getech

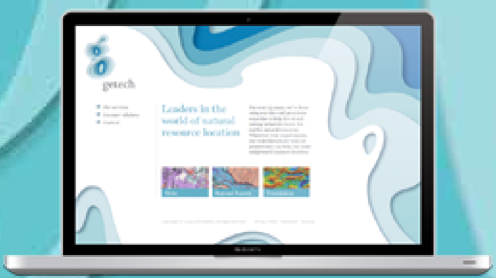
Getech Group plc

Annual Report and Accounts 2012

Leaders in the world of natural resource location

Getech is a leading petroleum and minerals consultancy best known for its unique global gravity and magnetic data holdings and services.

Driven by an entrepreneurial vision our company now offers an expanded catalogue of data types and a growing suite of petroleum exploration studies created by our multidisciplinary teams of talented geoscientists.



Scan with your QR code reader to learn more about Getech or visit www.getech.com

Highlights

Operational highlights

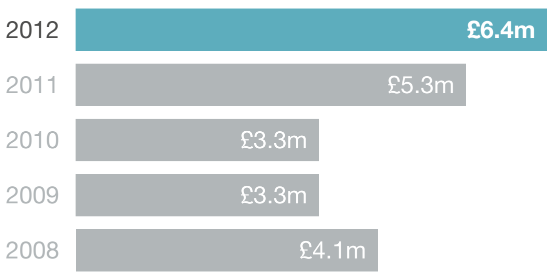
- Successful launch of Global Programmes (Globe) with five sponsors committed by 31 July and four post year end
- Strong data sales with 45% year on year growth
- Continued development of Getech's position as a technology leader
- Two innovative pilot studies funded during the year – Cryosat was funded by six clients and a new study in the Red Sea was funded by Aramco
- Major data sales included Russian Arctic Shelf aeromagnetic data ($1.28m) and Global Continental Margins data ($600k)
- Corporate rebranding exercise initiated with successful relaunch under the new brand in September 2012
- Average number of staff up 13% with minimal staff turnover

Financial highlights

- Revenue for the year increased by 21% to £6,441,107 (2011: £5,326,866)
- Profit before tax up 86% to £1,246,838 (2011: £669,702)
- Net cash after outstanding debt rose by £1,951,169 to £2,606,020
- Proposed final dividend for the year of 0.8p (2011: 0.2p), a total of 1.0p for the year (2011: 0.2p)

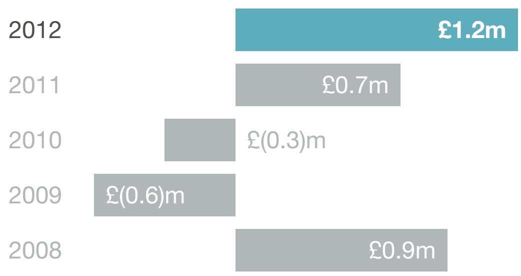
Revenue *GBP*

£6.4m +21%



Profit before tax *GBP*

£1.2m +86%



At a glance

At Getech, we offer a range of services dedicated to helping customers understand the geological risks and opportunities associated with locating natural resources – whether it's working on a global or regional scale.

Our eco-system offers a holistic view of how our core services interact, with Globe at the centre.

Globe

Globe is our live GIS earth platform – designed to help our partner clients in their new ventures and asset-based exploration.

The platform is fuelled by our global gravity and magnetic data and delivers state of the art palaeogeographic reconstructions, source to sink characterisation, fully auditable structural solutions and our cutting-edge global plate model.

Global gravity and magnetic data

In addition to our core services, we archive and license the world's most extensive commercial library of gravity and magnetic data. We have data covering almost every country in the world, at a variety of scales and resolutions.

Regional Reports

Our specialists build higher resolution Regional Reports using the core components of Globe. These reports highlight key exploration opportunities, from continental to sub-basin scales. We feed this knowledge back into Globe to enhance the framework for subsequent reports, keeping us at the cutting edge of exploration.

Commissions

We work closely with our clients on every commission, which might include a depth-to-basement study, block evaluation, training course, or an R&D study. Once we've agreed the scope of the project, we draw on Globe and our Regional Reports to design the work programme.

Our year in brief

August 2011
Further Iraq data sale

Getech announces sale of the full Iraq aeromagnetic data-set with gross revenue $500k.

October 2011
Sale of Russian products

Getech announce resumption of Russian data sales, with a sale of its aeromagnetic data products at gross value $550k.

April 2012
Sub-salt studies in the Red Sea

A new Advanced Geophysical Services study with Aramco to map the sub-salt basin structures in part of the Red Sea.

April 2012
Licence of US gravity data

The largest sale to date from the gravity data acquired in December 2008 from Lisle Gravity at $1.2m.

An overview of our studies

We have over 30 non-exclusive studies in five continents which are completed or currently proposed.

These studies address the critical issue of regional and basin-scale exploration.

April 2012
New satellite R&D study

Commencement of R&D study to integrate Cryosat 2 altimeter data with existing data to improve the quality of the gravity map.

April 2012
Global Programmes successes

Three further companies have signed up to the three year Global Programmes, making five in total to date.

July 2012
Licence sales of global gravity and magnetic data products

Two licences signed for the Global Continental Margins gravity and magnetic data-sets with value in excess of $600k.

July 2012
Licence for Russian data products

Further licence for the Russian Arctic Shelf aeromagnetic data-set with gross revenue $1.28m.

Chairman's Statement

Dr Stuart Paton

Non-executive Chairman

Highlights of the Chairman's Statement

- Record revenue for the year of £6,441k generating a profit before tax £1,247k
- Proposed final dividend for the year ending July 2012 0.8p (final dividend year ended July 2011: 0.2p; interim dividend May 2011: 0.2p)
- Five clients signed up to the three year Global Programmes, with four further clients post year end
- Very strong data sales, including US data and Russian Arctic data
- Strong technical leadership through R&D, presentation at conferences and new technology
- Cash levels continue to improve strongly

I am pleased to make my second report as Chairman of the Company, on the seventh full year results since its admission to AIM, of Getech Group plc and its subsidiary company ("Getech" or "the Group"), for the year ended 31 July 2012. Getech is a geoscience services business specialising in the provision of data, studies and services to the oil, gas and mining exploration sectors.

Results

I report a Group profit before tax of £1,246,838 (2011: £669,702) after interest receivable of £6,016 (2011: £5,356) on revenue of £6,441,107 (2011: £5,326,866). The post-tax profit was £930,018 (2011: £574,987), giving earnings per share of 3.18p (2011: 1.97p).

Dividends

Getech intends to continue its policy of progressive dividends as appropriate and is proposing a final dividend of 0.8p per share in respect of the year to 31 July 2011 (2011: 0.2p per share) in addition to the interim dividend of 0.2p per share announced in April 2012. The final dividend will be paid on 20 December to shareholders on the register of members on 23 November 2012.

Business review

I am pleased to report very strong growth in the performance of the Company this year following on from the turnaround in 2010–2011. The Company generated a record level of revenue which was an increase of 21% on the previous year. Pre-tax profits also increased 86% year on year. Both revenue and profits were significantly ahead of expectations.

The business is generating significant cash flow from operations and, at 31 July 2012, we had a gross cash position of £3,010,782, outstanding debt under the National Westminster Bank facility of £404,762 and hence a net cash position of £2,606,020.

We announced a number of major successes during the year in three key areas.

First, our strategic aim to diversify from our core business of sales of gravity and magnetic data and multi-client studies into multi-year Global Programmes has been very successful with five sponsors already signed up. Since the financial year end, we have signed up a further four major companies to the Global Programmes. We have now developed and extended the scope of the work and rebranded the Global Programmes as Globe. Globe is aimed initially at major companies but we are seeing increasing interest from smaller companies with significant international exploration portfolios who want to access our products, skills and expertise.

"The very strong level of initial commitments to Globe covers a three year work programme which substantially improves the forward visibility of earnings. We also believe that the close relationships with the sponsoring companies will lead to sale of further Globe products and proprietary contracts and that we will establish further sales as a "provider of choice" in the field of integrated global geoscience."

Second, gravity and magnetic data sales, and associated proprietary studies, have continued to be very strong and demonstrate the continued requirement for our traditional products in exploration. Further, we are actively adding to our global database through agreements with host countries and we see a continuing demand for such products.

Third, we strive to be thought leaders in our field. Our staff regularly present at major international conferences across a range of topics where their papers are highly regarded, we are leading a consortium on the use of new satellite-based gravity data and we are undertaking a ground-breaking study for Aramco to map sub-salt structures using new potential field methods. We believe that this intellectual lead differentiates us from our competitors and builds the basis for future business.

Outlook

The continuing high oil and gas prices (outside the USA) have resulted in a continued recovery in the oil and gas sector, particularly for exploration and production companies. We continue to believe strong commodity prices are likely to lead to further increased spending from companies in exploration and hence on the services we offer.

We are pleased to report that we have made a solid start to 2012–13. As reported we have already signed up four further sponsors for Globe. One of these sponsors has committed to a €1m call-off contract for a range of services including the core Globe products.

The very strong level of initial commitments to Globe covers a three year work programme which substantially improves the forward visibility of earnings. We also believe that the close relationships with the sponsoring companies will lead to sale of further Globe products and proprietary contracts and that we will establish further sales as a "provider of choice" in the field of integrated global geoscience.

With the requirement for E&P companies to expand into new frontier basins, and to minimise cost at the early stages of such exploration, we consider that there will be a continuation of the strong trend in gravity and magnetic data sales. We believe that the combination of our ever increasing library of products and data and our strong sales presence in the UK and USA will reinforce the growth path and we are optimistic about the coming years.

With our current strong cash position and proven ability to develop the business, we are actively looking for acquisition opportunities which will grow our core areas of expertise.

Finally, I would like to say how pleased I am to be involved with the Company and to thank the staff and my fellow Directors for all their hard work and dedication. I would particularly like to thank Mr Ian Somerton and Dr David Roberts, who both left the Board of Directors during the last year, for their substantial contributions to the Company.

Dr Stuart Paton
Non-executive Chairman

Operating Review

Raymond Wolfson
Chief Executive Officer

Highlights of the Operating Review

- Continuing growth in revenue (up 21% to £6,441,107) and profits (up 86% to £1,246,838)
- Strong overall data sales (up 45% year on year) including the largest sale to date from our US domestic dataset ($1.2m) and a major sale of the Russian Arctic Shelf aeromagnetic data ($1.28m)
- Successful launch of our multi-year Global Programmes with five full sponsors signed up by July 2012 and a further four signed after the balance sheet date
- Scope of the Global Programmes has now been expanded and rebranded as Globe, with sponsors now committing to Globe core projects
- Globe has resulted in significantly improved forward visibility of income
- Continued emphasis on technical and scientific leadership led to new funded research and development projects
- Cash levels recovered strongly rising to £3,010,872 by 31 July 2012

I report that in our seventh year as a public quoted company, Getech Group plc ("Getech" or "the Group") returned a pre-tax profit of £1,246,838 (2011: £669,702) for the year ended 31 July 2012.

Business setting

The exploration market in the oil and gas sector has been strong throughout the year. This has been well supported by the continuing firm oil price.

We believe that the relative stability of the oil price at historically high levels will continue to provide a sound market environment for exploration giving a very positive outlook for our business.

Business activities

Getech's strength lies in its ability to provide a range of data, services and solutions at scales ranging from global to sub-regional. Key to our success is the ability to understand the needs of our clients and provide high quality solutions to help them in their goal of finding oil and gas resources. We have now developed and expanded the scope of the Global Programmes and rebranded it as Globe, which incorporates the data, knowledge and experience that we have acquired over many years and at many levels of resolution. Globe enables us to deliver the core Global Programmes to our sponsors but will also provide an effective and efficient way of delivering information and solutions to clients whose needs are regional or sub-regional.

Oil, gas and mining companies license our data and studies when they are evaluating new exploration areas and when they wish to expand their current exploration activities into neighbouring regions. We are uniquely able to provide integrated solutions across a broad range of disciplines including, amongst others, potential field geophysics, structural geology, plate tectonics, palaeolandscape analysis and geochemistry. We actively work with a number of universities that are at the forefront of their disciplines (e.g. in palaeo-climate modelling) and also attend a range of international conferences to ensure we continue our technical excellence.

This year continued the strong upward trend in revenue and profits. The main reasons for this were the continued strong growth in data sales and the very successful launch and market entry of our multi-year Global Programmes, now within the Globe brand.

"This year continued the strong upward trend in revenue and profits. The main reasons for this were the continued strong growth in data sales and the very successful launch and market entry of our multi-year Global Programmes, now within the Globe brand."

