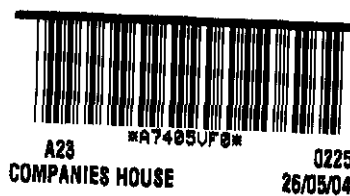


**GUIDED ULTRASONICS (RAIL) LIMITED**  
**ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 JULY 2003**



**REGISTERED NUMBER: 4108483**

**GUIDED ULTRASONICS (RAIL) LIMITED**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 JULY 2003**

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**CONTENTS**

	<b>Page</b>
Abbreviated balance sheet	1 to 2
Notes to the abbreviated financial statements	3 to 5
Independent auditors' report to the shareholders	6

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**GUIDED ULTRASONICS (RAIL) LIMITED**

**BALANCE SHEET**

**AT 31 JULY 2003**

	Note	2003 £	£	2002 £	£
<b>FIXED ASSETS</b>					
Tangible assets	2		813		1,213
<b>CURRENT ASSETS</b>					
Stocks		64,575		10,041	
Debtors		51,332		31,209	
Cash at bank and in hand		<u>174,147</u>		<u>41,228</u>	
		290,054		82,478	
<b>CREDITORS:</b> Amounts falling due within one year	3	<u>(234,451)</u>		<u>(130,580)</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>55,603</u>		<u>(48,102)</u>
			56,416		(46,889)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			<u>(612)</u>		<u>-</u>
			55,804		(46,889)
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	4		10,610		10,605
Profit and Loss Account			<u>45,194</u>		<u>(57,494)</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>			<u>55,804</u>		<u>(46,889)</u>


The financial statements have been prepared in accordance with the special provisions relating to small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

GUIDED ULTRASONICS (RAIL) LIMITED

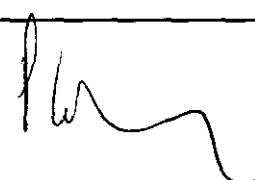
BALANCE SHEET (CONTINUED)

AT 31 JULY 2003

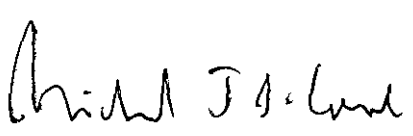
M Russell  
Director



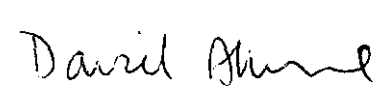
P Cawley  
Director



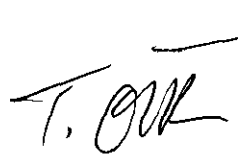
M Lowe  
Director



D Alleyne  
Director



T Orr  
Director



Dated:

26 MAY 2004

# GUIDED ULTRASONICS (RAIL) LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2003

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### 1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year.

#### **Basis of preparation of financial statements**

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).

#### **Depreciation**

Depreciation is calculated so as to write off the cost less residual value of tangible fixed assets, less its estimated residual value, over the period of their useful lives at the following annual rates:

Computer equipment      - 33% reducing balance

#### **Hire purchase and finance leases**

Tangible fixed assets acquired under hire purchase and finance lease contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Hire purchase and finance lease interest is charged to the profit and loss account on a straight line basis over the period of the finance.

#### **Deferred taxation**

Deferred taxation is provided on the liability method to take account of timing differences, between the treatment of certain items for financial statements purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

#### **Research and development**

Expenditure on research and development is written off against profits in the period in which it is incurred.

# GUIDED ULTRASONICS (RAIL) LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2003

### 2. FIXED ASSETS

	Tangible Assets £
<b>Cost</b>	
At 1 August 2002 and 31 July 2003	<u>1,899</u>
<b>Depreciation</b>	
At 1 August 2002	686
Charge for year	<u>400</u>
At 31 July 2003	<u>1,086</u>
<b>Net book value</b>	
At 31 July 2003	<u>813</u>
At 31 July 2002	<u>1,213</u>

### 3. CREDITORS: Amounts falling due within one year

The aggregate amount of secured liabilities is £Nil (2001:£Nil).

### 4. CALLED UP SHARE CAPITAL

	2003 £	2002 £
<b>Authorised share capital:</b>		
11,000 Ordinary shares of £1 each	11,000	11,000
1,000 Ordinary A shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>12,000</u>	<u>12,000</u>
<b>Allotted, issued and fully paid:</b>		
10,600 Ordinary shares of £1 each	10,600	10,600
10 (2002 - 5) Ordinary A shares of £1 each	<u>10</u>	<u>5</u>
	<u>10,610</u>	<u>10,605</u>

During the year the company issued 5 ordinary A shares at par for cash to add to the working capital of the company.

# GUIDED ULTRASONICS (RAIL) LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31 JULY 2003

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### 5. RELATED PARTY TRANSACTIONS

During the year the company purchased both goods and services from Orrcam Limited amounting to £58,614 (2002:£42,436); a company in which T Orr is a director. These transactions were carried out at an open market value. There were no amounts outstanding at the year end.

Also during the year the company made the following payments in respect of consultancy fees :-

Consultancy business	Shareholder/Directors Connection	£
M R Consulting	M Russell Partner	16,298
G U Limited	Shared directors and shareholders	242,373
Phillip Quality Services	P Phillip Director	6,275

At the balance sheet date £127,461 was still outstanding in respect of goods and Services received from Guided Ultrasonics Limited and £1,271 in respect of consultancy work carried out by M R Consulting.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
GUIDED ULTRASONICS (RAIL) LIMITED**

**PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated financial statements set out on pages 1 to 5, together with the financial statements of the company for the year ended 31 July 2003 prepared under section 226 of the companies act 1985.

**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 Companies Act 1985, and the abbreviated financial statements on pages 1 to 5 are properly prepared in accordance with those provisions.



**Smith Cooper**  
**Chartered Accountants and Registered Auditors**  
**Mansfield**

Dated: 6 May 2004