GeoAcoustics Limited

Report and Financial Statements

For the eight month period ended 31 December 2008

Company Information

Directors	D R Stone (resigned 18 December 2008) S E Jermy (resigned 29 August 2008) P I Hogarth (resigned 29 August 2008) R Timm (resigned 29 August 2008) K E Stone (resigned 29 August 2008) J C Davies (resigned 29 August 2008) A C Stone (resigned 29 August 2008) P J Stone (resigned 29 August 2008) R A Klepaker (appointed 29 August 2008) A Olsen (appointed 29 August 2008) N Riahi (appointed 29 August 2008) K H Pedersen (appointed 29 August 2008)
Company secretary	S L Ives
Company number	2571389
Registered office	Shuttleworth Close Gapton Hall Industrial Estate Great Yarmouth Norfolk NR31 0NQ
Auditors	Ernst & Young LLP Compass House 80 Newmarket Road Cambridge CB5 8DZ

Contents

Directors' Report
For the eight month period ended 31 December 2008

The directors present their report and the financial statements for the eight month period ended 31 December 2008.

Principal activities

The principal activities of the company continued to be that of the manufacture and supply of seabed survey equipment.

Business review

The months from May to December 2008 were an eventful period for GeoAcoustics Limited. On 29 August 2008 the company was acquired by Kongsberg Maritime Holdings Limited who were looking to expand their product portfolio. The directors believe that GeoAcoustics Limited will be able to develop and increase its success as part of this well established group.

In the eight month period GeoAcoustics Limited experienced a 30% increase in sales compared to the same period in 2007, with the biggest increases seen in the well established product lines. The GeoSwath product has shown significant and continuing growth as it has achieved market acceptance by some of the leading companies and academic authorities worldwide.

Investment continued in the new digital product ranges which are due to be launched during 2009. These new products are already generating interest and as they have been designed with flexibility and commonality in mind the result should be reduced production costs and increased margins.

The India branch office has seen very strong growth and sales have exceeded targets and expectations.

Our Singapore subsidiary has suffered somewhat in terms of product sales as significant players in the Asia Pacific region re-distribute their operations away from Singapore, but this has been offset by a large increase in moulding work.
Overall this has been a positive period for GeoAcoustics Limited and the board are optimistic about the future of the company as it is further integrated with the Kongsberg Group.

Results

The profit for the eight month period, after taxation, amounted to £110,803 (year ended 30 April 2008 - £187,237).

Directors

The directors who served during the eight month period were:

D R Stone (resigned 18 December 2008)
S E Jermy (resigned 29 August 2008)
P I Hogarth (resigned 29 August 2008)
R Timm (resigned 29 August 2008)
K E Stone (resigned 29 August 2008)
J C Davies (resigned 29 August 2008)
A C Stone (resigned 29 August 2008)
P J Stone (resigned 29 August 2008)
R A Klepaker (appointed 29 August 2008)
A Olsen (appointed 29 August 2008)
N Riahi (appointed 29 August 2008)
K H Pedersen (appointed 29 August 2008)

Directors' Report
For the eight month period ended 31 December 2008

Qualifying third party indemnity provisions

The company has taken out insurance to indemnify, against third party proceedings, the directors of the company whilst serving on the board of the company and of any subsidiary. This cover, together with that taken out by certain subsidiaries, where relevant, indemnifies all employees of the group who serve on the boards of all subsidiaries. These indemnity policies subsisted throughout the year and remain in place at the date of this report.

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors
The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 1ST SEPTEMBER 2009 and signed on its behalf.

SLIves

S L Ives
Secretary

Statement of directors' responsibilities for the period ended 31 December 2008

The directors are responsible for preparing the Directors' report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Independent Auditors' report to the members of GeoAcoustics Limited

We have audited the financial statements of GeoAcoustics Limited for the eight months ended 31 December 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. 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 auditor's 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 directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2008 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditors' report to the members of GeoAcoustics Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Ian C Strachan (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP
Cambridge

Date: 16 September 2009

Profit and loss account
for the period ended 31 December 2008

	Note	Eight month period 31 December 2008 £	Year ended 30 April 2008 £
Turnover	1,2	2,933,239	3,995,253
Cost of sales		(1,599,204)	(2,270,532)
Gross profit		1,334,035	1,724,721
Selling and distribution costs		(364,625)	(456,161)
Administrative expenses		(798,407)	(1,028,342)
Other operating income	3	4,482	6,432
Operating profit	4	175,485	246,650
Interest receivable		4,170	4,757
Interest payable	8	(28,636)	(42,365)
Profit on ordinary activities before taxation		151,019	209,042
Tax on profit on ordinary activities	9	(40,216)	(21,805)
Profit for the financial period	20	110,803	187,237

All amounts relate to continuing operations.

The notes on pages 10 to 25 form part of these financial statements.

Statement of total recognised gains and losses for the period ended 31 December 2008

	Eight month period 31 December 2008 £	*Year ended 30 April 2008 £*
Profit for the financial eight month period	110,803	187,237
Unrealised surplus on revaluation of tangible fixed assets	-	288,260
Other movements in profit and loss reserve	(9,526)	-
Total recognised gains and losses relating to the eight month period	101,277	475,497

Note of historical cost profits and losses for the period ended 31 December 2008

	Eight month period 31 December 2008 £	*Year ended 30 April 2008 £*
Reported profit on ordinary activities before taxation	151,019	209,042
Realisation of valuation gains of previous periods	2,370	3,555
Difference between a historical cost depreciation charge and the actual depreciation charge for the eight month period calculated on the revalued amount	1,636	2,455
Historical cost profit on ordinary activities before taxation	155,025	215,052
Historical profit for the eight month period after taxation	114,809	193,247

The notes on pages 10 to 25 form part of these financial statements.

Balance sheet
as at 31 December 2008

	Note	£	31 December 2008 £	£	30 April 2008 £
Fixed assets					
Intangible fixed assets	10		1,928,897		1,939,653
Tangible fixed assets	11		1,433,752		1,432,521
Fixed asset investments	12		40,250		40,250
			3,402,899		3,412,424
Current assets					
Stocks	13	631,163		621,102	
Debtors	14	1,174,180		1,176,782	
Cash at bank and in hand		5,061		94,016	
		1,810,404		1,891,900	
Creditors: *amounts falling due within one year*	15	(1,173,932)		(1,391,345)	
Net current assets			636,472		500,555
Total assets less current liabilities			4,039,371		3,912,979
Creditors: *amounts falling due after more than one year*	16		(459,736)		(493,832)
Provisions for liabilities					
Deferred tax	17	(32,434)		(19,823)	
Other provisions	18	(104,250)		(57,650)	
			(136,684)		(77,473)
Net assets			3,442,951		3,341,674

Balance sheet (continued)
as at 31 December 2008

	Note	£	31 December 2008 £	£	30 April 2008 £
Capital and Reserves					
Called up share capital	19		730		730
Revaluation reserve	20		972,654		976,660
Capital redemption reserve	20		300		300
Profit and loss account	20		2,469,267		2,363,984
Shareholders' funds	21		3,442,951		3,341,674

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1\9\09

Rolf Arne Klepaker

R A Klepaker
Director

Kim H. Pedersen

K H Pedersen
Director

The notes on pages 10 to 25 form part of these financial statements.

Notes to the financial statements
For the eight month period ended 31 December 2008

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax.

1.4 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the profit and loss account.

The nature of the products is becoming computer based, leading to potentially shorter useful working lives. The life cycles of the products will be reviewed and written off over a shorter period where appropiate.

Intellectual property rights are capitalised at cost and amortised over their expected useful life.

Amortisation 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:

Development expenditure and intellectual property	- 5 years
Patents and trademarks	- 3 years

Notes to the financial statements
For the eight month period ended 31 December 2008

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Over 50 years
Plant & machinery	-	five years
Motor vehicles	-	four years
Furniture, fixtures & equipment	-	five years

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

1.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

1.7 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.9 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Notes to the financial statements
For the eight month period ended 31 December 2008

1. Accounting policies (continued)

1.10 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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

1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the eight month period.

1.14 Revenue recognition

Revenue is recognised when the significant risks and rewards of ownership have passed to the buyer, usually on dispatch of the goods.

