

ATESTA GROUP LIMITED

FINANCIAL STATEMENTS

**FOR THE 16 MONTH PERIOD ENDED
31 DECEMBER 2007**

COMPANY NUMBER SC161800

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31/10/2008

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COMPANIES HOUSE

ATESTA GROUP LIMITED

DIRECTORS

A W Gibson
R A McBride
M J Silver
D G Watson

REGISTERED OFFICE

151 St Vincent Street
Glasgow
G2 5NJ

AUDITORS

PricewaterhouseCoopers LLP
Abacus House
Castle Park
Cambridge
CB3 0AN

BANKERS

Barclays Bank plc
1 Churchill Place
Canary Wharf
London E14 5JJ

SOLICITORS

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

WEBSITE

www.scientifics.com

ATESTA GROUP LIMITED

REPORT OF THE DIRECTORS

For the 16 month period ended 31 December 2007

The directors present their report and the financial statements for the period ended 31 December 2007

Principal activity

The principal activity of the Company is that of an intermediate holding company

Business review and future developments

On 5 June 2007 the whole of the issued share capital of the Company's parent undertaking was acquired by Inspicio plc (now Inspicio Limited) and the Company subsequently changed its accounting reference date from 31 August to 31 December to be coterminous with its new parent undertaking. The financial statements have been prepared for the 16 month period from 1 September 2006 to 31 December 2007. The comparative amounts are for the year to 31 August 2006.

It is not expected that the Company will recommence trading.

Results and dividends

The results for the period, after taxation, amounted to a profit of £nil (2006 £411,494).

An interim dividend of £676,692 was paid to the holders of the A Ordinary and Ordinary shares. The directors do not recommend the payment of a final proposed dividend to the holders of the A Ordinary or Ordinary shares.

Directors

Those directors that held office during the period were

V Bolger	appointed 3 June 2007, resigned 25 September 2007
A W Gibson	appointed 24 September 2007
M W Jones	resigned 1 August 2008
R A McBride	appointed 24 September 2007
P Murray	resigned 4 June 2007
M J Silver	appointed 24 September 2007
D G Watson	

Risks and uncertainties, financial risk management and key performance indicators

As the Company has ceased trading, there are no significant remaining external risks and uncertainties and key performance indicators are not utilised. Any risks regarding the carrying value of assets relating to other Inspicio group companies are managed by the directors of those companies.

Provision of information for auditors

So far as each of the directors is aware, at the time of the report is approved, there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

Auditors

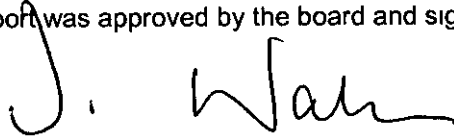
During the year PKF (UK) LLP resigned as auditors. PricewaterhouseCoopers LLP were appointed by the directors to fill the casual vacancy arising, and will be confirmed in office and proposed for reappointment in accordance with section 385 of the Companies Act 1985 at the Company's Annual General Meeting.

ATESTA GROUP LIMITED

REPORT OF THE DIRECTORS

For the 16 month period ended 31 December 2007

This report was approved by the board and signed on its behalf by



D G Watson

Date 29 / 10 / 08

ATESTA GROUP LIMITED

REPORT OF THE DIRECTORS

For the 16 month period ended 31 December 2007

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the Annual 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). 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 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, and,
- 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

ATESTA GROUP LIMITED

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ATESTA GROUP LIMITED

We have audited the financial statements of Atesta Group Limited for the period ended 31 December 2007, which comprise the profit and loss account, the balance sheet and the related notes. The 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 are 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 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.

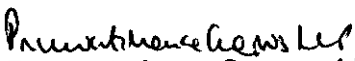
REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF

ATESTA GROUP LIMITED

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2007 and of its result for the period 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
Chartered Accountants and Registered Auditors
Cambridge 30 October 2008

ATESTA GROUP LIMITED

PRINCIPAL ACCOUNTING POLICIES

For the 16 month period ended 31 December 2007

BASIS OF PREPARATION

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards

The financial statements contain information about Atesta Group Limited as an individual company and do not contain the consolidated financial information of its group. The group is exempt under s 228 of the Companies Act 1985 from the requirements to prepare consolidated financial statements for it and its subsidiary undertakings. The results of the group are included by full consolidation in the consolidated financial statements of its parent, Inspicio Limited, which are publicly available.

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 accounts of the ultimate parent company are publicly available.

RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption contained in FRS 8, "Related Party Disclosures", and has not disclosed transactions with other undertakings within the Inspicio group.

TURNOVER

Turnover, which is stated net of value added tax, represents net amounts receivable from customers for the value of the services supplied.

