

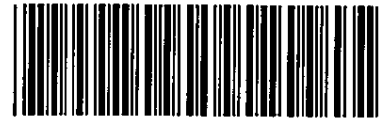
REGISTERED NUMBER: 2386356 (England and Wales)

Abbreviated Accounts for the Year Ended 31 December 2007

for

Able UK Limited

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Able UK Limited

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for the Year Ended 31 December 2007**

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Able UK Limited
Company Information
for the Year Ended 31 December 2007

DIRECTORS: P M Stephenson
Miss R Stephenson

SECRETARY: Miss R Stephenson

REGISTERED OFFICE: Able House
Bilingham Reach Industrial Estate
Bilingham
TS23 1PX

REGISTERED NUMBER: 2386356 (England and Wales)

AUDITORS: Cobham Murphy Limited
116 Duke Street
Liverpool
Merseyside
L1 5JW

Able UK Limited

**Report of the Directors
for the Year Ended 31 December 2007**

The directors present their report with the accounts of the company for the year ended 31 December 2007

PRINCIPAL ACTIVITIES

- Land reclamation, development and management
- Disposal of redundant marine structures including ships
- Waste treatment and disposal
- Demolition and site reclamation works
- Provision of port facilities
- Provider of multi-user facilities for marine related activities including fabrication and shipping

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts

The Company obtained their new Planning Permission for recycling marine structures, ships and to construct facilities suitable for manufacturing, installing and maintenance of offshore wind turbines. As a result, the Company has started constructing the new dry dock facilities which will enable recycling to fully commence in late summer 2008 and the expectation is that the construction works for the new offshore wind fabrication facility will commence in 2009

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2007

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2007 to the date of this report

P M Stephenson
Miss R Stephenson

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year, Able UK Limited made a charitable contribution of £2,010, to the British Heart Foundation

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 these 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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

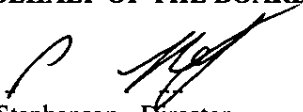
Able UK Limited

**Report of the Directors
for the Year Ended 31 December 2007**

AUDITORS

The auditors, Cobham Murphy Limited, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD:



P M Stephenson - Director

Date 07-10-2008

**Report of the Independent Auditors to
Able UK Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages five to seventeen, together with the financial statements of Able UK Limited for the year ended 31 December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A 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 Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Cobham Murphy Ltd

Cobham Murphy Limited
116 Duke Street
Liverpool
Merseyside
L1 5JW

Date 7.10.08

Able UK Limited

**Abbreviated Profit and Loss Account
for the Year Ended 31 December 2007**

		31 12 07		31 12 06 as restated	
	Notes	£	£	£	£
GROSS PROFIT			1,756,789		1,995,270
Administrative expenses			<u>971,950</u>		<u>1,115,241</u>
OPERATING PROFIT	3		784,839		880,029
Income from fixed asset investments		17,966		17,471	
Interest receivable and similar income		<u>177,802</u>		<u>153,828</u>	
			<u>195,768</u>		<u>171,299</u>
			980,607		1,051,328
Amounts written off investments	4		<u>20,486</u>		<u>(2,333)</u>
			960,121		1,053,661
Interest payable and similar charges	5		<u>9,888</u>		<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			950,233		1,053,661
Tax on profit on ordinary activities	6		<u>(93,715)</u>		<u>281,029</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			<u><u>1,043,948</u></u>		<u><u>772,632</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these abbreviated accounts

Able UK Limited

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2007**

	31 12 07	31 12 06 as restated
	£	£
PROFIT FOR THE FINANCIAL YEAR	1,043,948	772,632
Listed investments	<u>4,586</u>	<u>(4,583)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	1,048,534	<u>768,049</u>
Prior year adjustment	Note 7 <u>(1,050,000)</u>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>(1,466)</u>	