Data sales were up by 45% on the previous year and we made a number of significant individual data sales:

- In April, we announced a licence of US gravity and magnetic data valued at $1.2m. These data were licensed out of the assets we acquired from Lisle Gravity Inc. in December 2008. While there has been a stream of licences of various sizes for these data over the period since the acquisition, this sale is the largest to date of that data.
- In July, we issued two licences for our global continental margins gravity and magnetic datasets with an aggregate value in excess of $600,000. The global continental margin datasets are part of the library of gravity and magnetic data to which Getech has acquired access over the past 25 years and demonstrate the continuing value of global datasets to E&P companies in their exploration efforts.
- Also in July, the Company signed a further licence for its Russian Arctic Shelf magnetic data set with a gross sales value of $1.28m. The Russian Arctic Shelf is a major under-explored area which is still in the early stages of exploration for oil and gas due to its harsh climate conditions and high exploration and production costs.
- We also made substantial sales of the Iraqi and Russian onshore magnetic datasets (gross values $500k and $550k respectively).

The last year has seen the fruition of a number of years of strategic investment in Globe. This was launched to the market in November 2011 and by July 2012 we had five sponsors signed up to the three year programme of deliverables. The aim of Globe is to provide exploration teams in oil and gas companies with a robust and constantly updated platform which supports their understanding, investigation and risking of new areas of interest. Initial development work started in 2009 and Globe now encompasses a range of products that build on Getech's traditional strengths in potential field geophysics as well as its unique global plate model and palaeogeographic mapping techniques. These provide insights into the shape and evolution of sedimentary basins and the geographic context of the deposition within those basins. The palaeogeographies will then be used as the boundary conditions for state-of-the-art palaeoclimate, ocean and tide modelling. The successful market entry of Globe has resulted from a combination of the innovative thought-leading content which results from the technical work of Dr Paul Markwick and his team, combined with the sales direction and drive from Dr Paul Carey.

The Company recognises that, in order to continue to grow the business, it is vital to stay in the forefront of our technologies. In this context three particular areas are of note:

- In July 2012, we announced a nine month research and development study, funded by six companies, to develop and improve methodologies and techniques to integrate the latest results of the CryoSat-2 satellite data into the existing Getech satellite gravity map of the Earth's oceans. The inclusion of the CryoSat-2 data will improve the quality of the gravity map and make such data of even greater value for oil exploration in marine areas. The R&D study has focused on four test areas chosen by the study sponsors, who will provide terrestrial gravity data for comparison purposes. This R&D study costs £15,000 per sponsor and it is intended that a successful outcome of this study will lead in early 2013 to a full scale study.

Operating Review *continued*

"Our staff are critical to the development of new ideas, insights and delivery of our products. We have strengthened our team in a number of key areas in the last year and are increasing our cooperation with key universities. In particular we continue to strengthen our sales team to help us to capitalise on the global interest in our products and services."

Business activities *continued*

- In April 2012 we announced an Advanced Geophysical Services study with Aramco Overseas Company B.V. to map the sub-salt basin structures and depth to basement in a part of the Red Sea. The study uses new methodologies and techniques that have been developed by Getech to specifically map sub-salt basin areas that are difficult to map with conventional seismic reflection data. The Advanced Geophysical Services study results from over two years of developing and testing new 2D and 3D potential field inversion methods allowing better imaging and clearer understanding of deep basement structures. We believe this method can be applied more widely and aid international exploration efforts.
- We have implemented new studies to evaluate the potential of unconventional resources in currently unexplored areas. The success of the shale gas business in the USA has had a dramatic effect on the US economy. Although the surface aspects, in respect of permitting, access to infrastructure and drilling technology, are vital to the success of an unconventional play, understanding the subsurface is absolutely key. Getech has a range of data, skills and expertise which can be applied to this new and exciting exploration concept.

Staff and corporate identity

Our staff are critical to the development of new ideas, insights and delivery of our products. We have strengthened our team in a number of key areas in the last year and are increasing our cooperation with key universities. In particular we continue to strengthen our sales team to help us to capitalise on the global interest in our products and services.

At the end of the year we started a strategic rebranding exercise. This has led to a set of clear statements about our aspirations and values which in turn led to fresh and innovative new branding concepts and imagery. We are actively using these to inform our actions at all scales from short-term plans through to long-term strategy development.

The future

Getech has invested heavily over the last few years in a number of areas ranging from developing Globe, through long-term relationship building with national oil companies and other partner organisations, to the development of new and innovative methodologies and techniques across a range of disciplines. The results of these technical investments, combined with our strongly directed sales team, are increasingly being reflected in our trading performance and we anticipate this trend will continue.

Since the year-end we have announced that a further four sponsors have committed to Globe, which now include, amongst others, ConocoPhillips and ENI bringing the total to nine. These give us a significantly improved forward visibility of income but also provide what we hope will be a series of long-term relationships through which we can continue to develop and deliver innovative and valuable services to our clients. We believe that these sponsors will increasingly use Getech for proprietary studies which build on the strong technical basis of our programmes.

We continue to develop our technical skills with internal R&D but we are also working with universities that are well known in their fields to make sure that we can deliver leading-edge solutions to our clients. We believe that these will help to reinforce our technical credibility and underpin our future growth.

Finally we have delivered a record result for the year and once again would like to thank all our staff and Board colleagues for their unstinting efforts on behalf of Getech. We believe we have made it a company that people want to work for and our team looks forward to the new challenges that the future years will bring.

Raymond Wolfson
Chief Executive Officer

Revenue *£m*

£6.4m +21%

Profit before tax *£m*

£1.2m +86%

Cash *£m*

£3.0m +124%

Net assets *£m*

£5.5m +18%

Directors and advisors

Registered office

Convention House
St Mary's Street
Leeds LS9 7DP

Nominated advisor and broker

WH Ireland Limited
Third Floor
Royal House
28 Sovereign Street
Leeds LS1 4BJ

Auditor

Grant Thornton UK LLP
No. 1 Whitehall Riverside
Leeds LS1 4BN

Solicitors

Walker Morris
Kings Court
12 King Street
Leeds LS1 2HL

Principal bankers

National Westminster Bank Plc
PO Box 183
8 Park Row
Leeds LS1 1QT

Registrars

Capita Registrars
Northern House
Woodsome Park
Fenay Bridge
Huddersfield HD8 0LA

Dr Stuart Paton *(aged 44)*

Non-executive Chairman

Stuart was previously CEO of Dana Petroleum, a FTSE 250 company. Prior to that he was Technical and Commercial Director of Dana. He delivered a number of acquisitions for Dana which was taken over by the Korean National Oil Company. Prior to joining Dana he held a number of roles in Shell. He has a B.A. in Earth Sciences and a Ph.D. in Geology from Cambridge University.

Peter Stephens *(aged 57)*

Non-executive Director

Peter was previously Head of European Equities Sales at Salomon Brothers and Credit Lyonnais. Since 2001 he has been working as a venture capitalist. He has an M.A. in Jurisprudence from Oxford University and qualified as a Barrister in 1978. He is a founding shareholder of Desire Petroleum plc and is a non-executive director of Tristel plc, a company quoted on AIM.

Dr Paul Markwick *(aged 48)*

Technical Director

Paul has a B.A. in Geology from St. Edmund Hall, Oxford, and a Ph.D. in Geophysical Sciences from The University of Chicago. He worked for two years at BP's Research Centre in Sunbury on Thames before moving to Chicago, where Paul studied with Professor Fred Ziegler's oil industry sponsored Palaeogeographic Atlas Project. Paul is also a Research Fellow at the Universities of Leeds and Bristol.

Raymond Wolfson *(aged 58)*

Chief Executive Officer

Raymond has a B.A. in Physics from Magdalen College, Oxford. He worked for 13 years in BNFL in various management consultancy and commercial roles and then moved to Ernst & Young and qualified as a Chartered Accountant. In 1991 he joined the technology transfer company at the University of Leeds, as Finance Director and later Investment Director.

Colin Glass *(aged 69)*

Non-executive Finance Director

Colin is a Chartered Accountant and a partner in Winburn Glass Norfolk, Chartered Accountants. He is a founder director of the AIM quoted Surgical Innovations Group plc which reversed into Haemocell plc in 1998 and also a non-executive director of Straight plc, which he assisted in flotation on AIM in 2003. He is a board member of a number of private companies.

Dr Alison Fielding *(aged 48)*

Non-executive Director

Alison holds an MBA from Manchester Business School, a Ph.D. in Organic Chemistry and a first class degree in Chemistry from the University of Glasgow. Early in her career she spent five years at McKinsey & Co and more recently, while at IP Group, has sat on the board of, and advised, several early stage and quoted technology companies. Alison is currently a director of several other companies.

Professor Derek Fairhead *(aged 67)*

President

Derek is the founder of Getech. Derek received a B.Sc. in Geology and Physics from Durham University, an M.Sc. in Geophysics from Newcastle University and a Ph.D. in Geophysics from Newcastle University. He was Managing Director of Getech for over 14 years until his appointment as Executive Chairman in November 2007 and President in October 2009.

Professor Paul Carey *(aged 45)*

Marketing and Sales Director

Paul has a B.Sc. in Geology and a Ph.D. from Queens University Belfast where he lectured until joining Badley Ashton & Associates as a Reservoir Technologist. He was then appointed to the Chair in Petroleum Geology at the University of the Western Cape with academic, commercial and consulting positions. He then joined Fugro Robertson, taking roles including Head of Geochemistry and Head of Global Multi-client Products in Fugro Data Solutions. After a short return to Capetown he joined Getech in 2011.

Report of the Directors

The Directors present their report and financial statements for the year ended 31 July 2012.

Principal activity

The Group's principal activity is the provision of gravity and magnetic data, services and geological studies to the petroleum and mining industries to assist in their exploration activities. A detailed business review of the year and future development is included in the Chairman's Statement and the Operating Review on pages 4 to 8. That business review is incorporated in this Report of the Directors by reference.

Results and dividends

The profit for the year before taxation was £1,246,838 (2011: £669,702). The revenue for the year was £6,441,107 (2011: £5,326,866). This result is discussed further in the Chairman's Statement and the Operating Review.

The Directors have considered the trading position of the Group. The market for exploration services remains very active and is underpinned by the continuing strength of the oil price. Profitability has continued to improve and cash levels have strengthened considerably. Repayment of the debt facility has continued to schedule and the capital outstanding has fallen to £404,762 at 31 July 2012.

On the basis of a value in use assessment, the Directors do not believe that there is a permanent impairment in the valuation of the property and land owned by the Parent Company.

The Directors recommend a dividend of 0.8p per share (2011: 0.2p).

Directors

The Directors of the Parent Company who served during the year were:

Professor Derek Fairhead
Dr Alison Fielding
Colin Glass
Dr Paul Markwick
Dr Stuart Paton
Dr David Roberts (resigned 31 January 2012)
Ian Somerton (resigned 31 July 2012)
Peter Stephens
Raymond Wolfson

The following Director of the Parent Company was appointed after the reporting date:

Professor Paul Carey (appointed 1 August 2012)

Substantial shareholders

The Parent Company has been notified at 18 September 2012 of the following interests in excess of 3% of its issued Ordinary Share capital:

	Number of Ordinary Shares	% of issued share capital
Professor J D Fairhead	8,893,474	30.42
IP Group plc	7,413,943	25.36
Dr C M Green	1,797,080	6.15
P F H Stephens	1,548,000	5.29
University of Leeds	940,426	3.22

Corporate governance

As an AIM listed company, Getech Group plc applies those principles of good governance appropriate to a group of its size.

Internal control and risk management

The Board has overall responsibility for the Group's systems of internal control and for reviewing their effectiveness. The Group maintains systems which are designed to provide reasonable but not absolute assurance against material loss and to manage rather than eliminate risk.

The key features of the Group's systems of internal control are as follows:

- management structure with clearly identified responsibilities;
- production of timely and comprehensive historical management information;
- detailed budgeting and forecasting;
- monthly analysis of risks and threats reviewed by the Board at each of its meetings; and
- day-to-day hands on involvement of the Executive Directors.

The key financial indicators used by the Directors to monitor the performance of the Group are revenue, operating profit and gross cash.

Revenue for the year was 28% greater than the previous year. Profit before tax in the year was £1,246,838 which continued the trend over the last four years from loss of £628,000 in 2008/09, loss of £228,000 in 2009/10 and profit of £669,702 in 2010/11. The gross cash balance increased from £1,345,327 at 31 July 2011 to £3,010,782 at 31 July 2012. Net cash after the outstanding debt improved to £2,606,020. The continued improvement reflected, primarily, the successful launch of the Global Programmes and the continuing strength of data sales.

The Directors set out below the principal risks facing the business:

Liquidity risk

The Group's cash reserves increased substantially during the year. While part of this reflects commitments from clients to future work, it also reflects the profits during the year. Internal cost levels have risen during the year due to the increase in staff numbers but this reflects the increasing workload. The key risk assessment remains in relation to future income levels, although the year has started with a significantly increased level of forward sales commitments.

