100	100

**HANSCOMB EUROPE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**12. Cash generated from operations**

	2007 £	2006 £
Profit before taxation	1,098,860	89,179
Adjustments for		
Finance income	(1,150,000)	(128,000)
Movement in trade and other receivables	13,602	107,050
Movement in trade and other payables	(1,200,834)	(152,596)
Impairment of investments	93,000	-
Profit on disposal of investments	(47,053)	(6,169)
Cash generated from operations	(1,192,425)	(90,536)

**13. Analysis of net funds**

	At 1 April 2007 £	Cash flow £	At 31 March 2007 £
Cash and cash equivalents	22,686	22,299	44,985
Net funds	22,686	22,299	44,985

**14. Related party transactions**

	2007 £	2006 £
Payment of tax creditor	-	42,404
Intercompany debtor written off	5,172	44,936
Repayment of intercompany creditor	1,200,834	115,473
Receipt of intercompany balances	13,602	195,000
Receivables from group companies	-	13,602
Payables to group companies	8,711	1,209,545
Dividend received from Hanscomb (UK) Limited	1,150,000	-
Dividend received from Hanscomb (Russia) Limited	-	128,000

**15. Ultimate parent company and controlling party**

The immediate parent Company is Anthony Acquisitions Corp , registered in Delaware, USA

The ultimate parent undertaking and controlling party is WS Atkins plc, a company registered in England and Wales, which is the smallest and largest group to consolidate these financial statements. Copies of WS Atkins plc consolidated financial statements are publicly available from the Company Secretary at Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW