

Getmapping plc

Report and Financial Statements

Year ended

31 December 2007



BDO Stoy Hayward
Chartered Accountants

Getmapping plc

Report and financial statements for the year ended 31 December 2007

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Directors

T C L Cary	(Chairman & Managing)
S P Holmes	(Finance)
G Sankarasubramanian	(Technical)
J L A Cary	(Non-executive)
R Cumming-Bruce	(Non-executive)
J P Leighfield	(Non-executive)

Secretary and registered office

S P Holmes, Virginia Villas, High Street, Hartley Wintney, Hampshire, RG27 8NW.

Company number

3663783

Auditors

BDO Stoy Hayward LLP, Connaught House, Alexandra Terrace, Guildford, Surrey GU1 3DA

Getmapping plc

Chairman's statement

The aerial photography market is evolving fast as Google Earth and Microsoft's Virtual Earth continue to grow in coverage and influence. This change has a fundamental impact on Getmapping's business and we are adjusting our products and services to maintain our leading position in the market. The main adjustments in 2007 were:

- We have purchased a new digital camera to keep up with the demand for photography. This camera, a Vexcel UCX, has a footprint which is 30% wider than the original UCD and our capacity has therefore more than doubled. This will enable us to keep pace with demand in the UK market and also to offer aerial photography services overseas during the British winter.
- We are in the process of purchasing and refitting two survey aircraft to reduce our operating costs and give us greater flexibility in the market.
- We have launched a number of new products/services to reduce our dependence on our traditional aerial photography sales. These products include Getplanning, 3D services and the People's Map.
- We have launched a new company, in collaboration with Aerodata International Surveys BVBA of Belgium, and Geocontent GMBH of Germany. The company, Aerogrid Limited (see www.aerogrid.net), was formed in order to be able to provide aerial photography on a European, and in future, a world-wide scale. This enables us to attract customers who need international coverage and who do not want to have to deal with a large number of national providers.

Financial results

The financial highlights (compared with the previous year) were:

- Turnover down by 16% to £2,861,000 (£3,411,000);
- Gross profit down by 12% to £1,765,000 (£2,008,000);
- Net profit down by 73% to £150,000 (£548,000);
- Year-end cash balance down 55% to £627,000 (£1,392,000).

2006 was an exceptionally good year for Getmapping; the comparison with the 2007 results needs to take into account the following separate factors:

- offline sales in 2006 were particularly high, and included the first and largest payment from the Microsoft supply contract
- in 2007 we began to experience the impact of Google Earth and Virtual Earth on our traditional data sales market. Online sales were down 8% as a direct result of this.
- we made investments in a new camera, two survey planes and new products. These investments will increase our capacity and earning potential for the future.

Sales

Online sales dropped by 8% in 2007 and the trend towards the year end was sharply down. This is a direct result of the availability of high-resolution data within Microsoft Virtual Earth and Google Earth, which is now having an increasing impact on both the consumer and professional markets for aerial photography. However, as Microsoft's data provider for Britain, we stand to benefit from this sea change in the market.

Offline sales dropped 20% in 2007. This was largely the result of the deferral of the Pan Government Agreement (PGA), which was awarded in early 2007, and will now commence in April 2008.

Sales of the new products and services were modest in 2007, although they all show promise for the future.

Getmapping plc

Chairman's statement (*Continued*)

Getmapping Partnership ('GMP')

GMP has continued to make reasonable progress re-flying the Millennium Map. A total of 37,000 sq km was captured in 2007, but once again we suffered from very poor weather in Scotland and we were therefore unable to complete the contract for Ordnance Survey. We still have 20,000 sq km of Scotland to fly, and this remains our top priority for 2008.

Two of the original GMP partners have decided not to invest further capital into the partnership. As a result of this we aim to 'freeze' the original partnership so that it has no further costs and can recoup its investment from the continuing sales of its data. In parallel we intend to form a new partnership with Geosense Ltd so that the two partners who wish to invest in new data may continue to do so.