Notes to the financial statements
For the eight month period ended 31 December 2008

2. Turnover

A geographical analysis of turnover is as follows:

	Eight month period 31 December 2008 £	*Year ended 30 April 2008 £*
United Kingdom	846,170	882,842
Europe	686,092	773,266
USA	61,374	56,562
Canada	12,740	35,664
Asia	914,224	1,656,785
Australia	139,757	289,393
Rest of world	272,882	300,741
	2,933,239	3,995,253

3. Other operating income

	Eight month period 31 December 2008 £	*Year ended 30 April 2008 £*
Other operating income	100	51
Net rents receivable	4,382	6,381
	4,482	6,432

4. Operating profit

The operating profit is stated after charging/(crediting):

	Eight month period 31 December 2008 £	*Year ended 30 April 2008 £*
Amortisation - intangible fixed assets	66,281	16,814
Depreciation of tangible fixed assets:		
- owned by the company	39,772	63,613
- held under finance leases	29,821	39,751
Operating lease rentals:		
- other operating leases	5,708	10,880
Difference on foreign exchange	(70,425)	4,587
Amortisation of deferred research and development expenditure	196,061	317,169
Research and development expenditure written off	17,385	32,765
(Profit)/loss on disposal of fixed assets	(216)	13

Notes to the financial statements
For the eight month period ended 31 December 2008

5. Auditors' remuneration

	Eight month period 31 December 2008 £	*Year ended 30 April 2008* £
Fees payable to the company's auditor for the audit of the company's annual accounts	15,000	8,600

6. Staff costs

Staff costs, including directors' remuneration, were as follows:

	Eight month period 31 December 2008 £	*Year ended 30 April 2008* £
Wages and salaries	767,963	1,120,088
Social security costs	74,018	100,341
Other pension costs	73,771	73,116
	915,752	1,293,545

The average monthly number of employees, including the directors, during the eight month period was as follows:

	Eight month period 31 December 2008 No.	*Year ended 30 April 2008* No.
Production	12	10
Engineering	10	10
Marketing and sales	8	8
Management and administration	10	10
	40	38

Notes to the financial statements
For the eight month period ended 31 December 2008

7. Directors' remuneration

	Eight month period 31 December 2008 £	Year ended 30 April 2008 £
Emoluments	123,938	275,762
Company pension contributions to money purchase pension schemes	25,875	45,478
Compensation for loss of office	30,000	-

During the eight month period retirement benefits were accruing to 3 directors (2008 - 3) in respect of money purchase pension schemes.

The highest paid director received remuneration of £NIL (2008 - £NIL).

8. Interest payable

	Eight month period 31 December 2008 £	Year ended 30 April 2008 £
On bank loans and overdrafts	18,978	31,557
On other loans	131	39
On finance leases and hire purchase contracts	6,777	10,769
On loans from group undertakings	2,750	-
	28,636	42,365

Notes to the financial statements
For the eight month period ended 31 December 2008

9. Taxation

	Eight month period 31 December 2008	*Year ended 30 April 2008*
	£	*£*
Analysis of tax charge in the eight month period/period		
***Current tax** (see note below)*		
Adjustments in respect of prior periods	-	(1,800)
	-	(1,800)
UK tax paid on behalf of overseas subsidiary	4,000	8,677
	4,000	6,877
Foreign tax on income for the eight month period/period	12,500	-
Total current tax	16,500	6,877
Deferred tax		
Origination and reversal of timing differences	85,654	46,972
Losses	(61,938)	(32,044)
***Total deferred tax** (see note 17)*	23,716	14,928
Tax on profit on ordinary activities	40,216	21,805

Notes to the financial statements
For the eight month period ended 31 December 2008

9. Taxation (continued)

Factors affecting tax charge for the eight month period/period

The tax assessed for the eight month period/period is lower than (2008 - lower than) the standard rate of corporation tax in the UK (28%). The differences are explained below:

	Eight month period 31 December 2008 £	*Year ended 30 April 2008* £
Profit on ordinary activities before tax	151,019	209,042
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 22.69%)	42,285	47,432
Effects of:		
Expenses not deductible for tax purposes	9,776	1,343
Depreciation in excess of capital allowances	8,015	76,265
Utilisation of tax losses	(14,597)	-
Foreign tax payble	12,500	-
Adjustments to tax charge in respect of prior periods	-	(1,800)
Uplift of allowance for research and development	(88,669)	(152,994)
Deductions allowed	-	(2,828)
Amortisation of qualifying intangible asset	-	(3,566)
UK Corporation Tax paid on behalf of overseas subsidiary	4,000	8,677
Short term timing differences	43,190	34,348
Current tax charge for the eight month period/period *(see note above)*	16,500	6,877

Factors that may affect future tax charges

In accordance with Schedule 20 of the Finance Act 2000 the company receives additional tax relief for research and development expenditure. Therefore the current year charge is lower than expected . The directors anticipate that this tax allowance will be available in future years.

