

COMPANY REGISTRATION NUMBER 04197700

Registrars Copy

**GEOHERMAL HEATING (INTERNATIONAL)
LIMITED**

ABBREVIATED ACCOUNTS

FOR

30TH JUNE 2002



GEOTHERMAL HEATING (INTERNATIONAL) LIMITED

ABBREVIATED ACCOUNTS

PERIOD FROM 10TH APRIL 2001 TO 30TH JUNE 2002

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GEOTHERMAL HEATING (INTERNATIONAL) LIMITED**INDEPENDENT AUDITORS' REPORT TO THE COMPANY****PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 5 together with the accounts of the company for the period from 10th April 2001 to 30th June 2002 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 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 sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, 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 accounts.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



Christchurch House
Upper George Street
Luton
Beds
LU1 2RS

KEENS SHAY KEENS
Chartered Accountants
& Registered Auditors

5th February 2003

GEOHERMAL HEATING (INTERNATIONAL) LIMITED**ABBREVIATED BALANCE SHEET****30TH JUNE 2002**

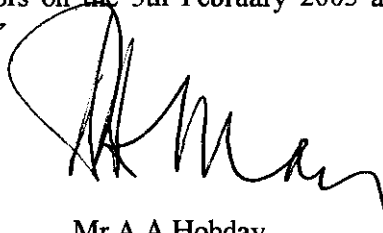
	Note	30 Jun 02	
		£	£
FIXED ASSETS	2		
Intangible assets			9,600
Tangible assets			<u>10,984</u>
			<u>20,584</u>
CURRENT ASSETS			
Stocks		5,195	
Debtors		18,824	
Cash at bank and in hand		201	
		<u>24,220</u>	
CREDITORS: Amounts falling due within one year		<u>32,182</u>	
NET CURRENT LIABILITIES			<u>(7,962)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,622</u>
CAPITAL AND RESERVES			
Called-up share capital	4		103,000
Profit and loss account			<u>(90,378)</u>
SHAREHOLDERS' FUNDS			<u>12,622</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These accounts were approved by the directors on the 5th February 2003 and are signed on their behalf by:



Mr B Davidson



Mr A A Hobday

GEOHERMAL HEATING (INTERNATIONAL) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****PERIOD FROM 10TH APRIL 2001 TO 30TH JUNE 2002**

1. ACCOUNTING POLICIES**Basis of accounting**

The accounts have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax.

Research and development

Research and development costs incurred during the period are to be written off against sales orders placed in the following year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Improvements to leasehold property	- 50% per annum on cost
Plant and machinery	- 33.33% per annum on cost
Fixtures and fittings	- 33.33% per annum on cost
Equipment	- 33.33% per annum on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

GEOHERMAL HEATING (INTERNATIONAL) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****PERIOD FROM 10TH APRIL 2001 TO 30TH JUNE 2002****2. FIXED ASSETS**

	Intangible Assets £	Tangible Assets £	Total £
COST			
Additions	9,600	12,901	22,501
At 30th June 2002	<u>9,600</u>	<u>12,901</u>	<u>22,501</u>
DEPRECIATION			
Charge for period	—	1,917	1,917
At 30th June 2002	<u>—</u>	<u>1,917</u>	<u>1,917</u>
NET BOOK VALUE			
At 30th June 2002	<u>9,600</u>	<u>10,984</u>	<u>20,584</u>

3. RELATED PARTY TRANSACTIONS

During the period the company was under the control of B Davidson who was a Director of the company and is also a Director of Speymill OOD Limited, and a trustee of Speymill Retirement Benefit Scheme.

J C Raeburn who was also a Director during the period is also a Director of Raeburn Drilling and Geotechnical Limited.

During the period transactions with related parties arose as follows:

The company incurred rent payable to Speymill Retirement Benefit Scheme totalling £1,410.

An advance of £1,550 was made to A M Corner.

Sales of £5,875 were made to Raeburn Drilling and Geotechnical Limited and sales of £16,939 were made to Speymill OOD Limited.

The company was charged by Speymill OOD Limited, £5,503 in respect of improvements to leasehold property and £9,600 in respect of costs of research and development.

£3,925 was invoiced by A A Hobday in respect of professional services rendered.

At the end of the period balances with related parties were:

£966 owed to the company by A M Corner.

£4,800 owed to B Davidson by the company.

£2,388 owed to C Davidson by the company.

£705 owed to Speymill Retirement Benefit Scheme by the company.

GEOHERMAL HEATING (INTERNATIONAL) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****PERIOD FROM 10TH APRIL 2001 TO 30TH JUNE 2002****4. SHARE CAPITAL****Authorised share capital:**

	30 Jun 02
	£
100,000 Ordinary 'A' shares of £1 each	100,000
20,000 Ordinary 'B' shares of £1 each	20,000
	<u>120,000</u>

Allotted, called up and fully paid:

	No.	£
Ordinary 'A' shares	100,000	100,000
Ordinary 'B' shares	3,000	3,000
	<u>103,000</u>	<u>103,000</u>