

Company Registration No. 02752154 (England and Wales)

SYMONDS GROUP LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005



SYMONDS GROUP LIMITED

COMPANY INFORMATION

Directors

J C B Goring
G M Hurst
R M Marchant
J S Moffett
P R M Pindar
M J Whife
P L B Mynors
C J Wood
A Ferrett

Secretary

Capita Company Secretarial Services Limited

Company number

02752154

Registered office

24-30 Holborn
London
EC1N 2LZ

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Solicitors

Herbert Smith
Exchange House
Primrose Street
London
EC2A 2HS

SYMONDS GROUP LIMITED

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SYMONDS GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Principal activities and review of the business

The principal activities of the company were that of project, cost and construction management, civil, building and environmental engineering, transport control and communication. The company has not traded during the year and its principal activity is that of an investment holding company.

The results for the year and the financial position at the year end were considered satisfactory by the directors.

Symonds Group Limited has branch operations in Saudi Arabia and South Korea.

Results and dividends

The results for the year are set out on page 4.

An interim ordinary dividend was paid amounting to £6,829,000. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 January 2005:

J C B Goring	
G M Hurst	
R M Marchant	
J S Moffett	
P R M Pindar	
D J Robertson	(Resigned 31 December 2005)
C Marshall	(Resigned 26 May 2006)
M J White	
P L B Mynors	
C J Wood	
A Ferrett	

Directors' interests

A Ferrett, J C B Goring, R M Marchant, J S Moffett, P L B Mynors, D J Robertson (Resigned 31/12/2005), M J White, C J Wood and C Marshall (Resigned 26/05/2006) are directors of Capita Symonds Limited and details of their interests are included in the financial statements of that company. G M Hurst and P R M Pindar are directors of The Capita Group Plc and details of their interests are included in the accounts of that company.

No other director had any interests in the share capital of the company or any other group company.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Ernst & Young LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

SYMONDS GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2005**

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each director has taken all steps that a director might reasonably be expected to have taken to be aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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.

On behalf of the board



G.M. Hurst

Director

31 July 2006

SYMONDS GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SYMONDS GROUP LIMITED

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the profit and loss account, the balance sheet and the related notes 1 to 16. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

The directors are responsible for the preparation of the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities in relation to the financial statements.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit 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.

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 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP
Registered Auditor
London

31/7/06

SYMONDS GROUP LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £'000	2004 £'000
Turnover	2	-	20,907
Cost of sales		-	(12,378)
Gross profit		-	8,529
Administrative expenses		-	(7,136)
Operating profit	3	-	1,393
Investment income	4	1,313	-
Other interest receivable and similar income	4	-	41
Interest payable and similar charges	5	-	(3)
Profit on ordinary activities before taxation		1,313	1,431
Tax on profit on ordinary activities	6	-	(414)
Profit on ordinary activities after taxation		1,313	1,017

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

SYMONDS GROUP LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2005

	Notes	2005 £'000	2004 £'000
Fixed assets			
Investments	8	6,006	6,006
Current assets			
Debtors	9	10,823	9,510
Creditors: amounts falling due within one year	10	(6,829)	-
Net current assets		3,994	9,510
Total assets less current liabilities		10,000	15,516
Capital and reserves			
Called up share capital	12	10,000	10,000
Profit and loss account	13	-	5,516
Shareholders' funds - equity interests	14	10,000	15,516

The financial statements were approved by the Board on 31 July 2006


 G M Hurst
 Director

SYMONDS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has not produced a cashflow statement on the basis that the ultimate parent undertaking, The Capita Group Plc, has prepared a group cashflow statement in accordance with FRS1 (revised).

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with accounting standards, as defined in the Companies Act 1985, applicable in the United Kingdom.

The company has adopted FRS21 'Post Balance Sheet Event'. No restatement was required.

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

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

Plant and equipment	25% - 33% per annum straight line
Fixtures and fittings	10% - 15% per annum straight line
Motor vehicles	25% per annum straight line

1.5 Leasing

Rentals payable under operating leases are charged to the profit and loss account as incurred.

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Pensions

The company maintains a contracted-out money purchase scheme and contributions are charged to the profit and loss account in the year in which they are due.

SYMONDS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

(continued)

1.8 Deferred taxation

Deferred taxation 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, taxation, with the following exceptions:

- Provision is made for taxation 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 or less likely than not that the taxable gain will be rolled over into replacement assets and charged to taxation only where the replacement assets are sold;

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

- Deferred taxation 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 taxation is measured on an undiscounted basis at the taxation rates that are expected to apply in the periods in which timing differences reverse, based on taxation rates and laws enacted or substantively enacted at the balance sheet date.

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

1.10 Group accounts

The accounts present information about the company as an individual undertaking and not about its group as the company has taken advantage of the exemption of Section 228 of the Companies Act 1985 not to prepare group accounts.