Notes to the financial statements
For the eight month period ended 31 December 2008

10. Intangible fixed assets

	Patents and trademarks £	*Research and development* £	*Intelluctual property* £	*Total* £
Cost				
At 1 May 2008	30,327	4,099,582	558,411	4,688,320
Additions	-	301,586	-	301,586
Disposals	-	-	(50,000)	(50,000)
At 31 December 2008	30,327	4,401,168	508,411	4,939,906
Amortisation				
At 1 May 2008	30,326	2,701,527	16,814	2,748,667
Charge for the period	-	196,061	66,281	262,342
At 31 December 2008	30,326	2,897,588	83,095	3,011,009
Net book value				
At 31 December 2008	1	1,503,580	425,316	1,928,897
At 30 April 2008	1	1,398,055	541,597	1,939,653

11. Tangible fixed assets

	Land and buildings £	*Plant and machinery* £	*Motor vehicles* £	*Furniture, fittings and equipment* £	*Total* £
Cost or valuation					
At 1 May 2008	1,200,000	680,019	137,555	120,498	2,138,072
Additions	-	64,673	27,486	3,339	95,498
Disposals	-	(16,320)	(51,129)	(1,740)	(69,189)
At 31 December 2008	1,200,000	728,372	113,912	122,097	2,164,381
Depreciation					
At 1 May 2008	-	533,591	70,005	101,955	705,551
Charge for the eight month period	6,377	39,425	18,775	5,016	69,593
On disposals	-	(8,011)	(34,880)	(1,624)	(44,515)
At 31 December 2008	6,377	565,005	53,900	105,347	730,629
Net book value					
At 31 December 2008	1,193,623	163,367	60,012	16,750	1,433,752
At 30 April 2008	1,200,000	146,428	67,550	18,543	1,432,521

Notes to the financial statements
For the eight month period ended 31 December 2008

11. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	31 December 2008 £	*30 April 2008* £
Plant and machinery	80,314	99,257

Cost or valuation at 31 December 2008 is as follows:

	Land and buildings £
At cost	-
At valuation:	
18 April 2008 at market value	1,200,000
	1,200,000

The land and buildings were revalued on 18 April 2008 by Arnolds Charthered Surveyors on an open market existing use basis.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	31 December 2008 £	*30 April 2008* £
Cost	283,060	283,060
Accumulated depreciation	(71,499)	(69,129)
Net book value	211,561	213,931

12. Fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 May 2008 and 31 December 2008	40,250

Notes to the financial statements
For the eight month period ended 31 December 2008

12. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	*Class of shares*	*Holding*
GeoAcoustics Inc. (registered in USA)	Ordinary shares	100%
GeoAcoustics Asia Pacific Pte Limited (registered in Singapore)	Ordinary shares	100%

The aggregate of the share capital and reserves as at 31 December 2008 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	*Aggregate of share capital and reserves* *£*	*Profit* *£*
GeoAcoustics Inc. (registered in USA)	250,745	60,118
GeoAcoustics Asia Pacific Pte Limited (registered in Singapore)	582,528	8,788

13. Stocks

	31 December 2008 *£*	*30 April 2008* *£*
Raw materials	61,446	52,216
Work in progress	569,717	568,886
	631,163	621,102

14. Debtors

	31 December 2008 *£*	*30 April 2008* *£*
Due after more than one year		
Amounts owed by group undertakings	251,733	292,401
Due within one year		
Trade debtors	707,732	646,991
Amounts owed by group undertakings	122,252	110,848
Other debtors	47,621	69,365
Prepayments and accrued income	43,042	55,377
Tax recoverable	1,800	1,800
	1,174,180	1,176,782

Notes to the financial statements
For the eight month period ended 31 December 2008

15. Creditors:
Amounts falling due within one year

	31 December 2008 £	*30 April 2008 £*
Bank loans and overdrafts	217,500	182,829
Payments received on account	19,645	6,727
Net obligations under finance leases and hire purchase contracts	64,302	42,299
Trade creditors	244,846	619,055
Amounts owed to group undertakings	393,321	256,191
Corporation tax	16,523	-
Social security and other taxes	35,483	38,061
Other creditors	5,990	150,000
Accruals and deferred income	176,322	96,183
	1,173,932	1,391,345

Bank loans and overdrafts are secured by charges over the assets of the company including its freehold property.