The Pan Government Agreement ('PGA')

The PGA is a four-year mapping agreement for non-local government agencies in Britain. Getmapping is a member of the Next Perspectives team which, in early 2007, was awarded the PGA contract for aerial photography and height data. However the contract was conditional on sufficient funding being made available from the PGA Members. During 2007 we have been working with the Next Perspectives team to sell the benefits of the PGA contract to the PGA Members, and as a result of this work there is now sufficient support and the PGA launched in April 2008.

Getplanning

Getplanning is a service which allows people to buy OS maps to submit with a planning application. This service was originally provided by OS (under the Map Return Scheme), but in September 2007 OS withdrew the service and asked its Licensed Partners to take over the role.

Getplanning was launched in late 2007 and sales have been growing well. Getplanning has so far been adopted by over 25 Local Authorities (for an example see www.tunbridgewells.gov.uk/section.asp?catid=1484)

3D

The Getmapping Partnership is developing a wide range of 3D products and services to enable customers to analyse data in three dimensions. Working in three dimensions is becoming increasingly important for tasks such as Planning Enquires (assessing the visual impact of a proposed new building) and Telecoms Network Planning (assessing line of site coverage in an urban environment). Key developments include:

- **Digital Terrain Model.** We have completed a three year research programme which enables us to extract a dense and accurate digital terrain model directly from our aerial photography. This product will be launched in 2008.
- **3D Building Models.** On top of the digital terrain model we are able to add building models extracted from our stereo photography. We have already won our first orders for this service.
- **Oblique Photography.** We have now secured in excess of ten orders for our oblique photography service, and we have made further developments to our oblique camera system.

Getmapping plc

Chairman's statement (*Continued*)

People's Map

We have made steady progress with the People's Map development and we launched the first beta version of the website in mid 2007. However, the development of the editing software has been slower than expected and we do not expect to complete this until mid 2008.

The consumer reaction to the People's Map has been very encouraging and it is clear that there is a good market for independent cartography. We have already made our first sales, and we have a loyal and growing band of People's Map contributors.

Risks to the business

We are dependent on reasonable weather to achieve the required photographic coverage. Scotland is a particular challenge. We have reduced our exposure to this risk with the purchase of a second camera. We have also arranged to hire in third party camera systems to take advantage of good weather windows.

Google and Microsoft continue to erode our traditional market for sales of high resolution aerial photography. However, as Microsoft's data provider for Britain we are benefiting from this change in the market. In addition, the emergence of our new products and services are helping to mitigate this risk.

We are also moving into the international market, which reduces our dependence on the UK.

Outlook

It is still early in the cycle of establishing our new products to replace the erosion of our aerial photographic sales – however the outlook is promising. We have doubled our capacity to collect data and this will help us to grow the business further.

Tristram Cary
Chairman and Managing Director

Date: 17th April 2008

Getmapping plc

Report of the directors for the year ended 31 December 2007

The directors present their report together with the audited financial statements for the year ended 31 December 2007.

Results and dividends

The profit and loss account is set out on page 9 and shows the result for the year.

The directors recommend that no dividend is paid (2006- £Nil).

Principal activities, trading review and future developments

The principal activity of the company is the production and sale of UK aerial photography.

The directors' report should be read in conjunction with the Chairman's Statement, which summarises the company's trading during the year, the key performance indicators, the principal risks to the business, and future plans.

Employee Involvement

The directors are well aware of the importance of good employee relations and the contribution the staff make to the business. The policy is to attract and retain good quality staff so that the company remains at the forefront of technical development in the acquisition of photographic data and its delivery on line. Members of staff are kept aware of the Board's plans and are encouraged to put forward ideas for improving the business.

Capitalisation policy

Development costs relating to flying, photography, geo-correction, processing and delivery systems are capitalised as tangible fixed assets. All other development costs have been written off to the profit and loss account.

