

Registered no. 2386356

**ABLE UK LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2004**



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COMPANIES HOUSE 28/10/2005

# **ABLE UK LIMITED**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004**

## **OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS:** Mr P M Stephenson  
Miss R Stephenson

**SECRETARY:** Miss R Stephenson

**REGISTERED OFFICE:** Able House  
Billingham Reach Industrial Estate  
Billingham  
TS23 1PX

**REGISTERED NUMBER:** 2386356

**AUDITORS:** Audit Assure  
New Exchange Buildings  
Queens Square  
Middlesbrough  
TS2 1AA

**ACCOUNTANTS:** Vantis  
New Exchange Buildings  
Queens Square  
Middlesbrough  
TS2 1AA

**BANKERS:** Bank of Scotland  
41 - 51 Grey Street  
Newcastle upon Tyne  
NE1 6EE

# ABLE UK LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2004

The directors present their report and the financial statements of the company for the year ended 31 December 2004.

The company's name was changed from Dredging UK Limited to Able UK Limited on 4 October 2004. The company did not trade until 19 October 2004 following a group reconstruction which involved the hive down of the business of the parent company.

The company has an overseas subsidiary, Post-Service Remediation Partners LLC.

### Principal Activities

The company's principal activity since 19 October 2004 falls into the following areas:

- a) Identification, reclamation and development of derelict industrial sites.
- b) Property development and property management.
- c) The disposal of redundant marine structures and ships.
- d) Demolition, asbestos removal and construction works.
- e) The development of recycling, reclamation and waste disposal facilities.

The principal activity of the company's subsidiary is the disposal of redundant ships.

### Review of Business

Even though the results were somewhat exceptionally enhanced by a one-off sale of plant and machinery just prior to the financial year end, the base profits would have been significantly higher if the ship recycling related (formally approved) waste management licence had not been rescinded by the Environmental Agency and, similarly, certain planning permissions rescinded by Hartlepool Borough Council in response to legal challenge by, in particular, Friends of the Earth. The directors are therefore overall satisfied with the profits achieved by the company and, furthermore, the £3m favourable bank balance and strong balance sheet provide a sound base for future profit generation.

### Future Developments

The directors aim to maintain the management policies which have resulted in the substantial growth of the Able group in recent years. They consider that the current year will show a further growth in sales and future years a greater increase presuming the licenses and permissions sought for the ship re-cycling operations at TERRC are obtained.

### Fixed Assets

In the opinion of the directors, the market value of freehold buildings was not significantly different from book value.

### Results and Dividends

The results of the year's trading and the financial position of the company are shown in the annexed accounts.

The company's profit for the year, after taxation, amounted to £481,237 (2003 - £-). The directors recommend that no dividend be paid.

### Directors

The present directors are as shown on page 1. All served on the board throughout the year.

### Directors' Interests

The interests of the directors in the shares of the company at the beginning and end of the year, were as follows:

	Share Type	31 December 2004	1 January 2004
Mr P M Stephenson	Ordinary	-	2,500
Miss R Stephenson	Ordinary	-	-

# ABLE UK LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

The immediate and ultimate parent company is Able UK Holdings Limited, which changed its name from Able UK Limited on 4 October 2004.

The interests of the directors in the shares of the parent company are as follows:

Name of director	Share Type	31 December 2004	1 January 2004
Mr P M Stephenson	Ordinary	9,000	9,000
Miss R Stephenson	Ordinary	1,000	1,000

### Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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.

### Auditors

The auditors, Audit Assure, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

On behalf of the board



Mr P M Stephenson - Director

Date: 26 September 2005

# ABLE UK LIMITED

## INDEPENDENT AUDITORS' REPORT TO ABLE UK LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts which comprise the abbreviated profit and loss account, statement of total recognised gains and losses, abbreviated balance sheet, cash flow statement and related notes 1 to 26, together with the financial statements of the company for the year ended 31 December 2004 prepared under section 226 of the Companies Act 1985.

### 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 accounts to be delivered are properly prepared in accordance with that provision and to 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 full financial statements.

### Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies 1985, and the abbreviated accounts on pages 5 to 25 are properly prepared in accordance with that provision.