16. Creditors:
Amounts falling due after more than one year

	31 December 2008 £	*30 April 2008 £*
Bank loans	189,868	296,049
Other loans	-	150,000
Net obligations under finance leases and hire purchase contracts	17,118	47,783
Amounts owed to group undertakings	252,750	-
	459,736	493,832

Included within the above are amounts falling due as follows:

	31 December 2008 £	*30 April 2008 £*
Between one and two years		
Bank loans	189,868	296,049
Other loans	-	150,000

Notes to the financial statements
For the eight month period ended 31 December 2008

16. Creditors: Amounts falling due after more than one year (continued)

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	31 December 2008 £	*30 April 2008 £*
Between one and five years	17,118	47,783

17. Deferred taxation

	31 December 2008 £	*30 April 2008 £*
At beginning of eight month period/period	19,823	4,895
Charge for eight month period/period	23,716	14,928
Other movement- deferred tax asset in included in debtors in previous periods	(11,105)	-
At end of eight month period/period	32,434	19,823

The provision for deferred taxation is made up as follows:

	31 December 2008 £	*30 April 2008 £*
Accelerated capital allowances	438,588	309,744
Tax losses carried forward	(362,964)	(289,921)
Short term timing differences	(43,190)	-
	32,434	19,823

Notes to the financial statements
For the eight month period ended 31 December 2008

18. Provisions

	Warranty provision £
At 1 May 2008	57,650
Additions	46,600
At 31 December 2008	104,250

Warranty provision

A provision is recognised for expected warranty claims based on products sold during the last twelve months. It is expected that most of these costs will be incurred in the next financial year and all will have been incurred within two years of the balance sheet date.

19. Share capital

	31 December 2008 £	30 April 2008 £
Authorised		
100,000- Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid		
730- Ordinary shares of £1 each	730	730

20. Reserves

	Capital redempt'n reserve £	Revaluation reserve £	Profit and loss account £
At 1 May 2008	300	976,660	2,363,984
Profit for the eight month period	-	-	110,803
Transfer between Revaluation reserve and profit and loss account	-	(4,006)	4,006
Other movements- exchange on retranslation of net assets of branch	-	-	(9,526)
At 31 December 2008	300	972,654	2,469,267

Notes to the financial statements
For the eight month period ended 31 December 2008

21. Reconciliation of movement in shareholders' funds

	31 December 2008 £	*30 April 2008* £
Opening shareholders' funds	3,341,674	2,866,177
Profit for the eight month period/period	110,803	187,237
Other recognised gains and losses during the eight month period/period	(9,526)	288,260
Closing shareholders' funds	3,442,951	3,341,674

22. Pension commitments

The company contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. During the period contributions payable amounted to £73,771 (2008 £73,116). The unpaid contributions outstanding at the period end included in accruals amounted to £5,692 (2008 £5,563).

23. Operating lease commitments

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			*Other*
	31 December 2008 £	*30 April 2008* £	*31 December 2008* £	*30 April 2008* £
Expiry date:				
Within 1 year	14,577	3,854	4,362	6,048
Between 2 and 5 years	-	-	3,345	5,691

24. Other financial commitments

The company has provided a guarantee to The President of India amounting to £15,824.

25. Related party transactions

The company has taken advantage of exemptions conferred by UK Accounting Standard FRS 8 from disclosure of certain related party transactions.

Notes to the financial statements
For the eight month period ended 31 December 2008

26. Ultimate parent undertaking and controlling party

The company's immediate parent undertaing is Kongsberg Maritime Holdings Limited a company registered in the United Kingdom.

The company's ultimate parent undertaking, and controlling party, is Kongsberg Gruppen ASA, a company registered in Norway. The company's results are consolidated into the financial statements of Kongsberg Gruppen ASA and copies of these financial statements may be obtained from its registered address which is Kirkegaardsceien, PO Box 1000, NO-3061, Kongsberg, Norway.