Financial risk

The most important components of financial risk are market borrowing interest rate risk, credit risk and currency risk. These are mitigated by regular monitoring of market rates, by the creditworthiness of the customer base and by the policy of matching, as far as possible, the timing of settling invoices where sales and purchases are made in currencies other than pounds sterling.

Staff engagement and retention

Recruitment and retention of specialist staff are key to the success of the business. The Group aims to ensure that it provides stimulating work in an attractive environment which, together with its employment policies and remuneration packages, are designed to attract and retain the high quality staff who are the basis for its success.

Systems and infrastructure

The Group is reliant on its IT infrastructure in order to trade. A failure in these systems could have a significant impact on its business. The Group has invested in new and updated IT infrastructure within the year. Controls are in place to maintain the integrity and efficiency of its systems which are regularly backed up, updated and tested.

Oil price

At current price levels fluctuations in the oil price are not regarded as presenting a material risk. However, in the event the oil price fell to significantly lower levels, there may be an adverse impact on demand for our products and services.

Going concern

The Directors have instituted regular reviews of trading and cash flow forecasts and have considered the sensitivity of these forecasts to different assumptions about future income and costs. With the improved cash levels and continued prospects for profitable trading, the Directors are fully satisfied that the Group is a going concern and will be able to continue trading for the foreseeable future.

Directors' indemnity

Qualifying third party indemnity provisions (as defined in Section 234 of the Companies Act 2006) are in force for the benefit of Directors.

Creditor payment policy

The Group's strategy is to build mutually beneficial relationships with its key suppliers. So long as suppliers have provided the goods and services in accordance with the previously agreed terms and conditions, the Group's policy is to pay in accordance with those terms. The average number of days for which purchases were outstanding for payment by the Parent Company was 31 (2011: 31 days).

Auditor

Grant Thornton UK LLP has expressed its willingness to continue in office as auditor and a resolution to re-appoint Grant Thornton UK LLP will be proposed at the forthcoming Annual General Meeting.

By order of the Board

C Glass
Company Secretary
30 October 2012

Directors' responsibilities

In respect of the preparation of the financial statements

The Directors are responsible for preparing the Annual 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 consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and to prepare the Parent Company financial statements under United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Company and the Group for that period. In preparing these 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 IFRS have been followed in the consolidated financial statements and UK Accounting Standards have been followed in the Parent Company financial statements, 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 or the Group 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 of the Group 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 of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each Director is aware there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report

To the members of Getech Group plc

We have audited the financial statements of Getech Group plc for the year ended 31 July 2012 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position and Parent Company balance sheet, the consolidated statement of cash flows, the consolidated statement of changes in equity and the related notes. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements 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 Chapter 3 of Part 16 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 Directors' Responsibilities Statement set out on page 14, 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 and express an opinion on 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 July 2012 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Andrew Wood

Senior Statutory Auditor
For and on behalf of Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Leeds
30 October 2012

Consolidated statement of comprehensive income

For the year ended 31 July 2012

	Note	2012 £	2011 £
Revenue	5	6,441,107	5,326,866
Cost of sales		(2,692,338)	(2,677,516)
Gross profit		3,748,769	2,649,350
Administrative costs		(2,495,161)	(1,966,673)
Operating profit	6	1,253,608	682,677
Finance income	8	6,016	5,356
Finance costs	9	(12,786)	(18,331)
Profit before tax		1,246,838	669,702
Income tax expense	10	(316,820)	(94,715)
Profit for the year attributable to owners of the parent		930,018	574,987
Other comprehensive income			
Currency translation differences on translation of foreign operations		10,949	(44,477)
Total comprehensive income for the year attributable to owners of the parent		940,967	530,510
Earnings per share			
Basic earnings per share	12	3.18p	1.97p
Diluted earnings per share	12	2.97p	1.84p

All activities relate to continuing operations.

The accompanying notes on pages 20 to 43 form an integral part of these financial statements.

Consolidated statement of financial position

As at 31 July 2012 *Company registration number 2891368*

	Note	2012 £	2011 £
Assets			
Non-current assets			
Property, plant and equipment	13	2,639,915	2,656,227
Intangible assets	14	737,886	837,341
Deferred tax assets	10	249,470	99,519
	5	3,627,271	3,593,087
Current assets			
Inventories	15	60,000	472,634
Trade and other receivables	16	2,962,928	1,600,280
Other current assets		19,416	32,461
Cash and cash equivalents	17	3,010,782	1,345,327
		6,053,126	3,450,702
Total assets		9,680,397	7,043,789
Liabilities			
Current liabilities			
Borrowings	18	285,714	285,714
Trade and other payables	19	3,300,164	1,557,094
Current tax liabilities		410,199	52,975
		3,996,077	1,895,783
Non-current liabilities			
Borrowings	18	119,048	404,762
Trade and other payables	19	31,833	59,102
Deferred tax liabilities	10	49,518	35,580
		200,399	499,444
Total liabilities		4,196,476	2,395,227
Net assets		5,483,921	4,648,562
Equity			
Equity attributable to owners of the parent			
Share capital	22	73,093	73,093
Share premium account		2,841,538	2,841,538
Capital redemption reserve		6	6
Share option reserve		188,502	177,161
Currency translation reserve		2,812	(8,137)
Retained earnings		2,377,970	1,564,901
Total equity		5,483,921	4,648,562

The financial statements on pages 16 to 43 were approved by the Board of Directors on 30 October 2012.

Dr S M Paton
Director

The accompanying notes on pages 20 to 43 form an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 July 2012

	Note	2012 £	2011 £
Cash flows from operating activities			
Profit before tax		1,246,838	669,702
Share-based payment charge		11,341	19,561
Depreciation and amortisation charges	13/14	202,604	207,244
Finance income		(6,016)	(5,356)
Finance costs		12,786	18,331
Exchange adjustments		(35,259)	11,899
Decrease in inventories		412,634	37,360
(Increase) in trade and other receivables		(1,362,648)	(450,002)
Increase in trade and other payables		1,715,801	340,204
Cash generated from operations		2,198,081	848,943
Income taxes (paid)/refunded		(82,564)	7,389
Net cash generated from operating activities		2,115,517	856,332
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(51,256)	(46,568)
Interest received		6,016	5,356
Net cash used in investing activities		(45,240)	(41,212)
Cash flows from financing activities			
Repayment of long-term borrowings		(285,714)	(285,714)
Equity dividends paid	11	(116,949)	—
Interest paid		(12,786)	(18,331)
Net cash used in financing activities		(415,449)	(304,045)
Net increase in cash and cash equivalents		1,654,828	511,075
Cash and cash equivalents at beginning of year		1,345,327	846,871
Exchange adjustments to cash and cash equivalents at beginning of year		10,627	(12,619)
Cash and cash equivalents at end of year	17	3,010,782	1,345,327

The accompanying notes on pages 20 to 43 form an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 July 2012

	Share capital £	Share premium account £	Capital redemption reserve £	Share option reserve £	Currency translation reserve £	Retained earnings £	Total £
At 1 August 2010	73,093	2,841,538	6	157,600	36,340	989,914	4,098,491
Share-based payment charge	—	—	—	19,561	—	—	19,561
Transactions with owners	—	—	—	19,561	—	—	19,561
Profit for the year	—	—	—	—	—	574,987	574,987
Other comprehensive income							
Currency translation differences	—	—	—	—	(44,477)	—	(44,477)
Total comprehensive income for the year	—	—	—	—	(44,477)	574,987	530,510
At 31 July 2011	73,093	2,841,538	6	177,161	(8,137)	1,564,901	4,648,562
Share-based payment charge	—	—	—	11,341	—	—	11,341
Dividends	—	—	—	—	—	(116,949)	(116,949)
Transactions with owners	—	—	—	11,341	—	(116,949)	(105,608)
Profit for the year	—	—	—	—	—	930,018	930,018
Other comprehensive income							
Currency translation differences	—	—	—	—	10,949	—	10,949
Total comprehensive income for the year	—	—	—	—	10,949	930,018	940,967
At 31 July 2012	73,093	2,841,538	6	188,502	2,812	2,377,970	5,483,921

Notes to the consolidated financial statements

For the year ended 31 July 2012

1 Nature of operations

The principal activity of Getech Group plc and its subsidiary company Geophysical Exploration Technology Inc. (collectively "Getech" or "the Group") is the provision of gravity and magnetic data, services and geological studies to the petroleum and mining industries to assist in their exploration activities.

2 General information

Getech Group plc is the Group's ultimate Parent Company ("the Parent Company"). It is incorporated in England and Wales and domiciled in England (CRN: 2891368). The address of its registered office is Convention House, St. Mary's Street, Leeds LS9 7DP. Its principal place of business is Kitson House, Elmete Hall, Elmete Lane, Leeds LS8 2LJ. Getech Group plc shares are admitted to trading on the London Stock Exchange's AIM.

3 Basis of preparation

These consolidated financial statements ("the financial statements") have been prepared in accordance with International Financial Reporting Standards (IFRS) in issue as adopted by the European Union. IFRS include interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC).

The financial statements have been prepared under the historical cost convention except in relation to financial instruments held at fair value through profit or loss.

The accounting policies set out below have been applied consistently throughout the Group for the purpose of preparation of the financial statements.

The Parent Company financial statements have been prepared using United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and are on pages 44 to 50.

The Directors have instituted regular reviews of trading and cash flow forecasts and have considered the sensitivity of these forecasts to different assumptions about future income and costs. With the improved cash levels and continued prospects for profitable trading, the Directors are fully satisfied that the Group is a going concern and will be able to continue trading for the foreseeable future.

4 Summary of accounting policies

4.1 Basis of consolidation

The Group financial statements consolidate those of the Parent Company and of its subsidiary undertaking drawn up to 31 July 2012. A subsidiary is an entity controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

4.2 Revenue

Revenue is measured by reference to the fair value of consideration received or receivable by the Group for services provided, excluding VAT and comparable overseas taxes.

In respect of contracts which are long term in nature and contracts for ongoing services, revenue, restricted to the amounts of costs that can be recovered, is recognised according to the value of work done in the period. Revenue in respect of such contracts is calculated on the basis of time spent on the project and estimated work to completion. Revenue is recognised when the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity;

4 Summary of accounting policies *continued*

4.2 Revenue continued

- the stage of completion of the transaction at the end of the reporting period can be measured reliably and is estimated by expected time-cost to completion; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Where a contract for services involves delivery of several different elements and is not fully delivered or performed by the year end, revenue is recognised based on the proportion of the fair value of the elements delivered to the fair value of the overall contract.

Where the outcome of contracts which are long term in nature and contracts for ongoing services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

For sales of data and completed project studies revenue is recognised when the following conditions are satisfied:

- the Group has transferred to the buyer the risks and rewards of the data and studies, which is generally on dispatch;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, which is generally on dispatch;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from multiple element contracts is recognised after separating the contract income as follows:

- completed project elements and specific studies which are immediately deliverable;
- specific studies which are to be completed in the future; and
- project elements which are to be delivered from future core development work.

4.3 Inventories

Costs associated with contracts which are long term in nature are included in inventories to the extent that they cannot be matched with contract work accounted for as revenue. Amounts included in work in progress are stated at cost, including absorption of relevant overheads, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

In assessing the costs associated with projects that are long term in nature the following assumptions and estimates are made:

- at the commencement of each project an assumption is made concerning the likely revenue from potential sales of that project. Regular impairment reviews reconsider whether that revenue remains achievable; and
- costs are carried forward only to the extent that they do not exceed estimates of the recoverable amounts.

There is no inventory other than in relation to contracts which are long term in nature.

4.4 Foreign currency translation

The Group's financial statements are presented in pounds sterling which is also the functional currency of the Parent Company.

Where supplies are obtained or sales made on terms denominated in foreign currency, such transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Exchange gains or losses arising on the settlement of monetary items, or the translation of monetary items, are included in profit or loss from operations.

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

4 Summary of accounting policies *continued*

4.4 Foreign currency translation continued

The assets and liabilities of the Group's overseas subsidiary undertaking are translated using exchange rates prevailing at the end of the reporting period. Translation differences in respect of the assets and liabilities of the foreign subsidiary are accounted for in the Group's currency translation reserve within equity. Income and expenses of this undertaking are translated at the exchange rates for the period which approximate to the actual rates on transaction dates. Exchange differences arising, if any, are recognised in other comprehensive income and the Group's currency translation reserve.

4.5 Employee benefits

Pension schemes

The Group operates defined contribution pension schemes. The assets of the schemes are held separately from the Group in an independently administered fund. The pension charge represents contributions payable by the Group to the schemes.

Share options

Where share options are granted a charge is made to the consolidated statement of comprehensive income and a reserve created to record the fair value of the awards in accordance with IFRS 2 'Share-based Payment'. A charge is recognised in the income statement in relation to share options granted based on the fair value (the economic value) of the grant, measured at the grant date. The charge is spread over the vesting period. The valuation methodology takes into account assumptions and estimates of share price volatility, future risk-free interest rate and exercise behaviour and is based on the Black Scholes method. When share options are exercised there is a transfer from the share option reserve to share capital and share premium account.