**Note of Historical Cost Profits and Losses
for the Year Ended 31 December 2007**

	31 12 07	31 12 06 as restated
	£	£
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	950,233	1,053,661
Depreciation on difference between revalued amount and historical cost	457	457
	<u>950,690</u>	<u>1,054,118</u>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>950,690</u>	<u>1,054,118</u>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION	<u>1,044,405</u>	<u>773,089</u>

The notes form part of these abbreviated accounts

Able UK Limited

Abbreviated Balance Sheet
31 December 2007

	Notes	31 12 07		31 12 06 as restated	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		5,886,784		6,259,733
Investments	9		<u>459,487</u>		<u>475,390</u>
			6,346,271		6,735,123
CURRENT ASSETS					
Stocks	10	372,227		1,310,250	
Debtors	11	7,891,494		9,497,364	
Cash at bank		<u>3,764,579</u>		<u>1,733,399</u>	
		12,028,300		12,541,013	
CREDITORS					
Amounts falling due within one year	12	<u>4,223,144</u>		<u>5,609,991</u>	
NET CURRENT ASSETS					
			<u>7,805,156</u>		<u>6,931,022</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			14,151,427		13,666,145
PROVISIONS FOR LIABILITIES					
	14		(1,215,736)		(1,248,521)
ACCRUALS AND DEFERRED INCOME					
	15		<u>(10,771,256)</u>		<u>(11,301,723)</u>
NET ASSETS					
			<u>2,164,435</u>		<u>1,115,901</u>
CAPITAL AND RESERVES					
Called up share capital	16		10,000		10,000
Revaluation reserve	17		782,612		778,483
Profit and loss account	17		<u>1,371,823</u>		<u>327,418</u>
SHAREHOLDERS' FUNDS					
	20		<u>2,164,435</u>		<u>1,115,901</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on its behalf by

07-10-2008 and were signed on


Director

The notes form part of these abbreviated accounts

Able UK Limited

**Cash Flow Statement
for the Year Ended 31 December 2007**

	Notes	31 12 07 £	31 12 06 as restated £
Net cash inflow from operating activities	1	2,017,727	293,364
Returns on investments and servicing of finance	2	185,880	167,194
Taxation		281,342	-
Capital expenditure and financial investment	2	<u>(453,769)</u>	<u>(509,275)</u>
		2,031,180	(48,717)
Financing	2	<u>-</u>	<u>(24)</u>
Increase/(Decrease) in cash in the period		<u><u>2,031,180</u></u>	<u><u>(48,741)</u></u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		<u>2,031,180</u>	<u>(48,741)</u>
Change in net funds resulting from cash flows		<u>2,031,180</u>	<u>(48,741)</u>
Movement in net funds in the period		2,031,180	(48,741)
Net funds at 1 January		<u>1,733,399</u>	<u>1,782,140</u>
Net funds at 31 December		<u><u>3,764,579</u></u>	<u><u>1,733,399</u></u>

The notes form part of these abbreviated accounts

Able UK Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2007**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 12 07	31 12 06 as restated
	£	£
Operating profit	784,839	880,029
Depreciation charges	483,428	469,976
Profit on disposal of fixed assets	(36,553)	(32,090)
Decrease in stocks	938,023	117,996
Decrease in debtors	1,864,707	10,717
Decrease in creditors	<u>(2,016,717)</u>	<u>(1,153,264)</u>
Net cash inflow from operating activities	<u>2,017,727</u>	<u>293,364</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 12 07	31 12 06 as restated
	£	£
Returns on investments and servicing of finance		
Interest received	177,802	153,828
Interest paid	(9,888)	(4,105)
Dividends received	<u>17,966</u>	<u>17,471</u>
Net cash inflow for returns on investments and servicing of finance	<u>185,880</u>	<u>167,194</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(141,832)	(590,275)
Sale of tangible fixed assets	67,903	81,000
Sale of fixed asset investments	1	-
Parent company loan	<u>(379,841)</u>	<u>-</u>
Net cash outflow for capital expenditure and financial investment	<u>(453,769)</u>	<u>(509,275)</u>
Financing		
Amount withdrawn by directors	<u>-</u>	<u>(24)</u>
Net cash outflow from financing	<u>-</u>	<u>(24)</u>