Policy on payment of creditors

The company agrees payment terms and conditions with individual suppliers which vary according to the commercial relationship and the terms of agreements reached. It is the policy of the company that wherever possible payments to suppliers are made in accordance with the terms agreed. The average number of days' purchases included within trade creditors for the company at the year-end is 39 days (2006 - 66 days).

Financial Instruments

Details of the use of financial instruments by the company are set out in note 14 of the financial statements.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Getmapping plc

Report of the directors for the year ended 31 December 2007 (Continued)

Directors

The directors of the company during the year and their interests in the ordinary share capital of the company at 31 December 2007 were:

	Ordinary shares of 0.3p each	
	2007	2006
T C L Cary	4,080,533	4,080,533
K T Shute	60,667	60,667
G Sankarasubramanian	-	-
J L A Cary	295,667	295,667
R Cumming-Bruce	250,348	250,348
J P Leighfield	-	-

Directors	Scheme	Share options at 31 December		Exercise period	Exercise price p
		2007	2006		
T C L Cary		-	-	-	-
K T Shute	Approved	154,048	154,048	01/05/05-22/10/14	1.75
J L A Cary	Approved	50,000	50,000	16/10/04-15/10/11	16.50
R Cumming-Bruce		-	-	-	-
J P Leighfield	Approved	50,000	50,000	10/02/09-09/02/16	6.50
G Sankarasubramanian	Approved	78,424	78,424	01/11/04-30/10/17	1.75

K T Shute resigned on 31st December 2007, and S P Holmes was appointed on 1st January 2008.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period 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 the going concern basis unless it is inappropriate to presume that the company will continue in business.

Getmapping plc

Report of the directors for the year ended 31 December 2007 (*Continued*)

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

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office.

By order of the Board

Simon Holmes
Secretary

Date: 17th April 2008

Getmapping plc

Report of the independent auditors

To the shareholders of Getmapping plc

We have audited the financial statements of Getmapping plc for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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, and whether the information given in the directors' report is consistent with those financial statements. We also report to you if, in our opinion, 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 transactions is not disclosed.

We read other information contained in the Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the directors' report and the chairman's statement. 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

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 judgements 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.

Getmapping plc

Report of the independent auditors (*Continued*)

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 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors*
Guildford

Date: 18 April 2008

Getmapping plc**Profit and loss account for the year ended 31 December 2007**

	Note	2007 £'000	2006 £'000
Turnover	2	2,861	3,411
Cost of sales		(1,096)	(1,403)
Gross profit		1,765	2,008
Administration expenses		(1,710)	(1,474)
Other operating income		96	132
Share of partnership loss		(48)	(136)
Operating profit	3	103	530
Interest receivable		58	18
Interest payable		(11)	-
Profit on ordinary activities before taxation		150	548
Taxation	6	-	-
Profit on ordinary activities after taxation	16	150	548
Earnings per share - basic	7	0.52p	1.90p
Earnings per share - diluted	7	0.51p	1.86p

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

There are no movements in shareholders' funds in the current and prior year apart from the profit for the year.

The notes on pages 12 to 25 form part of these financial statements.

Getmapping plc**Balance sheet at 31 December 2007**

	Note	2007 £'000	2007 £'000	2006 £'000	2006 £'000
Fixed assets					
Tangible assets	8		1,558		798
Investments	9		-		-
			<u>1,558</u>		<u>798</u>
Current assets					
Debtors	10	869		474	
Cash at bank and in hand		627		1,392	
		<u>1,496</u>		<u>1,866</u>	
Creditors: amounts falling due within one year	11	682		838	
Net current assets			<u>814</u>		<u>1,028</u>
Total assets less current liabilities			<u>2,372</u>		<u>1826</u>
Creditors: amounts falling due after more than one year	12	538		130	
Provisions for liabilities	13	-		12	
		<u>538</u>		<u>142</u>	
			<u>1,834</u>		<u>1,684</u>
Capital and reserves					
Called up share capital	15		87		87
Share premium	16		12,429		12,429
Profit and loss account	16		(10,682)		(10,832)
			<u>1,834</u>		<u>1,684</u>
Shareholders' funds			<u>1,834</u>		<u>1,684</u>

The financial statements were approved by the Board and authorised for issue on 17th April 2008.