At the end of each reporting period the Group revises its estimate of the number of share options that are expected to vest taking into account those which have lapsed or been cancelled. It recognises the impact of the revision to original estimates, if any, in the profit or loss, with a corresponding adjustment to share option reserve. If the terms and conditions of share options are modified before they vest, the change in the fair value of the share options, measured immediately before and after the modification, is also charged to the profit or loss over the remaining vesting period.

4.6 Research

Research expenditure is charged to the income statement of the period in which it is incurred.

4.7 Lease contracts

Operating leases exist where the lessee of a leased asset does not substantially bear all the risks and rewards relating to the ownership of the asset. Economic ownership of the leased asset is not transferred to the lessee. Payments made under operating leases are charged to the income statement on a straight line basis over the lease term.

4.8 Property, plant and equipment

Property, plant and equipment are carried at acquisition cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment by equal instalments over their estimated useful economic lives at the following rates:

- Freehold property – 2% per annum on cost
- Plant and equipment – 33.3% and 25% per annum on cost

Material residual value and useful life estimates are updated as required but at least annually. Freehold land is carried at acquisition cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated.

4 Summary of accounting policies *continued*

4.9 Other intangible assets

Other intangible assets include acquired data holdings, trade name and domain name that qualify for recognition as intangible assets in a business combination. They are accounted for using the cost model whereby capitalised costs are amortised on a straight line basis over their estimated useful lives, as these assets have finite useful economic lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to regular impairment review no less frequently than every six months. The following useful lives are applied:

- Data holdings – ten years
- Trade name – ten years
- Domain name – ten years

Amortisation has been included within "Administrative costs".

4.10 Financial assets

Financial assets comprise the following category:

- Loans and receivables

Financial assets are assigned to different categories by management on initial recognition, depending on the purpose for which they were acquired. All financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade and other receivables are classified as loans and receivables. Loans and receivables are measured initially at fair value plus transaction costs and subsequently at amortised cost using the effective interest rate method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the income statement.

Provision against trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due terms of those receivables. The amount of the write down is determined as the difference between the asset's carrying value and the present value of estimated future cash flows.

4.11 Income taxes

Current tax is the tax currently payable or receivable based on the taxable profit or loss for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits are assessed for recognition as deferred tax assets.

Deferred tax assets and liabilities are calculated in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the end of the reporting period.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity, or where they relate to items of other comprehensive income in which case they are recognised in other comprehensive income.

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

4 Summary of accounting policies *continued*

4.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits.

4.13 Equity

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares;
- "Share premium account" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue;
- "Capital redemption reserve" represents the nominal value of equity shares redeemed;
- "Share option reserve" represents the fair value of share options in accordance with IFRS 2 'Share-based Payment';
- "Currency translation reserve" represents the value of exchange differences in translating the assets and liabilities of the foreign subsidiary; and
- "Retained earnings" represents retained profits.

4.14 Dividends

Dividend distributions payable to equity shareholders are included in "Other short-term financial liabilities" when dividends are approved in general meetings prior to the end of the reporting period.

4.15 Financial liabilities

Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities categorised as at fair value through profit or loss are recorded initially at fair value and all transaction costs are recognised immediately in the income statement. All other financial liabilities are recorded initially at fair value, net of direct issue costs.

Financial liabilities categorised as at fair value through profit or loss are re-measured at each reporting date at fair value, with changes in fair value being recognised in the income statement. All other financial liabilities are recorded at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the income statement. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are charged to the income statement on an accruals basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Financial liabilities are categorised as at fair value through profit or loss where they are designated as at fair value through profit or loss on initial recognition. Deferred consideration on acquisitions of assets, which is contingent on subsequent sales of such assets, is treated as financial liabilities at fair value through profit or loss and the value is allocated between current and non-current liabilities in accordance with best estimates of the timing and amounts expected to fall due.

A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

4 Summary of accounting policies *continued*

4.16 Significant areas of judgement and estimation uncertainty

In applying the above accounting policies, management has made appropriate estimates in key areas and the actual outcomes may differ from those calculated. The key sources of judgement at the end of the reporting period are:

Recognition of revenue from multiple element contracts

It is judged that revenue from ongoing core development work is generated uniformly over the period between signature of the contract and the completion date.

Share options

Share-based payments are dependent on judgements as to the number of shares which are expected to vest.

In assessing the treatment of the changes to the share options in December 2010 management has deemed the changes to be modifications and has accounted for them as such under IFRS 2.

Impairment of intangible assets acquired from Lisle Gravity Inc.

The review, by management, of the value in use of the data and assets acquired from Lisle Gravity Inc., as shown in Note 14, in an earlier year included judgements in respect of the future trading performance of those assets and of the relevant discount rate which should be applied.

Deferred tax assets

The realisation of deferred tax assets is dependent partly on the generation of sufficient future taxable profits and on the capital allowances arising on the contingent consideration for the Lisle Gravity Inc. assets acquired in an earlier year. The Group recognises deferred tax assets where it is likely that the benefit will be realised.

The key sources of estimation uncertainty at the end of the reporting period are:

Contracts which are long term in nature and contracts for ongoing services

The value of revenue recognised during the year is dependent on estimates of work to completion and amounts contracted but not invoiced to customers.

Multiple element contracts

Management use estimates in determining the fair value of individual elements of the multiple element contracts. The value of revenue recognised during the year is dependent on estimates of work to completion.

Carrying amount of non-current assets

The reviews of carrying values are undertaken as follows:

- freehold land and buildings are estimated on the basis of value in use; and
- intangible non-current assets are estimated on the basis of value in use.

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

4 Summary of accounting policies *continued*

4.17 Standards and interpretations not yet applied by Getech

The following Standards and Interpretations, which are yet to become mandatory and are expected to be relevant to the financial statements, have not been applied in the 2012 financial statements.

Standard or Interpretation	Effective for reporting periods starting on or after
• IAS 12 (amendments) 'Income Taxes – Deferred Tax: Recovery of Underlying Assets'	1 January 2012
• IAS 1 (amendments) 'Presentation of Items of Other Comprehensive Income'	1 July 2012
• Annual Improvements 2009–2011 Cycle	1 January 2013
• IFRS 7 (amendments) 'Disclosures – Offsetting Financial Assets and Liabilities'	1 January 2013
• IFRS 10 'Consolidated Financial Statements'	1 January 2013
• IFRS 12 'Disclosure of Interests in Other Entities'	1 January 2013
• IFRS 13 'Fair Value Measurement'	1 January 2013
• IAS 27 (revised) 'Separate Financial Statements'	1 January 2013
• IAS 32 (amendments) 'Offsetting Financial Assets and Liabilities'	1 January 2014
• IFRS 9 'Financial Instruments'	1 January 2015
• IFRS 9 and IFRS 7 (amendments) 'Mandatory Effective Date and Transition Disclosures'	1 January 2015

It is anticipated that the adoption of these Standards will not have a significant impact on the financial statements of the Group except for additional disclosure and presentational requirements.

5 Segmental reporting

The Group presents its results in accordance with internal management reporting information, so under IFRS 8 the Group has only one operating segment. The performance of the Group is monitored and measured and strategic decisions made on the basis of the Group's results, which include all items presented under IFRS. This management information therefore accords with Group financial information presented in the consolidated statement of comprehensive income and the consolidated statement of financial position.

Revenue is reported by geographical location of customers.

Non-current assets are reported by geographical location of assets.

	2012		2011	
	Revenue £	Non-current assets £	Revenue £	Non-current assets £
USA	**2,356,271**	**888,050**	2,449,040	942,235
United Kingdom	**359,510**	**2,628,221**	202,290	2,650,852
Europe	**2,207,374**	—	1,151,383	—
Asia	**957,950**	—	373,292	—
Australasia	**365,418**	—	74,752	—
Africa	**72,087**	—	946,603	—
Rest of World	**122,497**	—	129,506	—
	6,441,107	**3,516,271**	5,326,866	3,593,087

Revenue includes £121,608 (2011: £55,385) in respect of contracts for services.

Within revenue there are sales to two customers exceeding 10% of turnover. The values of those sales are £1,150,811 and £968,175 (2011: £784,776 and £717,785).

6 Operating profit

The operating profit for the year has been arrived at after charging/(crediting):

	2012 £	2011 £
Cost of inventories recognised as an expense	2,692,338	2,677,516
Impairment of inventories	31,422	—
Depreciation of property, plant and equipment	68,079	74,279
Amortisation of intangible assets	134,525	132,965
Remuneration receivable by the Group's auditor for audit services:		
– the auditing of the accounts	25,332	25,736
Remuneration receivable by the Group's auditor for non-audit services:		
– other services	1,300	1,300
Operating leases:		
– rental costs of land and building	22,206	63,135
Foreign exchange differences	(68,829)	(25,517)
Share-based payments charge	11,341	19,561

The above are included in “Cost of sales” and “Administrative costs” in the consolidated statement of comprehensive income.

7 Directors and employees

The employee benefit expenses during the year were as follows:

	2012 £	2011 £
Salaries	2,183,597	1,817,787
Social security costs	225,202	156,760
Pension costs	80,665	78,783
Share-based payment charge	11,341	21,569
	2,500,805	2,074,899

The average number employed by the Group, including Executive Directors, was:

	2012 Number	2011 Number
Directors	4	4
Administration and technical	56	49
	60	53

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

7 Directors and employees *continued*

Remuneration in respect of the Directors was as follows:

	2012				
	Salary £	Fees £	Share-based payment charge/(credit) £	Total emoluments excluding pensions £	Pension contributions £
Executive					
Professor J D Fairhead	95,770	—	—	95,770	—
Dr P J Markwick	86,600	—	3,159	89,759	3,650
I W Somerton	74,100	—	309	74,409	6,800
R Wolfson	110,600	—	3,924	114,524	5,100
Non-executive					
Dr A M Fielding[1]	—	18,000	—	18,000	—
C Glass[2]	—	16,000	309	16,309	—
Dr S M Paton	25,000	—	6,994	31,994	—
Dr D G Roberts[3]	—	8,719	(10,867)	(2,148)	—
P F H Stephens[4]	—	16,498	691	17,189	—
	392,070	59,217	4,519	455,806	15,550

	2011				
	Salary £	Fees £	Share-based payment charge £	Total emoluments excluding pensions £	Pension contributions £
Executive					
Professor J D Fairhead	80,948	—	—	80,948	—
Dr P J Markwick	62,537	—	2,169	64,706	2,934
I W Somerton	62,199	—	644	62,843	6,064
R Wolfson	87,935	—	5,486	93,421	4,480
Non-executive					
Dr A M Fielding[1]	—	13,200	—	13,200	—
C Glass[2]	—	15,333	644	15,977	—
Dr S M Paton	6,250	—	1,748	7,998	—
Dr D G Roberts[3]	—	15,524	862	16,386	—
P F H Stephens[4]	—	22,112	862	22,974	—
C Tavner[5]	—	4,050	—	4,050	—
	299,869	70,219	12,415	382,503	13,478

1 Director's fees for Dr A M Fielding were paid to IP Group Limited, a company of which she is a director.

2 Director's fees for C Glass were paid to Winburn Glass Norfolk, Chartered Accountants, a firm of which he is a partner.

3 Director's fees for Dr D G Roberts were paid to Rockall Geosciences Limited, a company of which he is a director.

4 Director's fees for P F H Stephens were paid to Noon and Co. Limited, a company of which he is a director.

5 Director's fees for C Tavner were paid to IP Group Limited, a company of which he was an employee.

7 Directors and employees *continued*

- No payments were made to any Director in respect of compensation for loss of office in 2012 or 2011.
- There were no benefits in kind in 2012 or 2011.
- Pension contributions represent payments made to defined contribution schemes. Non-executive Directors are not entitled to retirement benefits.
- Remuneration of the Non-executive Directors is determined by the Board.