.....  
**Audit Assure**  
Chartered Accountants and Registered Auditors  
New Exchange Buildings  
Queens Square  
Middlesbrough  
TS2 1AA

Date: 27 September 2005

# ABLE UK LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	2004 £	2003 £
<b>GROSS PROFIT</b>		536,890	-
Administrative expenses		(234,983)	-
Other operating income		32,735	-
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	2	334,642	-
Profit on sale of fixed assets		328,720	-
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		663,362	-
Income from other fixed asset investments		2,348	-
Other interest receivable and similar income		28,207	-
Interest payable and similar charges	3	(5,800)	-
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		688,117	-
Tax on profit on ordinary activities	6	(206,880)	-
		<hr/>	<hr/>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	16	481,237	-
		<hr/> <hr/>	<hr/> <hr/>

The company's turnover and expenses all relate to continuing operations.

The annexed notes form part of these abbreviated accounts.

# ABLE UK LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 £	2003 £
Profit for the financial year	481,237	-
Unrealised surplus on revaluation of investments	5,600	-
Total recognised gains and losses relating to the year	<u>486,837</u>	<u>-</u>

## NOTE OF HISTORICAL COST PROFITS AND LOSSES

	2004 £	2003 £
Reported profit on ordinary activities before taxation	688,117	-
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	3,587	-
Historical cost profit on ordinary activities before taxation	<u>691,704</u>	<u>-</u>
Historical cost profit for the year retained after taxation and dividends	<u>484,824</u>	<u>-</u>


# ABLE UK LIMITED

## ABBREVIATED BALANCE SHEET AT 31 DECEMBER 2004

	Note	2004 £	2003 £
<b>FIXED ASSETS</b>			
Tangible assets	7	5,881,022	-
Investments	8	446,226	-
		<u>6,327,248</u>	<u>-</u>
<b>CURRENT ASSETS</b>			
Stocks	9	222,829	-
Debtors	10	8,584,079	10,000
Cash at bank and in hand		2,965,643	-
		<u>11,772,551</u>	<u>10,000</u>
<b>CREDITORS</b>			
Amounts falling due within one year	11	(5,120,306)	-
<b>NET CURRENT ASSETS</b>		<u>6,652,245</u>	<u>10,000</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		12,979,493	10,000
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	12	(1,199,608)	-
<b>ACCRUALS AND DEFERRED INCOME</b>			
Deferred income and government grants	13	(10,539,373)	-
<b>NET ASSETS</b>		<u>1,240,512</u>	<u>10,000</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	10,000	10,000
Revaluation reserve	15	745,688	-
Profit and loss account	16	484,824	-
<b>SHAREHOLDERS' FUNDS</b>	17	<u>1,240,512</u>	<u>10,000</u>

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

These abbreviated accounts were approved by the board on 26 September 2005

  
.....  
Mr P M Stephenson - Director

The annexed notes form part of these abbreviated accounts.



# ABLE UK LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 £	2003 £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	22	581,390	-
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		28,207	-
Dividends received (net of tax credits)		2,348	-
		<u>30,555</u>	-
<b>CAPITAL EXPENDITURE</b>			
Payments to acquire fixed assets		(19,946)	-
Receipts from sale of tangible fixed assets		443,766	-
		<u>423,823</u>	-
		<u>1,035,768</u>	-
<b>CASH INFLOW FROM DECREASE IN LIQUID RESOURCES</b>			
Parent company loan		1,929,875	-
		<u>1,929,875</u>	-
<b>INCREASE IN CASH</b>	23	<u><u>2,965,643</u></u>	<u><u>-</u></u>

The annexed notes form part of these abbreviated accounts.

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004

### 1. ACCOUNTING POLICIES

The accounts have been prepared in accordance with applicable accounting standards. There were no material departures from those standards.

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 as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards.

The effect of events in relation to the year ended 31 December 2004 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 2004 and of the results for the year ended on that date.

#### Depreciation

Depreciation has been computed to write off the cost or valuation, less estimated residual value, of all tangible fixed assets by equal installments over their expected useful lives using the following rates:

Freehold buildings	- 2.38% per annum of cost or revalued amount
Plant and machinery	- 14 - 47% per annum of cost
Computer equipment	- 33.33 % per annum of cost
Motor vehicles	- 25% per annum of cost

#### Stocks

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 consumables	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.

#### 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, except that 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 future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at 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.

