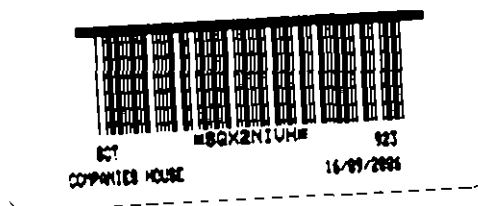


Newmech Services Limited

Abbreviated Accounts

for the year ended

31st March 2006



**Chartered Accountants' Report to the Director on the
Unaudited Abbreviated Accounts of Newmech Services Limited**

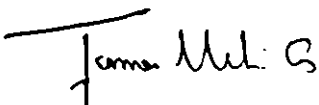
In accordance with the engagement letter dated 7th March 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the abbreviated accounts of the company on pages 2 to 4 from the accounting records and information and explanations supplied to us.

This report is made to the company's director in accordance with the terms of our engagement. Our work has been undertaken to enable us to compile the abbreviated accounts on behalf of the company's director 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 director for our work or for this report.

We have carried out this engagement in accordance with best practice guidance issued by the Institute of Chartered Accountants of Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of accounts.

You have acknowledged on the balance sheet for the year ended 31st March 2006 your duty to ensure that the company has kept proper accounting records and to prepare abbreviated accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the abbreviated accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.



James Milne & Co

Chartered Accountants
5 Bon Accord Square
Aberdeen
AB11 6XZ

31st August 2006

Newmech Services Limited

Abbreviated Balance Sheet at 31st March 2006

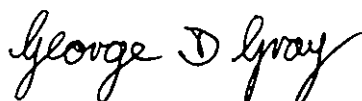
	Note	£	£
Fixed assets			
Tangible assets	2		24,225
Current assets			
Stock		6,269	
Debtors		71,352	
Cash at bank and in hand		57,431	
		<u>135,052</u>	
Creditors: amounts falling due within one year		<u>(90,440)</u>	
Net current assets			<u>44,612</u>
Total assets less current liabilities			<u>68,837</u>
Creditors: amounts falling due after more than one year			<u>(1,859)</u>
Net assets			<u><u>66,978</u></u>
Capital and reserves			
Called up share capital	3		1
Profit and loss account			<u>66,977</u>
Shareholders' funds			<u><u>66,978</u></u>

In approving these abbreviated accounts as director of the company I hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st March 2006 and
- (c) that I acknowledge my responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221, and
 - (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved on 30th August 2006 and signed on its behalf by



George D. Gray
Director

Newmech Services Limited

Notes to the Abbreviated Accounts for the year ended 31st March 2006

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2 Turnover

Turnover represents the total value, excluding value added tax, of sales activity for the year.

1.3 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and equipment	- 15% reducing balance
Fixtures and fittings	- 15% reducing balance and 3 years straight line
Motor vehicles	- 25% reducing balance
Tenant's improvements	- 5 years straight line

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The relevant finance charges are charged to profit and loss account over the primary period of the lease or contract in proportion to the capital element outstanding.

1.5 Stocks and work in progress

Cost of work in progress comprises direct labour and materials and, where applicable, attributable overheads.

1.6 Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Newmech Services Limited

Notes to the Abbreviated Accounts for the year ended 31st March 2006

2. Fixed assets

	Tangible Fixed Assets £
Cost	
Additions	<u>28,142</u>
At 31st March 2006	<u>28,142</u>
Depreciation	
Charge for year	<u>3,917</u>
At 31st March 2006	<u>3,917</u>
Net book value	
At 31st March 2006	<u><u>24,225</u></u>

3. Share capital

	£
Authorised	
1,000 Ordinary shares of £1 each	<u>1,000</u>
Allotted, called up and fully paid	
1 Ordinary share of £1	<u>1</u>