Directors' share options

Details of the share options held by Directors are:

				Number of shares		
	Date granted	Exercise period	Option price	2011	Lapsed	2012
Dr P J Markwick	24 December 2010	24 December 2012 – 23 December 2021	15p	210,000		**210,000**
I W Somerton	26 August 2005	31 July 2008 – 26 August 2015	9.87p	25,532	—	**25,532**
	26 August 2005	31 July 2010 – 26 August 2015	9.87p	19,149	—	**19,149**
	26 August 2005	31 July 2011 – 26 August 2015	9.87p	19,149	—	**19,149**
	26 August 2005	31 July 2012 – 26 August 2015	9.87p	19,149	—	**19,149**
R Wolfson	26 August 2005	31 July 2008 – 26 August 2015	9.87p	25,532	—	**25,532**
	26 August 2005	31 July 2010 – 26 August 2015	9.87p	19,149	—	**19,149**
	26 August 2005	31 July 2011 – 26 August 2015	9.87p	19,149	—	**19,149**
	26 August 2005	31 July 2012 – 26 August 2015	9.87p	19,149	—	**19,149**
	24 December 2010	24 December 2012 – 24 December 2021	20p	540,000	—	**540,000**
C Glass	26 August 2005	31 July 2008 – 26 August 2015	9.87p	25,532	—	**25,532**
	26 August 2005	31 July 2010 – 26 August 2015	9.87p	19,149	—	**19,149**
	26 August 2005	31 July 2011 – 26 August 2015	9.87p	19,149	—	**19,149**
	26 August 2005	31 July 2012 – 26 August 2015	9.87p	19,149	—	**19,149**
Dr S M Paton	27 April 2011	27 April 2011 – 27 April 2021	17.5p	300,000	—	**300,000**
	27 April 2011	27 April 2012 – 27 April 2021	17.5p	200,000	—	**200,000**
	27 April 2011	27 April 2013 – 27 April 2021	17.5p	200,000	—	**200,000**
	27 April 2011	27 April 2014 – 27 April 2021	17.5p	200,000	—	**200,000**
Dr D G Roberts	24 December 2010	24 December 2012 – 24 December 2021	15p	41,490	(41,490)	—
P F H Stephens	24 December 2010	24 December 2012 – 24 December 2021	15p	41,490	—	**41,490**

On 24 December 2010 the Company modified EMI and unapproved options held by certain staff members and Directors of Getech in order to: (i) adjust the exercise prices of existing options to bring them more into line with the current market price and (ii) reduce the number of options held as a consequence.

The market price of the shares at the end of the financial year was 27.05p and the range of market prices during the year was between 17.50p and 27.05p.

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

8 Finance income

	2012 £	2011 £
Interest on bank deposits	6,016	5,356

9 Finance costs

	2012 £	2011 £
Interest on bank borrowings	12,786	18,331

10 Income tax

The income tax charge comprises:

	2012 £	2011 £
Current income tax		
Current year	451,226	96,867
Prior year	1,607	2,787
Total current tax	452,833	99,654
Deferred tax		
Current year	(140,154)	69,488
Prior year	4,141	(74,427)
Total deferred tax	(136,013)	(4,939)
Tax expense on profit	316,820	94,715

Factors affecting the tax charge for the year

The taxation assessed for the year differs from the standard rate of corporation tax in the UK at 26% (2011: 28%).

The tax expense for the year can be reconciled to the profit per the consolidated statement of comprehensive income at the standard rate of corporation tax in the UK of 26% (2011: 28%) as follows:

	2012 £	2011 £
Profit on ordinary activities before tax	1,246,838	669,702
Tax at UK corporation tax rate of 26% (2011: 28%)	324,178	187,517
Effects of:		
Disallowed expenditure	1,418	1,663
Depreciation not allowable	6,347	6,835
Expenses enhanced for tax deduction	—	(37,535)
Overseas franchise tax	9,226	3,867
Movement on previously unprovided deferred tax asset in respect of share-based payments	—	(37,042)
Movement on previously unprovided deferred tax liability in respect of accelerated capital allowances	—	12,579
Tax relief on losses anticipated	—	(37,204)
Adjustment in respect of tax rate changes	(5,429)	(8,752)
Adjustment for tax rate changes in foreign jurisdictions	18,975	—
Adjustment for tax computation in foreign jurisdictions	(43,643)	—
Adjustment to tax charge in respect of prior years	5,748	2,787
Total tax expense reported in the consolidated statement of comprehensive income	316,820	94,715

10 Income tax *continued*

Deferred taxation

The net movement on the deferred tax asset and deferred tax liability accounts is as follows:

	2012 £	2011 £
Deferred tax assets		
Balance brought forward	99,519	59,000
Share-based payments	(1,049)	42,519
Intangible assets of foreign subsidiary company	40,000	(2,000)
Foreign tax jurisdictions	111,000	—
Balance carried forward	249,470	99,519
Deferred tax liabilities		
Balance brought forward	(35,580)	—
Accelerated capital allowances	(13,938)	(35,580)
Balance carried forward	(49,518)	(35,580)

The deferred taxation recognised in the financial statements at 23% for UK taxation and 34% for USA taxation (2011: 25% and 38%) is set out below:

	2012 £	2011 £
Share-based payments	41,470	42,519
Accelerated capital allowances	(49,518)	(35,580)
Foreign tax jurisdictions	97,000	—
Intangible assets of foreign subsidiary company	111,000	57,000
Net deferred tax asset	199,952	63,939

The most appropriate tax rate for the Group is considered to be 26% (2011: 28%), the standard rate of profits tax in the UK which is the primary source of revenue for the Group.

The deferred tax asset in respect of the UK company is calculated at 23% (2011: 25%) in the light of future tax rates announced. The deferred tax asset in respect of the intangible assets of the foreign subsidiary company arises as a result of future capital allowances available following the part-payment of the deferred consideration for the acquisition of assets from Lisle Gravity Inc. in an earlier period. These will be relieved against profits of the foreign subsidiary.

11 Dividends

	2012 £	2011 £
Paid during the year		
Final dividend in respect of the year ended 31 July 2011 at 0.2p per share (2011: £nil)	58,474	—
Interim dividend at 0.2p per share (2011: £nil)	58,475	—
	116,949	—
Proposed after the year end (not recognised as a liability)		
Final dividend in respect of the year ended 31 July 2012 at 0.8p per share (2011: 0.2p)	233,897	58,474

The proposed final dividend per share for the year ended 31 July 2012 is subject to approval by shareholders at the Annual General Meeting on 12 December 2012.

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

12 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of the Ordinary Shares in issue in the year.

	2012	2011
Profit attributable to equity holders of the Group	**£930,018**	£574,987
Weighted average number of Ordinary Shares in issue	**29,237,151**	29,237,151
Basic earnings per share	**3.18p**	1.97p
Diluted earnings per share	**2.97p**	1.84p

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of the Ordinary Shares which would be in issue if all the options granted, other than those which are anti-dilutive, were exercised. The addition to the weighted number of the Ordinary Shares used in the calculation of diluted earnings per share for the year ended 31 July 2012 is 2,040,924 (2011: 2,088,414).

Of the share options granted at 31 July 2012, 529,789 were anti-dilutive because the conditions for exercise had not been met (2011: 529,789).

13 Property, plant and equipment

The carrying amounts of property, plant and equipment for the years presented in the consolidated financial statements are reconciled as follows:

	Freehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 August 2010	2,749,631	555,271	3,304,902
Additions	—	46,568	46,568
Exchange differences	—	(7,600)	(7,600)
At 31 July 2011	2,749,631	594,239	3,343,870
Additions	—	51,256	51,256
Disposals	—	(18,179)	(18,179)
Exchange differences	—	7,300	7,300
At 31 July 2012	**2,749,631**	**634,616**	**3,384,247**
Depreciation			
At 1 August 2010	110,504	509,739	620,243
Charge for the period	34,992	39,287	74,279
Exchange differences	—	(6,879)	(6,879)
At 31 July 2011	145,496	542,147	687,643
Charge for the period	34,992	33,087	68,079
Disposals	—	(18,179)	(18,179)
Exchange differences	—	6,789	6,789
At 31 July 2012	**180,488**	**563,844**	**744,332**
Carrying amount			
At 31 July 2012	**2,569,143**	**70,772**	**2,639,915**
At 31 July 2011	2,604,135	52,092	2,656,227
At 1 August 2010	2,639,127	45,532	2,684,659

The carrying amount of freehold land not subject to depreciation amounted to £1,000,000 (2011: £1,000,000).

Depreciation charges are included in "Administrative costs" in the consolidated statement of comprehensive income.

14 Intangible assets

The carrying amounts of intangible assets for the years presented in the consolidated financial statements are reconciled as follows:

	Data holdings £	Trade and domain names £	Total £
Cost			
At 1 August 2010	1,282,508	2,135	1,284,643
Exchange differences	(62,326)	(104)	(62,430)
At 31 July 2011	1,220,182	2,031	1,222,213
Exchange differences	55,559	—	55,559
At 31 July 2012	**1,275,741**	**2,031**	**1,277,772**
Amortisation			
At 1 August 2010	264,139	2,135	266,274
Charge for the period	132,965	—	132,965
Exchange differences	(14,263)	(104)	(14,367)
At 31 July 2011	382,841	2,031	384,872
Charge for the period	134,525	—	134,525
Exchange differences	20,489	—	20,489
At 31 July 2012	**537,855**	**2,031**	**539,886**
Carrying amount			
At 31 July 2012	**737,886**	—	**737,886**
At 31 July 2011	837,341	—	837,341
At 1 August 2010	1,018,369	—	1,018,369

Amortisation charges are included in "Administrative costs" in the consolidated statement of comprehensive income.

15 Inventories

	2012 £	2011 £
Work in progress	**60,000**	472,634

There is a charge included in the income statement for the year of £31,422 (2011: £nil) as an expense arising from an impairment review of inventories.

16 Trade and other receivables

	2012 £	2011 £
Trade receivables	**2,563,465**	1,380,625
Social security and other taxes	**14,037**	4,023
Other receivables	**4,506**	—
Prepayments and accrued income	**380,920**	215,632
	2,962,928	1,600,280

All amounts are short term. The carrying amounts of trade and other receivables are considered to be reasonable approximations to fair value.

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

16 Trade and other receivables *continued*

All of the Group's trade and other receivables have been reviewed for indicators of impairment. No trade receivables were found to be impaired and a provision of £nil (2011: £nil) was recorded accordingly. In addition some of the unimpaired trade receivables are past due as at the reporting date. The age of financial assets past due but not impaired is as follows:

	2012 £	2011 £
Not more than three months	**47,507**	—
More than three months but not more than six months	**258,772**	40,264
More than six months but not more than one year	—	176,945
More than one year	**277,898**	—
	584,177	217,209

17 Cash and cash equivalents

	2012 £	2011 £
Cash at bank and in hand	**3,010,782**	1,345,327

18 Borrowings at amortised cost

The bank loan carries a variable interest rate of 1.6% above LIBOR and is repayable in equal monthly instalments. The loan matures in 2013 and is secured by land and buildings owned by the Parent Company with a current carrying amount of £2,569,143 (2011: £2,604,135).

19 Trade and other payables

	2012 £	2011 £
Current liabilities		
Trade payables	**1,261,073**	1,166,999
Social security and other taxes	**62,522**	51,605
Other payables	**26,987**	65,648
Accruals and deferred income	**1,949,582**	272,842
	3,300,164	1,557,094
Non-current liabilities		
Other payables	**31,833**	59,102

The carrying amounts of trade and other payables are considered to be reasonable approximations to fair value.

20 Financial instruments

The Group is exposed to financial risks. The Group's risk management is co-ordinated by its Directors who focus actively on securing the Group's short to medium-term cash flows through regular review of the operating activity of the business.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described overleaf:

20 Financial instruments *continued*

Foreign currency risk

Exposure to currency exchange rates arises from the Group's overseas sales and purchases, most of which are denominated in US dollars and some of which are denominated in euros. Assets and liabilities denominated in US dollars and euros give rise to foreign exchange exposures at the end of the reporting period.

To mitigate the Group's exposure to foreign currency risk, exchange rates are monitored and the timing of settling invoices, where sales and purchases are made in currencies other than pounds sterling, is matched as far as possible. Furthermore there is no systematic exposure to exchange rates because selling prices are not fixed in currencies other than sterling.

The Group has a US-based subsidiary whose net assets are exposed to foreign currency translation risk. With no matching borrowings denominated in US dollars it is the Group's policy not to hedge against this translation exposure.

The Group had short-term exposure to the US dollar and the euro at 31 July 2012. The following table illustrates the sensitivity of the net result for the year with regard to the Group's financial assets and financial liabilities. It assumes a +/– 10% change of the US dollar and euro exchange rates for the year ended 31 July 2012. Sensitivity analysis is based on the Group's foreign currency financial instruments held at the end of each reporting period.

If pounds sterling had strengthened or weakened against the US dollar and the euro by 10% this would have had the following impact:

	2012		2011	
	+10% £	-10% £	+10% £	-10% £
Profit before tax	1,246,838	1,246,838	669,702	669,702
Sensitivity to movement in currency exchange rates				
US dollar	(166,719)	203,768	(155,451)	189,996
Euro	39,292	(48,024)	(24,909)	30,444
Profit before tax adjusted for currency exchange rate sensitivity	1,119,411	1,402,582	489,342	890,142

Exposures to foreign exchange rates vary during the year depending on the value of overseas transactions. Nonetheless, the analysis above is considered to be representative of Getech's exposure to currency risk.

There is no effect on equity in respect of currency exchange rate sensitivity.