# **ABLE UK LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)**

### **Government grants**

Revenue based grants received are credited to the profit and loss account as the related expenditure is incurred. Capital based grants are treated as deferred income and transferred to the profit and loss account over the useful lives of the assets to which they relate.

### **Leasing**

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

### **Pension Costs**

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.

### **Investment income**

Investment income comprises dividends and interest and is accounted for on a receivable basis.

### **Amounts recoverable on contracts**

Amounts recoverable on contracts are included in debtors, and are valued at cost plus attributable profit, less provision for foreseeable losses.

### **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.

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 2. OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2004 £	2003 £
Directors' emoluments	36,044	-
Directors' pension contributions in respect of money purchase benefits	120	-
Total directors' emoluments	<u>36,164</u>	<u>-</u>
Management charges	(17,110)	-
Grants receivable	(15,625)	-
Operating leases - land & buildings	383,858	-
Depreciation of owned assets	74,508	-
Auditors' remuneration	5,666	-

### 3 DIRECTORS' REMUNERATION

There are 2 directors to whom retirement benefits are accruing under money purchase pension schemes in respect of qualifying services (2003 - -).

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 4. STAFF COSTS

The average number of persons employed by the company, including directors, during the year was as follows:

	2004 Number	2003 Number
Management and administration	6	2
Production	14	-
	<u>20</u>	<u>2</u>

The above averages are based on the full financial year, so include the period prior to hive down when the company was not trading. The average number of employees after hive down was 86.

The aggregate payroll costs of these persons were as follows:

	2004 £	2003 £
Wages and salaries	547,812	-
Social security	48,443	-
Other pension costs	1,490	-
	<u>597,745</u>	<u>-</u>

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2004 £	2003 £
Other interest	<u>5,800</u>	<u>-</u>

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 6. TAXATION

Analysis of charge in period	2004 £	2003 £
Current tax:		
UK corporation tax on profits of the year	50,958	-
Group relief	61,212	-
Total current tax	112,170	-
Deferred tax:		
Origination and reversal of timing differences	94,710	-
Total deferred tax	94,710	-
Tax on profit on ordinary activities	206,880	-

#### Factors affecting tax charge for the period

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

	2004 £	2003 £
Profit on ordinary activities before tax	688,117	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (-%)	206,435	-
Effects of		
Capital allowances for year in excess of depreciation	(88,873)	-
Income not taxable or already taxed	(5,392)	-
Current tax charge for year	112,170	-

#### Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluing property to its market value. Such tax would become payable only if the property was sold without rollover relief becoming available.

The amounts not provided for are as follows:

	2004 £	2003 £
Postponed chargeable gains on eventual sale of tangible fixed assets	215,926	-
Tax losses carried forward	-	-
	215,926	-

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 7. TANGIBLE FIXED ASSETS

	Freehold buildings £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 January 2004	-	-	-	-	-
Additions	-	19,943	-	-	19,943
Inter group transfers	5,000,000	5,367,323	35,662	71,363	10,474,348
Disposals	-	(3,454,807)	-	-	(3,454,807)
At 31 December 2004	<u>5,000,000</u>	<u>1,932,459</u>	<u>35,662</u>	<u>71,363</u>	<u>7,039,484</u>
<b>Depreciation</b>					
At 1 January 2004	-	-	-	-	-
Charge for the year	24,792	43,708	2,291	3,717	74,508
Inter group transfers	4,958	4,383,828	20,533	14,395	4,423,714
Elimination on disposals	-	(3,339,760)	-	-	(3,339,760)
At 31 December 2004	<u>29,750</u>	<u>1,087,776</u>	<u>22,824</u>	<u>18,112</u>	<u>1,158,462</u>
<b>Net book value</b>					
At 31 December 2004	<u>4,970,250</u>	<u>844,683</u>	<u>12,838</u>	<u>53,251</u>	<u>5,881,022</u>
At 31 December 2003	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Net book value of land and buildings at 31 December 2004 comprised:

	2004 £	2003 £
Buildings	<u>4,970,250</u>	<u>-</u>

On a historical cost basis, freehold land and buildings would have been included as follows:

	2004 £	2003 £
Cost	5,280,792	-
Cumulative depreciation based on cost	1,030,294	-
Net book value	<u>4,250,498</u>	<u>-</u>

#### Revaluations

Property was revalued on the basis of Depreciated Replacement Cost in August 2004 by Gerald Eve, Chartered Surveyors and Property Consultants.