Tristram Cary
Chairman & Managing Director

The notes on pages 12 to 25 form part of these financial statements.

Getmapping plc**Cash flow statement for the year ended 31 December 2007**

	Note	2007 £'000	2007 £'000	2006 £'000	2006 £'000
Net cash inflow from operating activities	20		(513)		851
Returns on investments and servicing of finance					
Interest received		58		18	
Finance lease interest paid		(11)		-	
			_____		_____
Net cash inflow from returns on investments and servicing of finance			47		18
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(272)		(136)	
		_____		_____	
Net cash (outflow)/inflow from capital expenditure and financial investment			(272)		(136)
			_____		_____
Cash (outflow)/inflow before financing			(738)		733
Financing					
Capital element of finance leases repaid		(27)		-	
		_____		_____	
Net cash (outflow)/inflow from financing			(27)		-
			_____		_____
(Decrease)/Increase in cash in year	21		(765)		733
			=====		=====

The notes on pages 12 to 25 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax. Turnover is recognised when the risks and rewards of owning the goods have passed to the customer, which is generally on delivery. Where contracts are entered into for the provision of aerial photography over a period of greater than one year, income is recognised on a percentage completion basis, based on the geographical area completed in relation to the contract.

Fixed assets

Costs relating to flying, photography, geo-correction, processing, delivery systems are capitalised as tangible fixed assets.

Website development costs have been capitalised as tangible fixed assets where they relate to an enduring asset, and are expected to generate future revenues in excess of costs of developing the website. Website planning and maintenance costs are charged to the profit and loss account when they are incurred.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

Aerial photography/digital imaging	- over 10 years on a straight line basis
Aircraft	- over 10 years on a straight line basis
Website	- over 10 years on a straight line basis
Domesday book processing costs	- over 4 years on a straight line basis
Plant, machinery and equipment	- over 3 years on a straight line basis
Fixtures and fittings	- over 3 years on a straight line basis

Investment - joint venture

An entity is treated as a joint venture where the company holds a long term interest and shares control under a contractual agreement. The company's joint venture vehicle is a limited liability partnership (LLP) and is treated as follows:

As the company is entitled to share in the profits from the LLP, the investment is adjusted by the company's share of the LLP's result for the period. In the case of LLP losses this is limited to the extent of the company's capital contribution to the LLP.

Impairment of fixed assets

Impairment reviews are undertaken where conditions exist which indicate an impairment. The impairment is assessed by comparison of the carrying value of the asset against the higher of realisable value and value in use.

1 Accounting policies (*Continued*)

Share based payments

When share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period.

Finance Leases

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policy. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account to produce a constant rate of charge on the balance of capital repayments outstanding, and the capital element which reduces the outstanding obligation for future instalments.

Operating leases

Annual rentals under operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed, by the balance sheet date except for deferred tax assets which are only recognised to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax liabilities and assets are not discounted.

Pensions

Payments are made to defined contribution schemes of individual employees, and amounts are written off to the profit and loss account.

Foreign currency

Foreign currencies transactions are translated at the rate ruling when they occurred. Other monetary assets and liabilities denominated in foreign currencies are translated at the year end rates, the exchange differences arising being taken to the profit and loss account.

Getmapping plc

Notes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)

2 Turnover, profit and net assets

	Turnover	
	2007 £'000	2006 £'000
By destination:		
United Kingdom	2,424	2,730
Overseas	437	681
	<hr/>	<hr/>
	2,861	3,411
	<hr/>	<hr/>

All the turnover, profit and net assets are derived from aerial photography and digital imaging

3 Operating profit

	2007 £'000	2006 £'000
This is arrived at after charging:		
Depreciation – owned assets	126	116
- assets held under finance leases	79	-
Auditors' remuneration - audit services	12	10
- other taxation services	6	5
Operating lease rentals – other assets	55	55
Loss on exchange	3	7
	<hr/>	<hr/>