The Group's actual currency exposures at the end of the reporting period were as follows:

	2012 £	2011 £
Denominated in US dollars		
Financial assets	2,431,078	1,491,708
Financial liabilities	(1,921,980)	(596,166)
Exposure	509,098	895,542
Denominated in euros		
Financial assets	149,412	151,186
Financial liabilities	(29,022)	(32,555)
Exposure	120,390	118,631

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

20 Financial instruments *continued*

Credit risk analysis

The Group's exposure to credit risk is limited to the carrying amount of its financial assets at the end of the reporting period, as summarised below:

	2012 £	2011 £
Classes of financial assets – carrying amounts		
Trade and other receivables	2,691,689	1,437,292
Cash and cash equivalents	3,010,782	1,345,327
	5,702,471	2,782,619

In respect of trade and other receivables that are not impaired the Group is not exposed to any significant credit risk exposure to any single counterparty or group of counterparties having similar characteristics. The Group's customers are generally major oil and mining companies with whom the Group has strong trading relationships with no recent history of default. The Group continually monitors its trade receivables and incorporates this information into its credit risk controls.

Trade receivables are stated on the basis of factors such as historical trends, age of debts and debt specific information. Details of amounts past due but not impaired are set out in Note 16. The credit risk for liquid funds is considered negligible, since counterparties are reputable banks with high quality external credit ratings.

The Group does not hold any collateral as security.

Interest rate risk

At 31 July 2012 the Group had bank borrowings of £404,762 (2011: £690,476). It is exposed to changes in market interest rates through its bank borrowings, which are subject to variable rates – see Note 18 for further information. There is no other material interest rate risk.

To mitigate the Group's exposure to interest rate risk market rates are monitored.

The following table illustrates the sensitivity of the profit before tax for the year to a reasonably possible change in interest rates of +/– 1% with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on the Group's financial instruments held at the end of each reporting period. All other variables are held constant.

	2012		2011	
	+1% £	-1% £	+1% £	-1% £
Profit before tax	1,246,174	1,247,502	672,628	666,776

20 Financial instruments *continued*

Capital and liquidity risk

The Group manages its liquidity needs by carefully monitoring scheduled cash outflows and anticipated inflows. Having regard to the modest visibility of sales, the cash forecasts are regularly reviewed and cover alternative income scenarios.

The contractual maturity of the Group's financial liabilities at the end of the reporting period was as follows:

	Within one year £	In one to two years £	In two to five years £	2012 £
Borrowings – held at amortised cost	291,901	121,626	—	**413,527**
Trade and other payables – held at amortised cost	3,221,726	—	—	**3,221,726**
Trade and other payables – held at fair value through profit or loss	15,916	15,916	15,917	**47,749**
	3,529,543	137,542	15,917	**3,683,002**

	Within one year £	In one to two years £	In two to five years £	2011 £
Borrowings – held at amortised cost	292,084	292,084	121,702	705,870
Trade and other payables – held at amortised cost	1,448,750	—	—	1,448,750
Trade and other payables – held at fair value through profit or loss	56,739	19,701	39,402	115,842
	1,797,573	311,785	161,104	2,270,462

Summary of the Group's financial assets and liabilities as defined in IAS 39 'Financial Instruments: Recognition and Measurement'

	2012 £	2011 £
Current assets – loans and receivables		
Trade and other receivables	**2,691,689**	1,437,292
Cash and cash equivalents	**3,010,782**	1,345,327
	5,702,471	2,782,619
Current liabilities		
Borrowings – held at amortised cost	**(285,714)**	(285,714)
Trade and other payables – held at amortised cost	**(3,221,726)**	(1,448,750)
Trade and other payables – held at fair value through profit or loss	**(15,916)**	(56,739)
	(3,523,356)	(1,791,203)
Non-current liabilities		
Borrowings – held at amortised cost	**(119,048)**	(404,762)
Trade and other payables – held at fair value through profit or loss	**(31,833)**	(59,103)
	(150,881)	(463,865)
Net financial assets and liabilities	**2,028,234**	527,551

The Directors consider that the fair value of financial assets and liabilities equates to the carrying value for both 2012 and 2011. Items carried at fair value through profit or loss are valued in accordance with Level 2 as defined in IFRS 7 'Financial Instruments', i.e. inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

21 Capital management policies and procedures

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders.

These objectives are maintained by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the consolidated statement of financial position. Capital for the reporting period under review is set out below:

	2012 £	2011 £
Total equity	5,311,921	4,648,562
Less: cash and cash equivalents	(3,010,782)	(1,345,327)
	2,301,139	3,303,235

In order to achieve the Group's objectives in capital management, the goal is to maintain adequate capital with the minimum appropriate borrowing. The Directors are satisfied that the current level of borrowing is appropriate to the needs of the Group. The only external capital requirements relate to the bank loan agreement with which the Group has complied. The Group has met its stated objectives for the year.

22 Share capital

	2012 £	2011 £
Authorised		
90,000,000 Ordinary Shares of £0.0025 each (2011: 90,000,000)	225,000	225,000
Issued, called up and fully paid		
29,237,151 Ordinary Shares of £0.0025 each (2011: 29,237,151)	73,093	73,093

	2012 Number	2011 Number
Shares issued, called up and fully paid	29,237,151	29,237,151

23 Share-based payments

At 31 July 2012 the Group operated an Approved Enterprise Management Incentive (EMI) share scheme and an Unapproved Options scheme. The unapproved options granted in 2005 are subject to performance criteria based on the financial performance of the Group.

23 Share-based payments *continued*

At 31 July 2012 rights to options over Ordinary Shares of the Parent Company were outstanding as follows:

EMI share scheme

	Number of shares				
Exercise period	2011	Granted	Exercised	Lapsed	2012
Granted 26 August 2005, exercise price: 9.87p per share					
31 July 2008 – 26 August 2015	178,723	—	—	—	**178,723**
31 July 2010 – 26 August 2015	138,298	—	—	—	**138,298**
31 July 2011 – 26 August 2015	138,298	—	—	—	**138,298**
31 July 2012 – 26 August 2015	138,299	—	—	—	**138,299**
	593,618	—	—	—	**593,618**
Granted 24 December 2010, exercise price: 15p per share					
24 December 2012 – 24 December 2020	316,498	—	—	(6,000)	**310,498**
Granted 24 December 2010, exercise price: 20p per share					
24 December 2012 – 24 December 2020	540,000	—	—	—	**540,000**
Total EMI share scheme options	1,450,116	—	—	(6,000)	**1,444,116**

Unapproved options scheme

	Number of shares				
Exercise period	2011	Granted	Exercised	Lapsed	2012
Granted 26 August 2005, exercise price: 9.87p per share					
31 July 2008 – 26 August 2015	51,064	—	—	—	**51,064**
31 July 2010 – 26 August 2015	38,298	—	—	—	**38,298**
31 July 2011 – 26 August 2015	38,298	—	—	—	**38,298**
31 July 2012 – 26 August 2015	38,298	—	—	—	**38,298**
	165,958	—	—	—	**165,958**
Granted 24 December 2010, exercise price: 15p per share					
24 December 2012 – 24 December 2020	102,129	—	—	(41,490)	**60,639**
Granted 27 April 2011, exercise price: 17.5p per share					
27 April 2011 – 27 April 2021	300,000	—	—	—	**300,000**
27 April 2012 – 27 April 2021	200,000	—	—	—	**200,000**
27 April 2012 – 27 April 2021	200,000	—	—	—	**200,000**
27 April 2012 – 27 April 2021	200,000	—	—	—	**200,000**
	900,000	—	—	—	**900,000**
Total unapproved options	1,168,087	—	—	(41,490)	**1,126,597**
Total EMI share scheme and unapproved options	2,618,203	—	—	(47,490)	**2,570,713**

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

23 Share-based payments *continued*

	Weighted average exercise price	Number
Options outstanding at 31 July 2012	17.9p	911,137
Options exercisable at 31 July 2012	14.0p	1,659,576
		2,570,713

At 31 July 2011 rights to options over Ordinary Shares of the Parent Company were outstanding as follows:

EMI share scheme

	Number of shares				
Exercise period	2010	Granted	Exercised	Modified	2011
Granted 26 August 2005, exercise price: 9.87p per share					
31 July 2008 – 26 August 2015	178,723	—	—	—	178,723
31 July 2010 – 26 August 2015	138,298	—	—	—	138,298
31 July 2011 – 26 August 2015	138,298	—	—	—	138,298
31 July 2012 – 26 August 2015	138,299	—	—	—	138,299
	593,618	—	—	—	593,618
Granted 21 September 2005, exercise price: 39p per share					
31 July 2008 – 21 September 2015	25,530	—	—	(25,530)	—
31 July 2010 – 21 September 2015	17,022	—	—	(17,022)	—
31 July 2011 – 21 September 2015	17,022	—	—	(17,022)	—
31 July 2012 – 21 September 2015	17,022	—	—	(17,022)	—
	76,596	—	—	(76,596)	—
Granted 16 November 2007, exercise price: 45p per share					
5 November 2009 – 16 November 2017	300,000	—	—	(300,000)	—
Granted 4 August 2008, exercise price: 29.75p per share					
4 August 2008 – 4 August 2018	172,000	—	—	(172,000)	—
Granted 24 December 2010, exercise price: 15p per share					
24 December 2012 – 24 December 2020	—	316,498	—	—	316,498
Granted 24 December 2010, exercise price: 20p per share					
24 December 2012 – 24 December 2020	—	540,000	—	—	540,000
Total EMI share scheme options	1,142,214	856,498	—	(548,596)	1,450,116

23 Share-based payments *continued*
Unapproved options scheme

	Number of shares				
Exercise period	2010	Granted	Exercised	Modified	2011
Granted 26 August 2005, exercise price: 9.87p per share					
31 July 2008 – 26 August 2015	51,064	—	—	—	51,064
31 July 2010 – 26 August 2015	38,298	—	—	—	38,298
31 July 2011 – 26 August 2015	38,298	—	—	—	38,298
31 July 2012 – 26 August 2015	38,298	—	—	—	38,298
	165,958	—	—	—	165,958
Granted 21 September 2005, exercise price: 39p per share					
31 July 2008 – 21 September 2015	63,829	—	—	(63,829)	—
31 July 2010 – 21 September 2015	46,809	—	—	(46,809)	—
31 July 2011 – 21 September 2015	46,809	—	—	(46,809)	—
31 July 2012 – 21 September 2015	46,809	—	—	(46,809)	—
	204,256	—	—	(204,256)	—
Granted 24 August 2007, exercise price: 35p per share					
5 November 2008 – 16 November 2017	200,000	—	—	(200,000)	—
Granted 24 August 2007, exercise price: 55p per share					
5 November 2010 – 24 August 2017	400,000	—	—	(400,000)	—
Granted 24 December 2010, exercise price: 15p per share					
24 December 2012 – 24 December 2020	—	102,129	—	—	102,129
Granted 27 April 2011, exercise price: 17.5p per share					
27 April 2011 – 27 April 2021	—	300,000	—	—	300,000
27 April 2012 – 27 April 2021	—	200,000	—	—	200,000
27 April 2012 – 27 April 2021	—	200,000	—	—	200,000
27 April 2012 – 27 April 2021	—	200,000	—	—	200,000
	—	900,000	—	—	900,000
Total unapproved options	970,214	1,002,129	—	(804,256)	1,168,087
Total EMI share scheme and unapproved options	2,112,428	1,858,627	—	(1,352,852)	2,618,203

	Weighted average exercise price	Number
Options outstanding at 31 July 2011	16.9p	1,735,224
Options exercisable at 31 July 2011	12.4p	882,979
		2,618,203

Notes to the consolidated financial statements *continued*

For the year ended 31 July 2012

24 Contingent liabilities and financial commitments

Contingent liabilities

There were no contingent liabilities at 31 July 2012 (2011: £nil).

Operating leases

At 31 July 2012 the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2012 Land and buildings £	2011 Land and buildings £
In one to two years	22,895	—
In two to five years	—	21,643
	22,895	21,643

Capital commitments

	2012 £	2011 £
Contracts placed for future capital expenditure not provided in the accounts	—	—

25 Related party transactions

During the year members of key management as defined by IAS 24 'Related Party Disclosures (revised 2009)' included non-Directors.

Their compensation during the year was as follows:

	2012 £	2011 £
Short-term employee benefits	357,111	239,515
Post-employment benefits	16,308	15,038
Share-based payments	947	2,159
	374,366	256,712

The total key management compensation during the year was as follows:

	2012 £	2011 £
Short-term employee benefits	749,181	533,134
Post-employment benefits	31,858	28,516
Equity compensation benefits	5,466	14,574
	786,505	576,224

The remuneration of the Directors, who are all Directors of the Parent Company, is set out in Note 7.

The Directors received dividends amounting to £44,241 during the year (2011: £nil).

