COMPANY REGISTRATION NUMBER 04418196

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2009

LB GROUP
Chartered Accountants & Statutory Auditor
129 New London Road
Chelmsford
Essex
CM2 0QT

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

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PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2009

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW
The principal activity of the company during the year was that of land reclamation and remediation contracts

The results for the year are presented on page 6 The profit for the year after tax was £7,308,214 (2008 £385,223 - loss) and was transferred to reserves The directors do not recommend the payment of a dividend (2008 £nil)

It should be noted that the large profit seen in the current year is due to the write off an exceptional item (Balance owed to sister subsidiary of £7,210,169)

On 30 April 2009 The Brownfield Holding Co Limited entered into a contract for the purchase of the entire issued share capital of the company's parent company, Provectus Group Limited (formerly AIG Engineering Group Limited)

It is the intention of Provectus Remediation Limited to provide a focus for remediation and associated contracting works In 2009 Provectus Remediation Limited continued to win repeat business from its established client base

Provectus Remediation Limited adheres to the same business and environmental processes and objectives set by its sister Company "Provectus Group Limited"

RESULTS AND DIVIDENDS
The profit for the year, after taxation, amounted to £7,308,214 The directors have not recommended a dividend

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2009

FINANCIAL INSTRUMENTS

The company's operations expose it to a number of financial risks that include credit risk, liquidity risk and interest rate risk The company has in place a risk management policy that includes the principle of maximising finance income from short-term deposits via the monitoring of cash balances and working capital requirements

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board The company's finance department as required implements the policies set by the board of directors

Price risk

The company is exposed to commodity price risk because of its operations However, given the size of the companies operations, the costs of actively managing exposure to commodity price risk exceed any potential benefits

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made New customers that have limited information (no accounts filed) are given cash accounts, then migrate to credit accounts once a payment history is established The company uses an in-house research and development facility that allows the company to credit check potential customers via the intranet using third party online credit evaluations, including latest financial statement submissions Existing customers are credit checked again if sales are made after 6 months inactivity

Liquidity risk

The company actively manages its working capital requirements to ensure it has sufficient funds for its operations The requirements for medium to long-term debt will be reviewed by the board of directors based on the Company's forecast requirements

Interest rate / cash flow risk

The company has both interest bearing assets and interest bearing liabilities Interest bearing assets consist of short-term deposits and cash balances, all of which earn interest at fixed rates and variable rates Where variable rates are used, they are over a limited period (between 1 to 7 days), therefore, exposure on these deposits is minimal The company has a policy of maintaining short-term deposits and cash balances at a level sufficient to fund its operations The directors will revisit the appropriateness of this policy should the company's operations of cash balances change in size or nature

DIRECTORS

The directors who served the company during the year were as follows

Mr M Kahlon
Miss J Kelly
Mr S Langford

POLICY ON THE PAYMENT OF CREDITORS

The company does not have any specific policy on the payment of creditors, other than to adhere to the creditors payment terms

DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Directors' Report and the financial statements in accordance with 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006 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

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

AUDITOR
LB Group are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
9, Kingsdale Business Centre
Regina Road
Chelmsford
Essex
CM1 1PE

Signed by order of the directors

Julie Kelly

MISS JULIE KELLY
Company Secretary

Approved by the directors on 3/9/10

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

YEAR ENDED 31 DECEMBER 2009

We have audited the financial statements of Provectus Remediation Limited (formerly AIG Remediation Limited) for the year ended 31 December 2009 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006 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 auditor's 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 DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements

The audit opinion is based on the current year figures The comparatives were not audited by LB Group

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED) *(continued)*

YEAR ENDED 31 DECEMBER 2009

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

STUART SHELDRICK (Senior Statutory Auditor)
For and on behalf of
LB GROUP
Chartered Accountants
& Statutory Auditor

LB Group

129 New London Road
Chelmsford
Essex
CM2 0QT

6/9/10

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2009

	Note	2009 £	2008 £
TURNOVER	2	**2,761,563**	4,291
Cost of sales		**2,249,926**	12,961
GROSS PROFIT/(LOSS)		**511,637**	(8,670)
Administrative expenses		**413,601**	14,949
OPERATING PROFIT/(LOSS)	3	**98,036**	(23,619)
Inter group loan write off	5	**7,210,169**	–
		7,308,205	(23,619)
Interest receivable		**12**	641
Interest payable and similar charges	6	**–**	(362,245)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**7,308,217**	(385,223)
Tax on profit/(loss) on ordinary activities	7	**3**	–
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**7,308,214**	(385,223)

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 9 to 14 form part of these financial statements

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

BALANCE SHEET

31 DECEMBER 2009

	Note	2009 £	2009 £	2008 £
FIXED ASSETS				
Tangible assets	8		8,286	–
CURRENT ASSETS				
Stocks	9	–		18,357
Debtors	10	997,291		705,913
Cash at bank		883,531		1,304
		1,880,822		725,574
CREDITORS: Amounts falling due within one year	11	447,111		7,283,247
NET CURRENT ASSETS/(LIABILITIES)			1,433,711	(6,557,673)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,441,997	(6,557,673)
PROVISIONS FOR LIABILITIES				
Other provisions	13		768,179	76,723
			673,818	(6,634,396)
CAPITAL AND RESERVES				
Called-up equity share capital	15		100	100
Profit and loss account	16		673,718	(6,634,496)
SHAREHOLDERS' FUNDS/(DEFICIT)	17		673,818	(6,634,396)

These financial statements were approved by the directors and authorised for issue on 3/9/10, and are signed on their behalf by

MR M KAHLON

MISS J KELLY

MR S LANGFORD

Company Registration Number 04418196

The notes on pages 9 to 14 form part of these financial statements

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

Basis of accounting

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

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

Turnover

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

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

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 - 3 years straight line

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

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

1. ACCOUNTING POLICIES *(continued)*

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

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited direct to equity

2 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company
An analysis of turnover is given below

	2009	2008
	£	£
United Kingdom	2,761,563	4,291

3. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging

	2009	2008
	£	£
Directors' remuneration	–	–
Depreciation of owned fixed assets	328	–
Auditor's remuneration		
- as auditor	4,295	7,250

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

4. PARTICULARS OF EMPLOYEES

Included within the management expense is an element of staff costs relating to the time spent on Provectus Remediation Limited's contracts by staff members of the company's sister subsidiary company Provectus Group Limited Please note the management charge also includes an element of overhead costs, calculated on an hourly labour rate

5. INTER GROUP LOAN WRITE OFF

Included with in the profit and loss account is an exceptional income of £7,210,169 This income relates to the cancellation of monies owed to the company's sister subsidiary Provectus Group Limited This amount was written off in Provectus Group Limited in the 2008 Financial statements

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Interest payable on bank borrowing	–	56
Other similar charges payable	–	362,189
	–	362,245

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009 £	2008 £
Current tax		
UK Corporation tax based on the results for the year at 21% (2008 - 21%)	3	-
Total current tax	3	-

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2008 - 21%)

	2009 £	2008 £
Profit/(loss) on ordinary activities before taxation	7,308,217	(385,223)
Profit/(loss) on ordinary activities by rate of tax	1,534,726	(80,897)
Expenses not deductible for tax purposes	(1,510,377)	-
Capital allowances for period in excess of depreciation	69	(1,665)
Utilisation of tax losses	(24,415)	82,562
Total current tax (note 7(a))	3	-

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

8 TANGIBLE FIXED ASSETS

	Plant & Machinery £	Motor Vehicles £	Total £
COST			
Additions	5,664	2,950	8,614
At 31 December 2009	5,664	2,950	8,614
DEPRECIATION			
Charge for the year	–	328	328
At 31 December 2009	–	328	328
NET BOOK VALUE			
At 31 December 2009	5,664	2,622	8,286
At 31 December 2008	–	–	–

9 STOCKS

	2009 £	2008 £
Work in progress	–	18,357

10 DEBTORS

	2009 £	2008 £
Trade debtors	154,139	4,745
Amounts owed by group undertakings	729,465	660,622
Other debtors	113,687	40,546
	997,291	705,913

11. CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	**409,162**	11,132
Amounts owed to group undertakings	–	7,221,764
Other creditors including taxation and social security		
Corporation tax	**3**	–
Other taxation and social security	**1,326**	–
Other creditors	**32,725**	36,255
	443,216	7,269,151
Accruals and deferred income	**3,895**	14,096
	447,111	7,283,247

All amounts due or to become due to to The Brownfield Holding co Limited (Parent co) are secured by a debenture across all of the company's assets dated 5 May 2009

12. DEFERRED TAXATION

The company have tax losses to carry forward against future trading profits of approximately £2,709,000 and excess capital allowances to offset against future trading profits of approximately £29,700 These deferred tax assets will only crystallise as and when the company records annual taxable profits

13 OTHER PROVISIONS

	2009 £
Contract Provisions.	
Balance brought forward	**76,723**
Movement for year	**691,456**
	768,179

The contracts provisions is an estimate of the unforeseen contract costs required in order to comply with the company's contractual obligations The timing and value of these costs have been estimated based on risk assessments and the knowledge of the contract managers in charge of the the contracts

14 RELATED PARTY TRANSACTIONS

The company was under the control of The Brownfield Holding Company Limited by virtue of the company being a 100% subsidiary Prior to 25 November 2009, the company was a 100% subsidiary of Provectus Group Limited, a fellow subsidiary of The Brownfield Holding Company Limited

The company have taken exemption under FRS 8 not to disclose its transactions with group companies, due to its results being consolidated in the financial statements of its parent company The Brownfield Holding Company Limited

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

15. SHARE CAPITAL

Allotted, called up and fully paid.

	2009		2008	
	No	£	No	£
100 Ordinary shares of £1 each	100	100	100	100

16. PROFIT AND LOSS ACCOUNT

	2009	2008
	£	£
Balance brought forward	(6,634,496)	(6,249,273)
Profit/(loss) for the financial year	7,308,214	(385,223)
Balance carried forward	673,718	(6,634,496)

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Profit/(Loss) for the financial year	7,308,214	(385,223)
Opening shareholders' deficit	(6,634,396)	(6,249,173)
Closing shareholders' funds/(deficit)	673,818	(6,634,396)

18 ULTIMATE PARENT COMPANY

The results of the company are included in the consolidated financial statements of the group headed by The Brownfield Holding co Limited, the parent company Copies of the group consolidated financial statements are available form 9, Kingsdale Business Centre, Regina Road, Chelmsford, Essex, CM1 1PE

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

MANAGEMENT INFORMATION

YEAR ENDED 31 DECEMBER 2009

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 5 to 6

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2009

	2009		2008
	£	£	£
TURNOVER		**2,761,563**	4,291
COST OF SALES			
Opening work-in-progress	**18,357**		90,114
Purchases	**2,231,569**		(58,796)
	2,249,926		31,318
Closing work-in-progress	**–**		(18,357)
		2,249,926	12,961
GROSS PROFIT/(LOSS)		**511,637**	(8,670)
OVERHEADS			
Administrative expenses		**413,601**	14,949
OPERATING PROFIT/(LOSS)		**98,036**	(23,619)
Inter group loan write off		**7,210,169**	–
		7,308,205	(23,619)
Bank interest receivable		**12**	641
		7,308,217	(22,978)
Interest payable		**–**	(362,245)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES		**7,308,217**	(385,223)

PROVECTUS REMEDIATION LIMITED (FORMERLY AIG REMEDIATION LIMITED)

NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2009

	2009		2008
	£	£	£
ADMINISTRATIVE EXPENSES			
Establishment expenses			
Repairs and maintenance		1,135	–
General expenses			
Printing, stationery and postage	44		–
Staff training	–		853
Sundry expenses	850		–
Management charges payable	387,056		–
Legal and professional fees	–		4,246
Accountancy fees	4,580		2,600
Auditors remuneration	4,295		7,250
Depreciation of motor vehicles	328		–
		397,153	14,949
Financial costs			
Bad debts written off	15,025		–
Bank charges	288		–
		15,313	–
		413,601	14,949
INTEREST RECEIVABLE			
Bank interest receivable		12	641
INTEREST PAYABLE			
Bank interest payable		–	56
Interest on other loans		–	362,189
		–	362,245