Getmapping plc

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

4 Employees

	2007 £'000	2006 £'000
Staff costs consist of:		
Wages and salaries	895	791
Social security costs	99	91
Other pension costs	24	17
	<u>1,018</u>	<u>899</u>

The average monthly number of employees (including executive directors) during the year was as follows:

	Number	Number
Technical	10	4
Sales and administration	14	9
	<u>24</u>	<u>13</u>

5 Directors' emoluments

	2007 £'000	2006 £'000
Directors' emoluments consist of:		
Fees and other emoluments	216	207
Amounts paid to personal pension schemes	8	5
	<u>224</u>	<u>212</u>
Emoluments of the highest paid director	<u>97</u>	<u>128</u>
Amounts paid to personal pension schemes	<u>6</u>	<u>5</u>

There were two directors (2006 - 1) for whom amounts were paid into a private personal defined contribution scheme.

Details of directors' share options are set out on page 4.

6 Taxation on profit from ordinary activities

There is no tax charge for either the current or prior year. The factors affecting the tax charge for the year are explained below:

	2007 £'000	2006 £'000
Profit on ordinary activities before tax	150	548
Profit on ordinary activities at the standard rate of UK corporation tax of 30% (2006 - 30%)	45	164
Effects of:		
Expenses not deductible for tax purposes	1	2
Capital allowances for period in excess of depreciation	(165)	35
Provision adjustment	(16)	-
Share of partnership tax loss in excess of accounting loss recognised	(22)	35
Utilisation of tax losses brought forward	-	(236)
Tax losses for the year carried forward	157	-
Tax charge	-	-

Deferred taxation

The company has tax losses of approximately £9.0m (2006 - £8.4m) available for offset against future taxable profits. As the recoverability of the amount in the foreseeable future is uncertain, the potential deferred tax asset has not been recognised.

7 Earnings per share

The basic earnings per share has been calculated using the profit for the period divided by the weighted average number of shares in issue during the year, before taking account of shares under option, of 28,849,110 (2006: 28,849,110). The diluted earnings per share has been calculated using the weighted average number of shares in issue during the year, after taking account of shares under option. The weighted average was 29,558,182 (2006:29,558,182), made up of shares in issue of 28,849,110 (2006:28,849,110) plus shares under option of 709,072 (2006:709,072)

Getmapping plc

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

8 Tangible fixed assets	Aerial photography/digital imaging £'000	Aircraft £'000	Website £'000	Domesday Book processing costs £'000	Plant, machinery and equipment £'000	Fixtures and fittings £'000	Total £'000
<i>Cost</i>							
At 1 January 2007	7,041	-	587	454	238	31	8,351
Additions	-	361	-	-	603	1	965
Disposals	-	-	-	-	(14)	-	(14)
At 31 December 2007	7,041	361	587	454	827	32	9,302
<i>Depreciation</i>							
At 1 January 2007	6,377	-	499	454	193	30	7,553
Charge for year	82	14	11	-	98	-	205
Disposals	-	-	-	-	(14)	-	(14)
At 31 December 2007	6,459	14	510	454	277	30	7,744
<i>Net book value</i>							
At 31 December 2007	582	347	77	-	550	2	1,558
At 31 December 2006	664	-	88	-	45	1	798

Getmapping plc

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

8 Tangible fixed assets (continued)

The net book value of, and depreciation charge for the year, on tangible fixed assets held under finance leases was as follows.