25 Related party transactions *continued*

At the end of the reporting period the following amounts were unpaid:

	Amounts payable at 31 July 2012 £
Professor J D Fairhead	5,000
Dr P J Markwick	12,500
I W Somerton	5,000
R Wolfson	7,500
IP Group Limited[1]	4,200
Noon and Co. Limited[2]	3,999
Winburn Glass Norfolk[3]	7,200

1 Director's fees for Dr A M Fielding were paid to IP Group Limited, a company of which she is a director.

2 Director's fees and expenses for P F H Stephens were paid to Noon and Co. Limited, a company of which he is a director.

3 Director's fees for C Glass were paid to Winburn Glass Norfolk, Chartered Accountants, a firm of which he is a partner. In addition, fees for services of £65,320 (2011: £53,803) provided on an arm's length basis in its normal course of business were charged by Winburn Glass Norfolk.

26 Pensions

The Group currently operates a Group personal pension plan for the benefit of employees. The amount recognised as an expense is £80,665 (2011: £78,783).

Parent Company balance sheet – prepared under UK GAAP

As at 31 July 2012
Company registration number 2891368

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	2	2,628,221	2,650,852
Investments	3	—	—
		2,628,221	2,650,852
Current assets			
Stocks	4	60,000	472,634
Debtors	5	2,457,513	2,548,800
Cash at bank and in hand		2,750,559	1,110,739
		5,268,072	4,132,173
Creditors – amounts falling due within one year	6	(2,531,911)	(1,779,763)
Net current assets		2,736,161	2,352,410
Total assets less current liabilities		5,364,382	5,003,262
Creditors – amounts falling due after more than one year	7	(119,048)	(404,762)
Provisions for liabilities			
Deferred taxation	8	(49,518)	(35,580)
Net assets		5,195,816	4,562,920
Representing:			
Capital and reserves			
Called up share capital	9	73,093	73,093
Share premium account	10	2,841,538	2,841,538
Capital redemption reserve	10	6	6
Share option reserve	10	188,502	177,161
Profit and loss account	10	2,092,677	1,471,122
Shareholders' funds	10	5,195,816	4,562,920

The financial statements on pages 44 to 50 were approved by the Board on 30 October 2012.

S M Paton
Director

The accompanying notes on pages 45 to 50 form an integral part of these financial statements.

Notes to the Parent Company financial statements – prepared under UK GAAP

For the year ended 31 July 2012

1 Principal accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost basis of accounting and under United Kingdom Generally Accepted Accounting Practice (UK GAAP).

1.2 Tangible fixed assets and depreciation

For all tangible fixed assets depreciation is calculated to write down their cost to estimated residual value by equal instalments over their estimated economic lives at the following rates:

- Freehold property – 2% per annum on cost
- Plant and equipment – 33.3% and 25% per annum on cost

No depreciation is provided on freehold land.

1.3 Revenue

Revenue is measured by reference to the fair value of consideration received or receivable by the Group for services provided, excluding VAT and comparable overseas taxes.

In respect of contracts which are long term in nature and contracts for ongoing services, revenue, restricted to the amounts of costs that can be recovered, is recognised according to the value of work done in the period. Revenue in respect of such contracts is calculated on the basis of time spent on the project and estimated work to completion. Revenue is recognised when the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period can be measured reliably and is estimated by expected time-cost to completion; and
- the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Where a contract for services involves delivery of several different elements and is not fully delivered or performed by the year end, revenue is recognised based on the proportion of the fair value of the elements delivered to the fair value of the overall contract.

Where the outcome of contracts which are long term in nature and contracts for ongoing services cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

For sales of data and completed project studies revenue is recognised when the following conditions are satisfied:

- the Company has transferred to the buyer the risks and rewards of the data and studies, which is generally on dispatch;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, which is generally on dispatch;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from multiple element contracts is recognised after separating the contract income as follows:

- completed project elements and specific studies which are immediately deliverable;
- specific studies which are to be completed in the future; and
- project elements which are to be delivered from future core development work.

Notes to the Parent Company financial statements – prepared under UK GAAP *continued*

For the year ended 31 July 2012

1 Principal accounting policies *continued*

1.4 Long-term contracts and work in progress

Costs associated with contracts which are long term in nature are included in inventories to the extent that they cannot be matched with contract work accounted for as revenue. Amounts included in work in progress are stated at cost, including absorption of relevant overheads, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

In assessing the costs associated with projects that are long term in nature the following assumptions and estimates are made:

- at the commencement of each project an assumption is made concerning the likely revenue from potential sales of that project. Regular impairment reviews reconsider whether that revenue remains achievable; and
- costs are carried forward only to the extent that they do not exceed estimates of the recoverable amounts.

There is no inventory other than in relation to contracts which are long term in nature.

1.5 Foreign currency translation

Where supplies are obtained or sales made on terms denominated in foreign currency, such transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Exchange gains or losses arising on the settlement of monetary items, or the translation of monetary items, are included in profit or loss from operations.

1.6 Share options

When share options are granted a charge is made to the Parent Company profit and loss account and a reserve created to record the fair value of the awards in accordance with FRS 20 'Share-based Payment'. A charge is recognised in the profit and loss account in relation to share options granted based on the fair value (the economic value) of the grant, measured at the grant date. The charge is spread over the vesting period. The valuation methodology takes into account assumptions and estimates of share price volatility, future risk-free interest rate and exercise behaviour and is based on the Black Scholes method. When share options are exercised there is a transfer from the share option reserve to share capital and share premium account.

At each balance sheet date the Parent Company revises its estimate of the number of share options that are expected to vest taking into account those which have lapsed or been cancelled. It recognises the impact of the revision to original estimates, if any, in the profit and loss account, with a corresponding adjustment to the share option reserve. If the terms and conditions of share options are modified before they vest, the change in the fair value of the share options, measured immediately before and after the modification, is also charged to the profit or loss over the remaining vesting period.

1.7 Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 August 2011	2,749,631	445,477	3,195,108
Additions	—	39,438	39,438
Disposals	—	(18,179)	(18,179)
At 31 July 2012	**2,749,631**	**466,736**	**3,216,367**
Depreciation			
At 1 August 2011	145,496	398,760	544,256
Charge for the period	34,992	27,077	62,069
On disposals	—	(18,179)	(18,179)
At 31 July 2012	**180,488**	**407,658**	**588,146**
Net book value			
At 31 July 2012	**2,569,143**	**59,078**	**2,628,221**
At 31 July 2011	2,604,135	46,717	2,650,852

The net book value of freehold land in the Parent Company, not subject to depreciation, amounted to £1,000,000 (2011: £1,000,000).

3 Fixed asset investments

The Parent Company owns 100% equity interest in Geophysical Exploration Technology Inc., a company incorporated in the USA. The principal activity of Geophysical Exploration Technology Inc. is the marketing of gravity and magnetic data, services and geological evaluations. The cost of $10 capital stock was £1 and this has been written off in an earlier period. The results of Geophysical Exploration Technology Inc. are included in the consolidated figures for the year.

4 Stocks

	2012 £	2011 £
Work in progress	60,000	472,634

5 Debtors

	2012 £	2011 £
Trade debtors	1,050,433	765,969
Amount owed by Group undertakings	1,021,098	1,557,558
Corporation tax repayable	2,007	15,809
Other debtors	18,543	4,023
Prepayments and accrued income	365,432	205,441
	2,457,513	2,548,800

Notes to the Parent Company financial statements – prepared under UK GAAP *continued*

For the year ended 31 July 2012

6 Creditors – amounts falling due within one year

	2012 £	2011 £
Bank loan	285,714	285,714
Trade creditors	1,259,124	1,157,289
Corporation tax	222,199	52,975
Other taxation and social security	62,412	51,605
Other creditors	11,071	8,909
Accruals and deferred income	691,391	223,271
	2,531,911	1,779,763

The bank loan is secured by land and buildings owned by the Company.

7 Creditors – amounts falling due after more than one year

Included in creditors falling due after more than one year is a bank loan repayable as follows:

	2012 £	2011 £
Repayable in one to two years	119,048	285,714
Repayable in two to five years	—	119,048
	119,048	404,762

8 Deferred tax liability

	2012 £	2011 £
At 1 August 2011	35,580	—
Charge for the year – accelerated capital allowances	13,938	35,580
At 31 July 2012	49,518	35,580

9 Share capital

	2012 £	2011 £
Issued, called up and fully paid		
29,237,151 Ordinary Shares of £0.0025 each (2011: 29,237,151)	73,093	73,093

10 Shareholders' funds

	Share capital £	Share premium account £	Capital redemption reserve £	Share option reserve £	Profit and loss account £	Total £
At 1 August 2011	73,093	2,841,538	6	177,161	1,471,122	4,562,920
Profit for the year	—	—	—	—	738,504	738,504
Share-based payments	—	—	—	11,341	—	11,341
Dividends paid	—	—	—	—	(116,949)	(116,949)
At 31 July 2012	73,093	2,841,538	6	188,502	2,092,677	5,195,816

11 Related party transactions

The Parent Company has taken advantage of the exemption in FRS 8 'Related Party Disclosures' and has not disclosed transactions with Group undertakings.

The remuneration of the Directors of the Parent Company is set out in Note 7 to the consolidated financial statements.

Transactions with Directors of the Parent Company during the year and outstanding amounts at the balance sheet date were as follows:

	Dividends paid £	Amounts charged to the Group £	Amounts payable at 31 July 2012 £
Executive Directors			
Professor J D Fairhead	35,574	—	5,000
Dr P J Markwick	—	—	12,500
I W Somerton	—	—	5,000
R Wolfson	160	—	7,500
Non-executive Directors			
C Glass	2,295	—	—
P F H Stephens	6,212	—	—
Other related parties			
IP Group Limited[1]	—	18,082	4,200
Noon and Co. Limited[2]	—	17,103	3,999
Dr S M Paton	—	3,034	—
Rockall Geosciences Limited[3]	—	8,479	—
Winburn Glass Norfolk[4]	—	81,320	7,200

1 Director's fees and expenses for Dr A M Fielding were paid to IP Group Limited, a company of which Dr A M Fielding is a director.

2 Director's fees and expenses for P F H Stephens were paid to Noon and Co. Limited, a company of which he is a director.

3 Director's fees and expenses for Dr D G Roberts were paid to Rockall Geosciences Limited, a company of which he is a director.

4 Director's fees for C Glass of £16,000 (2011: £15,333) and fees for services of £65,320 (2011: £54,803) provided on an arm's length basis in its normal course of business were charged by Winburn Glass Norfolk, Chartered Accountants, a firm of which he is a partner.

Notes to the Parent Company financial statements – prepared under UK GAAP *continued*

For the year ended 31 July 2012

11 Related party transactions *continued*

Amounts for the year ended 31 July 2011 were as follows:

	Amounts charged to the Group £	Amounts payable at 31 July 2011 £
IP Group Limited[1]	17,796	2,400
Noon and Co. Limited[2]	25,523	—
Dr S M Paton	8,900	8,900
Rockall Geosciences Limited[3]	25,463	6,618
Winburn Glass Norfolk[4]	70,136	7,200

1 Director's fees and expenses for Dr A M Fielding and C Tavner were paid to IP Group Limited, a company of which Dr A M Fielding is a director and C Tavner was an employee.

2 Director's fees and expenses for P F H Stephens were paid to Noon and Co. Limited, a company of which he is a director.

3 Director's fees and expenses for Dr D G Roberts were paid to Rockall Geosciences Limited, a company of which he is a director.

4 Director's fees for C Glass provided on an arm's length basis in its normal course of business were charged by Winburn Glass Norfolk, Chartered Accountants, a firm of which he is a partner.

12 Capital commitments

	2012 £	2011 £
Capital expenditure		
Contracted for	—	—

13 Ultimate controlling party

The Directors consider that there is no ultimate controlling party.

14 Profit for the financial year

The Parent Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Parent Company's profit after taxation for the year was £738,504 (2011: £572,637).

Notice of Annual General Meeting

NOTICE IS GIVEN that the eighteenth Annual General Meeting of Getech Group plc ("the Company") will be held at Kitson House, Elmete Hall, Elmete Lane, Leeds LS8 2LJ on 12 December 2012 at 12 noon to consider and pass the resolutions below. Resolutions 9, 10 and 11 will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

Ordinary business

To consider and, if thought fit, pass resolutions 1 to 7 as ordinary resolutions.

1 To consider and adopt the Directors' Report and the audited accounts of the Company for the year ended 31 July 2012.

2 To declare a final dividend for the year ended 31 July 2012 of 0.8p per Ordinary Share.

3 To re-elect Peter Stephens as a Director of the Company, in accordance with Article 35 of the Company's Articles of Association, who offers himself for re-election as a Director of the Company.

4 To re-elect Alison Fielding as a Director of the Company, in accordance with Article 35 of the Company's Articles of Association, who offers herself for re-election as a Director of the Company.

5 To re-elect Derek Fairhead as a Director of the Company, in accordance with Article 35 of the Company's Articles of Association, who offers himself for re-election as a Director of the Company.