INVESTMENTS

Fixed asset investments are shown at cost less any provision for impairment.

DEFERRED TAXATION

Deferred tax is recognised on all timing differences where the transactions or events that give the Company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date, and is not discounted.

CONTRIBUTIONS TO PENSION FUNDS

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

LEASED ASSETS

Payments made under operating leases are charged to the profit and loss account on a straight line basis over the lease period.

ATESTA GROUP LIMITED

PROFIT AND LOSS ACCOUNT

For the 16 month period ended 31 December 2007

	Notes	16 months ended 31 December 2007 £	Year ended 31 August 2006 £
Turnover	1	-	240,000
Net operating expenses	2		(73,139)
Operating profit		-	166,861
Dividends receivable	3		308,024
Interest payable and similar charges	4		(30,534)
Profit on ordinary activities before taxation		-	444,351
Tax on profit on ordinary activities	6	-	(32,857)
Profit on ordinary activities after taxation		-	411,494

The above amounts relate wholly to discontinued operations

There were no recognised gains or losses other than the profit for the financial year

The accompanying accounting policies and notes form an integral part of these financial statements

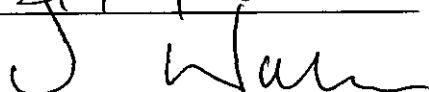
ATESTA GROUP LIMITED

BALANCE SHEET

At 31 December 2007

	Notes	As at 31 December 2007 £	As at 31 August 2006 £
Fixed assets			
Investments	8	251,691	251,691
		<u>251,691</u>	<u>251,691</u>
Current assets			
Debtors due within one year	9	2,761,246	2,790,403
Creditors Amounts falling due within one year	10	(2,280,982)	(1,633,447)
Net current assets		<u>480,264</u>	<u>1,156,956</u>
Net assets		<u>731,955</u>	<u>1,408,647</u>
Capital and reserves			
Called up share capital	11	191,780	191,780
Share premium account	12	540,175	540,175
Profit and loss account	12	-	676,692
Total shareholders' funds	13	<u>731,955</u>	<u>1,408,647</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

29/10/08


D G Watson
Director

The accompanying accounting policies and notes form an integral part of these financial statements

ATESTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 16 month period ended 31 December 2007

1 PROFIT ON ORDINARY ACTIVITIES

Operating profit is stated after charging

	2007 £	2006 £
Rentals under property operating leases	-	3,600
Auditors' remuneration for audit services	-	2,500
Staff costs (note 5)	-	53,781
Turnover in 2006 was entirely attributable to the Company's principal activities in the United Kingdom. The audit fee for the company of £2,500 (2006 £2,500) was borne by a fellow group undertaking in 2007		

2 NET OPERATING EXPENSES

	2007 £	2006 £
Administrative expenses		73,139

3 DIVIDENDS RECEIVABLE

	2007 £	2006 £
From shares in Group undertakings		308,024

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Loan stock interest		24,863
Bank loans and overdrafts		5,671
		30,534

5 STAFF COSTS

Particulars of employees (including executive directors) are as shown below

	2007 £	2006 £
Employee costs during the year amounted to		
Wages and salaries		41,202
Social security costs		4,862
Other pension costs	-	7,717
		53,781

ATESTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 16 month period ended 31 December 2007

5 STAFF COSTS (CONTINUED)

The average monthly number of persons employed by the Company during the year was as follows

	2007	2006
	Number	Number
Total employees	-	1

The remuneration of the directors was as follows

	2007	2006
	£	£
Emoluments	-	42,437
Company contributions to pension schemes	-	7,717
Fees paid to third parties in respect of directors' services	-	6,646
	-	56,800

The number of directors who were members of the Company's pension schemes was nil (2006 – 1)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge comprises

	2007	2006
	£	£
UK Corporation tax	-	29,157
Total current tax	-	29,157
Origination and reversal of timing differences		3,700
Total deferred tax		3,700
Tax on profit on ordinary activities		32,857

	2007	2006
	£	£
Tax reconciliation		
Profit on ordinary activities before tax		444,351
Tax on profit on ordinary activities standard rate 30%		133,305
Effects of		
Expenses not deductible for tax net of non taxable income		(97,552)
Capital allowances in excess of depreciation		(3,299)
Adjustment for small companies rate of Corporation Tax	-	(3,297)
	-	29,157

ATESTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 16 month period ended 31 December 2007

7 DIVIDENDS

	2007 £	2006 £
Interim dividend of £0.88 per share (2006: £0.66 per share)	<u>676,692</u>	<u>504,014</u>

8 FIXED ASSET INVESTMENTS

The following are included in the net book value of fixed asset investments

	2007 £	2006 £
Subsidiary undertakings at cost less provision for impairment	<u>251,691</u>	<u>251,691</u>