Net book Value	2007 £'000	2006 £'000
Aircraft	308	-
Plant, Machinery & Equipment	484	-
	<hr/>	<hr/>
	792	-
	<hr/>	<hr/>
Depreciation		
Aircraft	13	-
Plant, Machinery & Equipment	66	-
	<hr/>	<hr/>
	79	-
	<hr/>	<hr/>

Getmapping plc

Notes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)

9 Investments

	2007 £'000	2006 £'000
<i>Cost</i>		
At 1 January 2007	352	220
Additions	48	132
At 31 December 2007	<u>400</u>	<u>352</u>
<i>Provisions</i>		
At 1 January 2007	352	220
Provision for share of LLP trading loss (restricted in 2007)	48	136
Transfer to liabilities	-	(4)
At 31 December 2007	<u>400</u>	<u>352</u>
<i>Net book value</i>	<u>-</u>	<u>-</u>

Joint venture

Name	Country of incorporation	Proportion of voting rights	Nature of business
Digital Millennium Map LLP (trading as The Getmapping Partnership)	United Kingdom	25%	Aerial photography

The following information is based on Digital Millennium Map LLP's twelve month period to 31 December 2007 taken from audited accounts for the twelve month period ended 31 December 2007.

	25% share of Digital Millennium Map LLP £'000	Getmapping Plc consolidated to include 25% share of joint venture partnership £'000
Turnover	191	3,052
Operating costs	(338)	(3,049)
(Loss) / profit for the period	<u>(147)</u>	<u>3</u>
Tangible fixed assets	22	1,580
Current assets	12	1,508
Liabilities due within one year	(27)	(709)
Liabilities due after more than one year	(25)	(563)
Liabilities due to members	(91)	(91)
Net (liabilities) / assets	<u>(109)</u>	<u>1,725</u>

Getmapping plcNotes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)**10 Debtors**

	2007	2006
	£'000	£'000
Trade debtors	591	399
Other Debtors	199	-
Prepayments and accrued income	79	75
	<u>869</u>	<u>474</u>

All amounts shown under debtors fall due for payment within one year.

11 Creditors: amounts falling due within one year

	2007	2006
	£'000	£'000
Trade creditors	170	330
Obligations under finance lease	209	-
Creditors for taxation and social security	46	88
Accruals and deferred income	257	420
	<u>682</u>	<u>838</u>

12 Creditors: amounts falling due after more than one year

	2007	2006
	£'000	£'000
Deferred income	81	130
Obligations under finance lease	457	-
	<u>538</u>	<u>130</u>

Maturity of debt

	2007	2006
	£'000	£'000
In one year or less, or on demand	209	-
	<u>209</u>	<u>-</u>

12 Creditors: amounts falling due after more than one year (*continued*)

Maturity of debt (*continued*)

	2007 £'000	2006 £'000
In more than one year, but not more than two years	209	-
In more than two years, but not more than five years	248	-
	<u>457</u>	<u>-</u>

Obligations under finance leases contracts are secured on the assets concerned.

13 Provisions for liabilities

	2007 £'000	2006 £'000
Provision brought forward	12	8
Provision for loss on LLP investment during year	(12)	4
	<u>-</u>	<u>12</u>

14 Financial instruments

Financial instruments are used that are necessary to facilitate the company's ordinary trade activities, namely cash, trade payables and receivables; the resultant risks are credit risk, foreign currency risk and interest rate risk. The company does not use financial derivatives in its management of these risks.

Credit risk

The company's policy in respect of credit risk is to require appropriate credit checks on potential customers before sales are made. At the balance sheet date the company had the following trade debtors:

	2007 £'000	2006 £'000
Trade debtors	591	399
	<u>591</u>	<u>399</u>

Foreign currencies

There are a small number of routine trading contracts with customers and suppliers in US dollars and euros. Payments and receipts are made through bank accounts denominated in the currency of the contract: therefore balances held in any foreign currency are to facilitate day to day transactions. The company mitigates exposure to movements in exchange rates by transferring funds into the sterling accounts on a timely basis.

14 Financial instruments (*Continued*)

With a functional currency of sterling, there are the following currency net assets:

	2007	2006
	£'000	£'000
Currency: US dollars:		
Cash	8	140
Trade debtors	82	70
	<hr/>	<hr/>
Net assets	90	210
	<hr/>	<hr/>
Currency: Euros:		
Cash / net assets	25	16
	<hr/>	<hr/>

Interest rates

Cash balances are held in short-term deposit accounts, repayable on demand: these attract interest rates which fluctuate in relation to movements in bank base rate. This maintains liquidity and does not commit the company to long-term deposits at fixed rates of interest.