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 1 07 £	Cash flow £	At 31 12 07 £
Net cash			
Cash at bank	<u>1,733,399</u>	<u>2,031,180</u>	<u>3,764,579</u>
	<u>1,733,399</u>	<u>2,031,180</u>	<u>3,764,579</u>
Total	<u>1,733,399</u>	<u>2,031,180</u>	<u>3,764,579</u>

The notes form part of these abbreviated accounts

Able UK Limited

**Notes to the Abbreviated Accounts
for the Year Ended 31 December 2007**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The effects of events in relation to the period ended 31 December 2007 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 2007 and of the results for the period ended on that date

Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

Changes in accounting policies

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

Turnover and profits

Turnover represents amounts received for goods and services net of VAT and trade discounts

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract

Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Freehold Buildings	2	38% per annum of cost or revalued amount
Plant & Machinery		14-47% per annum of cost
Computer Equipment	33	33% per annum of cost
Motor Vehicles		25% per annum of cost

Revaluation gains are recognised in the statement of total recognised gains and losses and taken directly to the revaluation reserve. Revaluation losses are similarly recognised to the extent they reverse the previous revaluation gains thereafter they are recognised in the profit and loss account

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account

Stock and work in progress

Stocks have been valued at the lower of cost and net realisable value, cost being incurred in bringing the stock to its present location and condition and net realisable value being based on estimated selling price less further costs expected to be incurred in completion and disposal, as follows

Raw materials and consumable - purchase cost on a first in, first out basis

Work in progress - cost of direct materials and labour plus attributable overheads based on the normal level of activity

Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account

Able UK Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2007**

1 ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

Although it has no obligation to do so the company periodically contributes to pension schemes of directors and employees. The amount charged to the profit and loss account in respect of pension costs is the amount payable in the year.

Investments

Fixed asset investments are stated at market value. Revaluation gains are recognised in the statement of total recognised gains and losses and taken directly to the revaluation reserve. Revaluation losses are similarly recognised to the extent they reverse previous revaluation gains thereafter they are recognised in the profit and loss account.

Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Able UK Holdings Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

Deferred income

Deferred income is matched with expenditure to which it relates, and is recognised in the profit and loss account in the period in which such expenditure is written off.

2 STAFF COSTS

	31 12 07	31 12 06 as restated
	£	£
Wages and salaries	2,256,693	3,286,572
Social security costs	<u>16,105</u>	<u>17,550</u>
	<u>2,272,798</u>	<u>3,304,122</u>

The average monthly number of employees during the year was as follows

	31 12 07	31 12 06 as restated
Management and Administration	21	26
Production	<u>60</u>	<u>85</u>
	<u>81</u>	<u>111</u>

Able UK Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2007**

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	31 12 07	31 12 06 as restated
	£	£
Operating lease rentals	50,400	(122,974)
Depreciation - owned assets	483,429	469,976
Profit on disposal of fixed assets	(36,553)	(32,090)
Auditors' remuneration	<u>16,000</u>	<u>15,000</u>
Directors' emoluments	<u>137,131</u>	<u>139,287</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>2</u>	<u>2</u>
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4 AMOUNTS WRITTEN OFF INVESTMENTS

	31 12 07	31 12 06 as restated
	£	£
Amounts written off investment	<u>20,486</u>	<u>(2,333)</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 07	31 12 06 as restated
	£	£
Other interest	<u>9,888</u>	<u>-</u>

6 TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows

	31 12 07	31 12 06 as restated
	£	£
Current tax		
UK corporation tax	169,567	248,499
Over provision in prior years	<u>(230,497)</u>	<u>-</u>
Total current tax	(60,930)	248,499
Deferred tax	<u>(32,785)</u>	<u>32,530</u>
Tax on profit on ordinary activities	<u>(93,715)</u>	<u>281,029</u>