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 8. INVESTMENTS

	2004 £
Shares in group undertakings	1
Investments other than loans	446,225
	<u>446,226</u>
	<u><u>446,226</u></u>
<b>Shares in group undertakings</b>	<b>2004 £</b>
<b>Cost</b>	
At 1 January 2004	-
Additions	1
	<u>1</u>
At 31 December 2004	<u>1</u>
	<u><u>1</u></u>
<b>Provision</b>	
At 1 January 2004	-
During the year	-
	<u>-</u>
At 31 December 2004	<u>-</u>
	<u><u>-</u></u>
Net cost or valuation	1
	<u><u>1</u></u>
<b>Investments other than loans</b>	<b>Listed £</b>
<b>Cost</b>	
At 1 January 2004	-
Revaluations	5,600
Inter group transfers	465,871
	<u>471,471</u>
At 31 December 2004	<u>471,471</u>
	<u><u>471,471</u></u>
<b>Provision</b>	
At 1 January 2004	-
Inter group transfers	25,246
During the year	-
	<u>25,246</u>
At 31 December 2004	<u>25,246</u>
	<u><u>25,246</u></u>
Net cost or valuation	446,225
	<u><u>446,225</u></u>



# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

Details of the subsidiary undertaking are as follows:

Name of company	Country of incorporation	Nominal value of shares \$	Proportion held by company	Nature of business
Post-Service Remediation Partners LLC	USA	1	100%	Disposal of redundant ships

The capital and reserves and profit or loss for the financial year ending with the financial year of the holding company were as follows:

	Profit/(loss) for the year \$	Capital and reserves \$
Post-Service Remediation Partners LLC	-	1

### 9. STOCKS AND WORK IN PROGRESS

	2004 £	2003 £
Raw materials, consumables and plant spares	221,353	-
Work in progress	1,476	-
	<u>222,829</u>	<u>-</u>

### 10. DEBTORS

Receivable within one year:

	2004 £	2003 £
Trade debtors	2,011,201	-
Amounts owed by group undertakings	6,346,020	10,000
Other debtors	1,229	-
Prepayments and accrued income	225,629	-
	<u>8,584,079</u>	<u>10,000</u>

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 11. CREDITORS - AMOUNTS DUE WITHIN ONE YEAR

	2004 £	2003 £
Payments received on account	1,064,430	-
Trade creditors	2,272,211	-
Social security and other taxes	113,728	-
Directors' loan accounts	6,551	-
Corporation tax payable	801,710	-
Accruals and deferred income	861,676	-
	<u>5,120,306</u>	<u>-</u>

### 12. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £	Other provisions £	Total £
Balance at 1 January 2004	-	-	-
Utilised during the year	-	(216,973)	(216,973)
Charge for the year	94,710	-	94,710
Inter group transfers	1,104,898	216,973	1,321,871
Balance at 31 December 2004	<u>1,199,608</u>	<u>-</u>	<u>1,199,608</u>

#### Provision for deferred tax

	2004 £	2003 £
Accelerated capital allowances	1,199,608	-
Tax losses carried forward	-	-
Total provision for deferred tax	<u>1,199,608</u>	<u>-</u>
Provision at 1 January 2004	-	-
Deferred tax charge in profit and loss account for the year	94,710	-
Inter group transfer	1,104,898	-
Provision at 31 December 2004	<u>1,199,608</u>	<u>-</u>

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 13. ACCRUALS AND DEFERRED INCOME

	2004 £	2003 £
Deferred government grants	168,800	-
Accruals and deferred income	10,370,573	-
	<u>10,539,373</u>	<u>-</u>

### 14. SHARE CAPITAL

	2004 £	2003 £
Authorised		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

### 15. REVALUATION RESERVE

The closing balance comprises:-	2004 £	
Surplus on revaluation of property	719,752	
Surplus on revaluation of investments	25,936	
	<u>745,688</u>	
Movements during the year were:-	2004 £	
At 1 January 2004	-	
Inter group transfer	743,675	
Surplus on revaluation of investments during the year	5,600	
Transfer of realised revaluation reserve	(3,587)	
At 31 December 2004	<u>745,688</u>	

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 16. PROFIT AND LOSS ACCOUNT