1.11 Consultancy contracts

Profit on consultancy activities is taken as work progresses. The percentage margin on each individual contract is the lower of the margin earned to date, and that forecast at completion taking account of agreed claims. Full provision is made for all known or expected losses at completion, immediately such losses are forecast on each contract. Profit for the year may include settlement of claims arising on contracts completed in prior years.

Payments received on account of contracts are deducted from amounts recoverable on contracts. Such amounts which have been received and which exceed amounts recoverable are included in creditors. Contract provisions in excess of amounts recoverable are included in provisions for liabilities and charges.

1.12 Related party transactions

The company has not prepared related party transactions disclosure on the basis that The Capita Group Plc owns at least 90% of the voting rights of the company. The consolidated financial statements of The Capita Group Plc are publicly available in accordance with FRS8.

SYMONDS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2005**

2 Turnover

Geographical market

Turnover	
2005	2004
£'000	£'000
United Kingdom	20,242
Asia	665
	20,907

3 Operating (loss)/profit

2005	2004
£'000	£'000

Operating (loss)/profit is stated after charging:

Depreciation of tangible assets	-	750
Loss on foreign exchange transactions	-	17
Operating lease rentals		
- Plant and machinery	-	238
- Land and buildings	-	768

Audit fees for the period were borne by the ultimate parent undertaking, The Capita Group Plc.

4 Investment income

2005	2004
£'000	£'000

Income from shares in group undertakings	1,313	-
Bank interest	-	41
	1,313	41

5 Interest payable and similar charges

2005	2004
£'000	£'000

On bank loans and overdrafts	-	3
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SYMONDS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2005**

6	Taxation	2005	2004
		£'000	£'000
	Domestic current year tax		
	U.K. corporation tax	-	936
	Adjustment for prior years	-	(419)
	Current tax charge	-	517
	Deferred tax		
	Origination and reversal of timing differences	-	(168)
	Deferred tax adjustments arising in previous periods	-	65
		-	(103)
		-	414
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	1,313	1,431
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2004: 30.00%)	394	429
	Effects of:		
	Non deductible expenses	-	138
	Depreciation add back	-	225
	Capital allowances	-	(52)
	Adjustments to previous periods	-	(419)
	General provision movement	-	14
	Other tax adjustments	(394)	182
		(394)	88
	Current tax charge	-	517
7	Dividends	2005	2004
		£'000	£'000
	Ordinary interim paid	6,829	-

SYMONDS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2005**

8 Fixed asset investments

	Unlisted investments £'000
Cost	
At 1 January 2005 & at 31 December 2005	<u>6,006</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Symonds International	England	Ordinary	100.00
Symonds Travers Morgan (Malaysia) Sdh Bhd*	Malaysia	Ordinary	100.00
Woolf Limited	England	Ordinary	100.00
Symonds Ltd	England	Ordinary	100.00
Symonds Group (Malta) Limited	Malta	Ordinary	99.80
Symonds Travers Morgan Ltd	England	Ordinary	100.00
Electronic Data Management Ltd	England	Ordinary	100.00
Symonds Woolf Ltd	England	Ordinary	100.00

*Indirectly owned.

As permitted by s231(5) of the Companies Act, only those companies whose results or financial position principally affect the financial statements are listed.

9 Debtors	2005 £'000	2004 £'000
Amounts owed by parent and fellow subsidiary undertakings	<u>10,823</u>	<u>9,510</u>

10 Creditors: amounts falling due within one year	2005 £'000	2004 £'000
Amounts owed to parent and fellow subsidiary undertakings	<u>6,829</u>	<u>-</u>

SYMONDS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2005**

11 Pension costs

Defined contribution

	2005	2004
	£'000	£'000
Contributions payable by the company for the year	-	357

12 Share capital

	2005	2004
	£'000	£'000
Authorised		
10,000,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
10,000,000 Ordinary shares of £1 each	10,000	10,000

13 Statement of movements on profit and loss account

	Profit and loss account
	£'000
Balance at 1 January 2005	5,516
Retained loss for the year	(5,516)
Balance at 31 December 2005	-

14 Reconciliation of movements in shareholders' funds

	2005	2004
	£'000	£'000
Profit for the financial year	1,313	1,017
Dividends	(6,829)	-
Net (depletion in)/addition to shareholders' funds	(5,516)	1,017
Opening shareholders' funds	15,516	14,499
Closing shareholders' funds	10,000	15,516

SYMONDS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2005***

15 Employees

Number of employees

There were no employees during the year (2004: 245) apart from the directors, none of whom received any remuneration for their services to the company.

16 Control

The company is a wholly owned subsidiary undertaking of Symonds Group (Holdings) Limited, a company incorporated in England & Wales.

The ultimate parent company at the year ending 31 December 2005 was The Capita Group Plc, a company incorporated in England & Wales. The financial statements of The Capita Group Plc are available from the registered office at 71 Victoria Street, London SW1H 0XA.