Able UK Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2007**

6 TAXATION - continued

Factors affecting the tax (credit)/charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 12 07	31 12 06 as restated
	£	£
Profit on ordinary activities before tax	<u>950,233</u>	<u>1,053,661</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	285,070	316,098
Effects of		
Capital allowances for the year in excess of depreciation	38,562	(9,893)
Income not taxable	(4,721)	(28,191)
Marginal relief	-	(29,515)
Group relief surrendered without charge	<u>(379,841)</u>	<u>-</u>
Current tax (credit)/charge	<u>(60,930)</u>	<u>248,499</u>

7 PRIOR YEAR ADJUSTMENT

In the previous year a provision of £10M was included in respect of the costs relating to a possible obligation on land. This provision related to an agreement in the year ended 31st December 1999 for £15M in return for acceptance of this obligation. The directors consider that this should be treated as deferred income to be released over the best estimate of the life of the obligation, taken to be 30 years.

The change of treatment represents a change of accounting policy and has therefore been treated as a prior year adjustment.

The effect of the change is to remove a 10M provision and include deferred income of £11.5M, together with an increase in sales of £500k in respect of deferred income recognised in the year. The resulting tax debtor of £450k has been netted off the corporation tax creditor, and is subject to agreement with the Inland Revenue. The net impact on profit and loss reserves is a reduction of £1,050,000.

Able UK Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2007**

8 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 January 2007	5,000,000	3,021,095	35,662	71,363	8,128,120
Additions	-	141,832	-	-	141,832
Disposals	-	(291,864)	-	(12,079)	(303,943)
At 31 December 2007	<u>5,000,000</u>	<u>2,871,063</u>	<u>35,662</u>	<u>59,284</u>	<u>7,966,009</u>
DEPRECIATION					
At 1 January 2007	267,750	1,514,130	35,659	50,850	1,868,389
Charge for year	119,000	352,385	-	12,044	483,429
Eliminated on disposal	-	(260,515)	-	(12,078)	(272,593)
At 31 December 2007	<u>386,750</u>	<u>1,606,000</u>	<u>35,659</u>	<u>50,816</u>	<u>2,079,225</u>
NET BOOK VALUE					
At 31 December 2007	<u>4,613,250</u>	<u>1,265,063</u>	<u>3</u>	<u>8,468</u>	<u>5,886,784</u>
At 31 December 2006	<u>4,732,250</u>	<u>1,506,965</u>	<u>3</u>	<u>20,513</u>	<u>6,259,731</u>

9 FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Listed investments £	Totals £
COST OR VALUATION			
At 1 January 2007	1	487,794	487,795
Disposals	(1)	-	(1)
Revaluations	-	4,586	4,586
At 31 December 2007	<u>-</u>	<u>492,380</u>	<u>492,380</u>
PROVISIONS			
At 1 January 2007	-	12,405	12,405
Provision for year	-	20,488	20,488
At 31 December 2007	<u>-</u>	<u>32,893</u>	<u>32,893</u>
NET BOOK VALUE			
At 31 December 2007	<u>-</u>	<u>459,487</u>	<u>459,487</u>
At 31 December 2006	<u>1</u>	<u>475,389</u>	<u>475,390</u>

Able UK Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2007**

9 FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 December 2007 is represented by

	Listed investments £
Valuation in 2006	(4,583)
Valuation in 2007	4,586
Cost	<u>492,377</u>
	<u><u>492,380</u></u>

Listed investments are valued at their mid market price at the balance sheet date. The net book value of investments on the historical cost basis was £395,257 (2006 £415,411)

10 STOCKS

	31 12 07	31 12 06 as restated
	£	£
Raw materials	118,812	234,037
Work-in-progress	<u>253,415</u>	<u>159,728</u>
	372,227	393,765
Net costs less foreseeable losses	<u><u>-</u></u>	<u><u>916,485</u></u>