Financial assets: cash at bank

	2007	2006
	£'000	£'000
Sterling	594	1,236
US dollars	8	140
Euros	25	16
	<hr/>	<hr/>
	627	1,392
	<hr/>	<hr/>

Financial assets and liabilities

The company has the following financial assets and liabilities:

- Cash balances, trade and other receivables, trade and other payables: these are stated at book values which approximate closely to their fair values.

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Notes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)

15 Share capital

	Number	Nominal value in pence	£'000
<i>Authorised - ordinary shares</i>			
As at 1 January 2007 and 31 December 2007	50,000,000	0.3	150
<i>Allotted, called up and fully paid - ordinary shares</i>			
As at 1 January 2007 and 31 December 2007	28,849,110	0.3	87

Share options

Employee and former employee unapproved share option scheme

Date of grant	Number of shares	Period of option	Option price
2000	74,452	2 to 10 years	13.17365p

Employee and former employee approved share option schemes

Date of grant	Number of shares	Period of option	Option price
2001	50,000	3 to 10 years	16.5p
2004	534,620	0 to 10 years	1.75p
2006	50,000	2 to 10 years	6.50P

No charge has been made to the profit and loss account in 2006 in respect of the options issued in the year as their value was not material at date of grant or at the year end.

16 Reserves

	Share Premium £'000	Profit and loss account £'000
At 1 January 2007	12,429	(10,832)
Profit for the year	-	150
At 31 December 2007	12,429	(10,682)

On 26 July 2007 a conditional special resolution was passed to cancel the share premium account. The Company intends to effect that cancellation upon obtaining the necessary court order.

17 Commitments under operating leases

As at 31 December 2007, the company had annual commitments under non-cancellable operating leases as set out below:

	2007	2007	2006	2006
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Operating leases which expire:				
Within one year	-	3	-	-
In one to two years	-	-	-	4
In two to five years	55	-	55	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Related party transactions

During the year the company charged Digital Millennium Map LLP, a joint venture in which the company has a 25% stake, £96,000 (2006 - £132,000) for management and administration services. These charges form part of the company's investment in the joint venture, which totalled £400,000 (2006 - £352,000) at 31 December 2007.

The company has recognised a restricted cost of £48,000 (2006 - £136,000) in relation to its share of the trading losses of Digital Millennium Map LLP. This loss has been offset against the investment in the joint venture.

19 Contingent liabilities

During 2006 the company contracted with a customer to supply photographic data for which it received payment in full subject to providing a bank guarantee. The outstanding amount for 2007 is £59,100 (2006- £120,000).

20 Reconciliation of operating profit to net cash inflow from operating activities

	2007	2006
	£'000	£'000
Operating profit	103	530
Depreciation	205	116
Share of partnership loss	48	136
Other operating income	(96)	(132)
Increase in debtors	(395)	(90)
(Decrease)/ Increase in creditors	(378)	291
	<u> </u>	<u> </u>
Net cash (outflow)/inflow from operating activities	(513)	851
	<u> </u>	<u> </u>

Getmapping plcNotes forming part of the financial statements for the year ended 31 December 2007 (*Continued*)**21 Reconciliation of net cash flow to movement in net funds**

	2007	2006
	£'000	£'000
(Decrease) / Increase in cash in the year	(765)	733
New finance leases	(693)	-
Finance lease capital repayments	27	-
Net funds at start of the year	1,392	659
	<hr/>	<hr/>
Net funds at end of the year	(39)	1,392
	<hr/> <hr/>	<hr/> <hr/>

22 Analysis of net funds

	At start of year £'000	Cashflow £'000	Non-cash Items £'000	At end of year £'000
Cash in hand and at bank	1,392	(765)	-	627
Obligations under finance leases	-	27	(693)	(666)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,392	(738)	(693)	(39)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>