	2004 £
At 1 January 2004	-
Retained profit for the financial year	481,237
Transfer of amount equivalent to depreciation on revaluation	3,587
	<hr/>
At 31 December 2004	484,824
	<hr/> <hr/>

### 17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the financial year	481,237	-
Other recognised gains and losses relating to the year	5,600	-
Inter group transfer of revaluation reserve	743,675	-
	<hr/>	<hr/>
Net addition to shareholders' funds	1,230,512	-
Opening shareholders' funds	10,000	10,000
	<hr/>	<hr/>
Closing shareholders' funds	1,240,512	10,000
	<hr/> <hr/>	<hr/> <hr/>

### 18. LEASING COMMITMENTS

At 31 December 2004 the company had annual commitments under non-cancellable operating leases as detailed below:

	2004		2003	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Within one year	1,089,496	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,089,496	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 19. PENSION COSTS

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.

The total contributions payable in the year amounted to £1,490 (2003: £-).

### 20. RELATED PARTIES

The company's immediate and ultimate parent undertaking is Able UK Holdings Limited, a company registered in England and Wales. The company has taken advantage of the exemption available to it under FRS 8 because the consolidated accounts in which the company is included are available from the parent company's registered office:

Able House,  
Billingham reach Industrial Estate,  
Billingham,  
TS23 1PX

During the year the parent company transferred land and buildings into a settlement known as the Able UK Limited Employee Benefit Trust, established for the purpose of providing benefits for the employees and dependants of Able UK Limited.

Rent payable during the year in respect of the buildings rented by the company amounted to £230,314 (2003: -)

### 21. CONTROLLING PARTY

As in the previous year the company is ultimately controlled by Mr P M Stephenson, director, by virtue of his shareholding in the parent company as described in the directors' report.

### 22. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2004	2003
	£	£
Operating profit	334,642	-
Depreciation charge	74,508	-
Decrease in stocks	105,034	-
Decrease in debtors	941,832	-
Decrease in creditors	(657,653)	-
Movements in provisions	(216,973)	-
	<hr/>	<hr/>
Net cash inflow/outflow from operating activities	581,390	-
	<hr/> <hr/>	<hr/> <hr/>

# ABLE UK LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)

### 23. ANALYSIS OF NET FUNDS

	2003 £	Cash flow £	Other changes £	2004 £
Cash at bank and in hand	-	2,965,643	-	2,965,643
Debt due within 1 year	-	-	-	-
Amount owed by parent company	10,000	(1,929,875)	8,265,895	6,346,020
	<u>10,000</u>	<u>1,035,768</u>	<u>8,265,895</u>	<u>9,311,663</u>

Other changes in debt comprise the movement in net assets excluding cash and bank balances on the hive down of the business of the parent company, Able UK Holdings Limited, as set out below:

	£
Fixed assets	6,491,257
Stock	327,863
Debtors	3,179,891
Cash and bank	1,345,938
Liabilities	(17,521,231)
Revaluation reserve	(743,675)
	<u>(6,919,957)</u>
	<u>(6,919,957)</u>
Consisting of:	
Cash and bank	1,345,938
Non cash assets and liabilities	(8,265,895)
	<u>(6,919,957)</u>
	<u>(6,919,957)</u>

### 24. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2004 £	2003 £
Increase in cash in the year	2,965,643	-
Cash inflow from decrease in liquid resources	(1,929,875)	-
	<u>1,035,768</u>	<u>-</u>
Change in net funds resulting from cash flows	1,035,768	-
Non cash assets less liabilities hived down from parent	8,265,895	-
	<u>9,301,663</u>	<u>-</u>
Movement in net funds in the year	9,301,663	-
Net funds at 1 January 2004	10,000	10,000
	<u>9,311,663</u>	<u>10,000</u>
Net funds at 31 December 2004	<u>9,311,663</u>	<u>10,000</u>

# **ABLE UK LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2004 (CONT)**

### **25. PARENT UNDERTAKINGS**

The immediate and ultimate parent company is Able UK Holdings Limited, a company registered in Great Britain.

### **26. SUBSIDIARY COMPANIES**

The accounts do not include the results of Post-Service Remediation Partners LLC, a wholly owned subsidiary company, as consolidated accounts are prepared by the ultimate parent company, Able UK Holdings Limited.