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 07	31 12 06 as restated
	£	£
Trade debtors	836,974	2,654,554
Amounts owed by group undertakings	6,582,508	6,202,671
Amounts recoverable on contract	-	190,460
Other debtors	123,963	902
Tax	-	121,004
Prepayments and accrued income	<u>348,049</u>	<u>327,773</u>
	<u><u>7,891,494</u></u>	<u><u>9,497,364</u></u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 12 07	31 12 06 as restated
	£	£
Payments on account	918,810	997,207
Trade creditors	2,322,014	3,647,906
Tax	99,408	-
Social security and other taxes	44,948	62,630
VAT	-	253,395
Other creditors	16,972	37,968
Accruals and deferred income	<u>820,992</u>	<u>610,885</u>
	<u><u>4,223,144</u></u>	<u><u>5,609,991</u></u>

Able UK Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2007**

13 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	31 12 07	Land and buildings
	£	31 12 06 as restated £
Expiring Within one year	<u>700,000</u>	<u>700,000</u>

14 PROVISIONS FOR LIABILITIES

	31 12 07	31 12 06 as restated
	£	£
Deferred tax	<u>1,215,736</u>	<u>1,248,521</u>
		Deferred tax £
Balance at 1 January 2007		1,248,521
Accelerated capital allowances		<u>(32,785)</u>
Balance at 31 December 2007		<u>1,215,736</u>

15 ACCRUALS AND DEFERRED INCOME

	31 12 07	31 12 06 as restated
	£	£
Accruals and deferred income	10,771,256	11,282,923
Deferred government grants	<u>-</u>	<u>18,800</u>
	<u>10,771,256</u>	<u>11,301,723</u>

Accruals and deferred income includes £11.0M in respect of the acceptance of possible obligations on land. This obligation has been estimated to have a remaining life of 22 years and is therefore being released to the profit and loss account at the rate of £500K per annum.

16 CALLED UP SHARE CAPITAL

Number	Class	Nominal value	31 12 07	31 12 06 as restated
			£	£
10,000	Ordinary Shares	£1	<u>10,000</u>	<u>10,000</u>

Able UK Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 December 2007**

17 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 January 2007	1,377,418	778,483	2,155,901
Prior year adjustment	<u>(1,050,000)</u>		<u>(1,050,000)</u>
Profit for the year	327,418		1,105,901
Revaluation during the year	1,043,948		1,043,948
Depreciation written back	-	4,586	4,586
	<u>457</u>	<u>(457)</u>	<u>-</u>
At 31 December 2007	<u>1,371,823</u>	<u>782,612</u>	<u>2,154,435</u>

The revaluation reserve closing balance comprises

	£
Surplus on revaluation of property	718,381
Surplus on revaluation of investments	<u>64,231</u>
	<u>782,612</u>

18 CONTINGENT LIABILITIES

The company's bankers hold a debenture over the whole assets of the company for all sums due, and they also hold a cross guarantee between the company and its parent, Able UK Holdings Limited. The company was not indebted to its bankers at the balance sheet date.

19 RELATED PARTY DISCLOSURES

At 31st December 2007 Able UK Limited was owed £6,582,512 from Able Holdings Limited, the controlling party of Able UK Limited. Also owing to Able UK Limited was £742,656, from Alab Environmental Services Limited a company in which R Stephenson is a director. Able UK Limited acquired the entire share capital of Alab Environmental Services Limited at par on 1st January 2008.

Able UK Holdings Limited has made the decision not to charge for group tax relief surrendered to Able UK Limited either in the current year or in respect of relief surrendered in prior years. The tax effect of the relief surrendered is £379,840.

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 12 07	31 12 06 as restated
	£	£
Profit for the financial year	1,043,948	772,632
Other recognised gains and losses relating to the year (net)	<u>4,586</u>	<u>(4,583)</u>
Net addition to shareholders' funds	1,048,534	768,049
Opening shareholders' funds (originally £2,165,901 before prior year adjustment of £(1,050,000))	<u>1,115,901</u>	<u>347,852</u>
Closing shareholders' funds	<u>2,164,435</u>	<u>1,115,901</u>