6 To re-appoint Paul Carey who was appointed since the last Annual General Meeting, in accordance with Article 30 of the Company's Articles of Association, as a Director of the Company.

7 To re-appoint Grant Thornton UK LLP as auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and to authorise the Directors to determine the auditor's remuneration.

Special business

To consider and, if thought fit, pass the following resolutions which in the case of resolution 8 will be proposed as an ordinary resolution and in the case of resolutions 9 and 10 will be proposed as special resolutions.

8 To authorise the Board generally and unconditionally pursuant to Section 551 of the Companies Act 2006 (the Act) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company ("rights"):

8.1 up to an aggregate nominal amount of £24,364.29 (being one third of the issued share capital of the Company as at the date of this notice); and

8.2 comprising equity securities (within the meaning of Section 560 of the Act) up to an aggregate nominal amount of £48,728.58 (after deducting from such amount any shares allotted under the authority conferred by virtue of resolution 8.1 in connection with or pursuant to an offer or invitation by way of a rights issue (as defined below),

provided that such authorities shall expire on the earlier of the date falling six months from the expiry of the Company's current financial year and the date of the next Annual General Meeting of the Company after the passing of this resolution unless varied, revoked or renewed by the Company in general meeting save that the Board may, before the expiry of the authorities granted by this resolution, make a further offer or agreement which would or might require shares to be allotted or rights to be granted after such expiry and the Board may allot shares and grant rights in pursuance of such an offer or agreement as if the authorities conferred by this resolution had not expired and the authorities granted by this resolution are in substitution for all previous authorities granted to the Directors to allot shares and grant rights which (to the extent that they remain in force and unexercised) are revoked but without prejudice to any allotment or grant of rights made or entered into prior to the date of this resolution 8.

Notice of Annual General Meeting *continued*

Special business *continued*

8 continued

For the purposes of this resolution 8, rights issue means an offer or invitation to: (i) holders of Ordinary Shares in proportion (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them on the record date for such allotment; and (ii) persons who are holders of other classes of equity securities if this is required by the rights of such securities (if any) or, if the Directors of the Company consider necessary, as permitted by the rights of those securities, to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable instrument) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatever.

Special resolutions

9 The Directors of the Company be authorised to amend the rules of the Getech Group plc Enterprise Management Incentive Scheme (the EMI Scheme) as follows:

That the reference to "£100,000" in rule 6.1 of the EMI Scheme rules be deleted and replaced with "£250,000", with the effect that the rule in question shall read as follows:

"6.1 An Option granted to an Eligible Employee shall be limited and take effect so that the aggregate Market Value of Shares which may be acquired on the exercise of Options granted to him under the Scheme or under Any Other Approved Scheme (but excluding Options which have been exercised, surrendered or cancelled), shall not exceed £250,000. The Market Value of Shares shall be calculated as at the time the Options in relation to those Shares were granted or such earlier time as may have been agreed in writing with HM Revenue & Customs."

10 To empower the Board (subject to the passing of the previous resolution) pursuant to Sections 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash:

10.1 pursuant to the authority conferred upon them by resolution 8.1 or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the Act, provided that this power shall be limited to the allotment of equity securities:

10.1.1 in connection with or pursuant to an offer of such securities by way of a pre-emptive offer (as defined below); and

10.1.2 (otherwise than pursuant to sub-paragraph 10.1.1 above) up to an aggregate nominal value of £10,963.94 (being 15% of the issued share capital of the Company as the date of this notice); and

10.2 pursuant to the authority conferred upon them by resolution 8.2, in connection with or pursuant to a rights issue,

as if Section 561(1) and subsections (1)–(6) of Section 562 of the Act did not apply to any such allotment and the authorities given shall expire on the earlier of the date falling six months from the end of the current financial year of the Company and the date of the next Annual General Meeting after the passing of this resolution unless renewed or extended prior to such expiry save that the Company may, before the expiry of any power contained in this resolution, make a further offer or agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such offer or agreement as if the powers conferred by this resolution had not expired.

For the purpose of this resolution 10:

(a) rights issue has the meaning given in resolution 8; and

(b) pre-emptive offer means a rights issue, open offer or other pre-emptive issue or offer to: (i) holders of Ordinary Shares in proportion (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them on the record date(s) for such allotment; and (ii) persons who are holders of other classes of equity securities if this is required by the rights of such securities (if any) or, if the Directors of the Company consider necessary, as permitted by the rights of those securities, but subject in both cases to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatever.

Special resolutions *continued*

11 To authorise the Company generally and unconditionally for the purpose of Section 701 of the Act to make one or more market purchases (within the meaning of Section 693(4) of the Act) of Ordinary Shares of £0.0025 each in the capital of the Company (Ordinary Shares) provided that:

11.1 the maximum aggregate number of Ordinary Shares authorised by this resolution to be purchased is 2,923,715 (representing 10% of the Company's issued share capital) as at the date of this notice;

11.2 the minimum price which may be paid for such Ordinary Shares is £0.0025 per share (exclusive of advance corporation tax and expenses);

11.3 the maximum price (exclusive of advance corporation tax and expenses) which may be paid for an Ordinary Share is not more than the higher of 5% above the average of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Ordinary Share is purchased and the amount stipulated by Article 5(1) of the Buy-back and Stabilisation Regulation (Commission Regulation 2273/2003); and

11.4 unless previously revoked or varied, the authority conferred by this resolution shall expire on the earlier of the date falling six months from the end of the current financial year of the Company and the date of the next Annual General Meeting of the Company save that the Company may, before such expiry, make a contract or contracts to purchase Ordinary Shares after such expiry as if the power conferred by this resolution had not expired.

By order of the Board

C Glass
Company Secretary
9 November 2012

Registered Office
Convention House
St Mary's Street
Leeds LS9 7DP

Notes

1 This notice is the formal notification to shareholders of the Company's Annual General Meeting, its date, time and place and the matters to be considered. If you are in doubt as to what action to take you should consult an independent advisor.

2 Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) only those shareholders registered in the register of members of the Company as at 12 noon on 10 December 2012 (or if the meeting is adjourned, at 12 noon two days prior to the adjourned meeting) as holders of Ordinary Shares of £0.0025 each in the capital of the Company shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after 12 noon on 10 December 2012 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

3 A member of the Company entitled to attend, speak and vote is entitled to appoint a proxy to attend, speak and vote instead of him or her. A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her. A proxy need not be a member of the Company. Proxy forms must be in the hands of the registrars at least 48 hours before the meeting. Further details of how to appoint a proxy are set out in the notes to the proxy form.

4 The return of a proxy form will not prevent a member attending the Annual General Meeting and voting in person if he/she so wishes.

Notice of Annual General Meeting *continued*

Notes *continued*

5 If a member appoints a proxy or proxies and then decides to attend the Annual General Meeting in person and vote using his/her poll card, then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member's entire holding, then all proxy votes will be disregarded. If, however, the member votes at the meeting in respect of less than the member's entire holding, then if the member indicates on his/her polling card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member's entire holding. If you do not have a proxy form and/or believe that you should have one or if you require additional forms, please contact the Company at its registered office.

6 To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see note 3 above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Capita Registrars at Proxies Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

7 In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Capita Registrars. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by Capita Registrars at Proxies Department, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 12 noon on 10 December 2012. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to paragraph 5 above, your appointment will remain valid.

8 If a corporation is a member of the Company, it may by resolution of its Directors or other governing body authorise one or more persons to act as its representative or representatives at the meeting and any such representative or representatives shall be entitled to exercise on behalf of the corporation all the powers that the corporation could exercise if it were an individual member of the Company.

Corporate representatives should bring with them either an original or certified copy of the appropriate Board resolution or an original letter confirming the appointment, provided it is on the corporation's letterhead and is signed by an authorised signatory and accompanied by evidence of the signatory's authority.

9 Copies of Directors' service contracts with the Company and with any of its subsidiary undertakings and letters of appointment of Non-executive Directors will be available for at least 15 minutes prior to the meeting and during the meeting.

10 As at 8 November 2012 (being the last business day prior to the publication of this notice) the Company's issued share capital consists of 29,237,151 Ordinary Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 8 November 2012 is 29,237,151.

Explanation of resolutions

Resolution number 1 – accounts

The Directors of the Company are obliged to present to shareholders the Report of the Directors and the accounts for the Company for the year ended 31 July 2012. That report and those accounts, and the report of the Company's auditor on those accounts, are set out on pages 12 to 50 of this document.

Resolution number 2 – final dividend

Final dividends must be approved by shareholders but must not exceed the amount recommended by the Directors. If the meeting approves resolution 2, the final dividend in respect of 2012 of 0.8p per Ordinary Share will be paid on 20 December 2012 to shareholders on the register of members on 23 November 2012.

Resolution numbers 3, 4 and 5 – re-election of Directors

At each general meeting one third of the Directors for the time being (other than those appointed since the latest Annual General Meeting) are required to retire. If the number of relevant Directors is not a multiple of three, the number nearest to but not less than one third of Directors should be obliged to retire. Directors due to retire by rotation are those who have been longest in office since their last re-election and as between persons who become or were last re-elected on the same day those due to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director is eligible for re-election. Peter Stephens, Alison Fielding and Derek Fairhead retire by rotation and are offering themselves for re-election.

Resolution number 6 – re-appointment of Paul Carey

As Paul Carey was appointed by the Board subsequent to the date of the last Annual General Meeting, he is required by the Company's Articles of Association to retire at this year's Annual General Meeting. The Directors recommend that Paul Carey be re-appointed as a Director and resolution 6 proposes his re-appointment.

Resolution number 7 – re-appointment of auditor and approving its remuneration

The Company is required to appoint an auditor at each general meeting at which accounts are laid, to hold office until the next general meeting.

The present auditor, Grant Thornton UK LLP, is willing to continue in office for a further year and this resolution proposes its re-appointment and, in accordance with standard practice, authorises the Directors to determine the level of the auditor's remuneration.

Resolution number 8 – authority to allot shares

The resolution grants the Directors authority to allot relevant securities up to an aggregate nominal amount of £24,364.29 being one third of the Company's Ordinary Share capital in issue at 8 November 2012.

In line with guidance issued by the Association of British Insurers in December 2008, resolution 8 grants the Directors of the Company authority to allot unissued share capital in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount of £48,728.58 (representing 19,491,434 Ordinary Shares of £0.0025 each) as reduced by the nominal amount of any shares issued under resolution 8.1. The amount, before any such reduction, represents approximately two thirds of the Company's Ordinary Share capital in issue at 8 November 2012.

It is not the Directors' current intention to allot relevant securities pursuant to this resolution. This authority replaces the existing authority to allot relevant securities but does not affect the ability to allot shares under the share option schemes.

Notice of Annual General Meeting *continued*

Explanation of resolutions *continued*

Resolution number 9 – amendments to share scheme rules

In order that the Company can maintain its ability to issue further share options under its Enterprise Management Incentive Scheme (the EMI Scheme), the Directors are seeking approval to amend the rules of this scheme such that the maximum market value of shares that can be granted to an eligible employee under an approved scheme is capped at £250,000 rather than £100,000, being the cap now permitted under statute.

Resolution number 10 – disapplication of statutory pre-emption rights

This resolution disapplies the statutory pre-emption rights which would otherwise apply on an issue of shares for cash and is limited to allotments in connection with rights issues or other pre-emptive offers where the securities attributable to the interests of all shareholders are proportionate (as nearly as may be) to the number of shares held and generally up to a further £10,963.94 being 15% of the Company's Ordinary Share capital in issue at 8 November 2012. This replaces the existing authority to disapply pre-emption rights and expires at the conclusion of the next Annual General Meeting of the Company or six months from the end of the Company's current financial year, whichever is the earlier.

Resolution number 11 – purchase of own shares

In certain circumstances it may be advantageous for the Company to purchase its own shares and this resolution seeks authority to do this. The Directors would only consider making purchases if they believed that such purchases would be in the best interests of shareholders generally, having regard to the effect on earnings per share and the Company's overall financial position.

The resolution gives general authority for the Company to make purchases of up to 2,923,715 Ordinary Shares (being 10% of the Company's Ordinary Share capital in issue at 8 November 2012 at a minimum price of £0.0025 and a maximum price being the higher of 5% above the average of the middle market quotations for Ordinary Shares for the five business days prior to the purchase and the price stipulated by Article 5(1) of the Buy-back and Stabilisation Regulations 2003 (being the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out)).

Companies are permitted to retain any of their own shares which they have purchased as treasury stock with a view to possible re-issue at a future date, rather than cancelling them. The Company will consider holding any of its own shares that it purchases pursuant to the authority conferred by this resolution as treasury stock. This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with additional flexibility in the management of its capital base.

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Getech Group plc
Kitson House
Elmete Hall
Elmete Lane
Leeds LS8 2LJ

Tel: 0113 322 2200
Fax: 0113 273 5236
Email: info@getech.com
Web: www.getech.com

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