The Company has investments in the following UK subsidiary undertakings

Subsidiary undertakings	Principal Activity	Percentage Holding
Scientifics Group Services Limited	Dormant	100%
Harwell Scientifics Limited	Dormant	100%
Scientia Ferrovia Limited	Holding Company	100%
Scientifics Limited*	Testing, analysis and consulting services	100%

Atesta Group Limited holds all of the shares in each subsidiary undertaking except Scientifics Limited in which it holds 0.7% of the share capital and Scientia Ferrovia Limited holds the balance of 99.3%

9 DEBTORS

	2007 £	2006 £
Amounts falling due within one year		
Amounts owed by Group undertakings	<u>2,761,246</u>	<u>2,790,403</u>
	<u>2,761,246</u>	<u>2,790,403</u>

10 CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Amounts owed to Group undertakings	<u>2,280,982</u>	<u>1,604,290</u>
UK corporation tax payable	-	29,157
	<u>2,280,982</u>	<u>1,633,447</u>

ATESTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 16 month period ended 31 December 2007

11 CALLED UP EQUITY SHARE CAPITAL

	2007 £	2006 £
Authorised, allotted, called up and fully paid		
508,822 Ordinary shares of £0 25 each	127,205	127,205
258,295 'A' Ordinary shares of £0 25 each	64,575	64,575
	<u>191,780</u>	<u>191,780</u>

The rights attaching to the share classes are set out below

Income

The 'A' ordinary shares carry a right to a cumulative preferential net cash dividend ("the participating dividend") of 10% of the net profit of the Company (as defined in the articles) for the relevant financial year. Participating dividends shall be paid not later than 4 months after the end of each successive accounting reference period of the Company, or not later than 14 days after the date of the auditors' report on the accounts of the Company for such period, whichever is earlier.

The 'A' ordinary shares also carry a right to cumulative preferential cash dividend ("the compensatory dividend") of an amount equal to the 'Excess Remuneration' (as defined in the articles) divided by the number of ordinary shares held by relevant directors on the last day of the relevant financial year.

No dividend shall be paid to the holders of ordinary shares in respect of any financial year unless and until the participating dividend (if any) has been paid in full in respect of that financial year, and in respect of all previous financial years of the Company any compensatory dividend due has been paid in full.

Conversion

The holders of the 'A' Ordinary shares may at any time convert the whole of their 'A' Ordinary shares into a like number of Ordinary shares.

Capital

On the return of assets on liquidation or capital reduction, the repayment of capital shall be in the following order:

1. Payment to the holders of 'A' Ordinary shares of £1 per share together with a sum equal to any arrears or accruals of the dividend on the 'A' Ordinary shares calculated to the date of the return of the capital.
2. Payment to the holders of Ordinary shares of £1 per share.
3. The balance of such assets shall be distributed amongst the holders of the 'A' Ordinary shares and Ordinary shares in proportion to the amount paid up or credited as paid up on the 'A' Ordinary shares and Ordinary shares held by them respectively.

ATESTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the 16 month period ended 31 December 2007

12 SHARE PREMIUM ACCOUNT AND RESERVES

	Share premium account £	Profit and loss account £
At 1 September 2006	540,175	676,692
Dividends		(676,692)
At 31 December 2007	<u>540,175</u>	<u></u>

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Shareholders' funds at start of period	1,408,647	1,472,037
Additional Ordinary 25p shares issued at £1 each		29,130
Profit for the financial period	-	411,494
Dividends	(676,692)	(504,014)
Shareholders' funds at end of period	<u>731,955</u>	<u>1,408,647</u>

14 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

Along with other group undertakings, the Company has guaranteed certain loans of Inspicio Holdings Limited, which at 31 December 2007 amounted to £58,700,000 (2006 £nil) The loans are secured by fixed and floating charges over the assets of the Company The Directors believe that there will be no material impact on the Company's financial position as a result of these guarantees

Prior to its acquisition by the Inspicio group, the Company had provided an unlimited inter company cross guarantee and letter of set off to the Atesta Group's bankers There was a contingent liability of this Company in respect of the above guarantee of £nil at 31 December 2007 (2006 £8,002,500)

15 ULTIMATE PARENT UNDERTAKING

The largest and smallest group in which the results of the Company are consolidated is that headed by Inspicio Limited The consolidated accounts of this group are available to the public and may be obtained from 10 Buckingham Street, London, WC2N 6DF

Post balance sheet event

In February 2008, the Inspicio Limited group was acquired by Inspicio Sarl, a company incorporated in Luxembourg The directors now consider Inspicio Sarl to be the ultimate controlling party