

1006742

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

DIRECTORS REPORT

Directors: W E Harding - Chairman
J F Davis
C F W Hennys
T G Lewis
D M Telling
C S Townsend
P B C Williams

Secretary: A F Waters

Registered Office: The Estate Office, The Stable Block, Barley Wood,
Wrington, Avon BS18 7SA

Company Number: 1006742

REPORT OF THE DIRECTORS

The directors submit their annual report and accounts for the year ended 31 March 1990.

The company is a wholly owned subsidiary of MITIE Engineering Services Ltd.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was the installation of electrical and mechanical services in commercial and industrial premises.

No material events have happened since the end of the financial year other than in the ordinary course of trade.

DIRECTORATE

No director has any interest in the share capital of the company.

Messrs W E Harding and D M Telling are directors of MITIE Group PLC, in which company's financial statements their interest in the share capital of that company is shown.

PROFIT

The financial results for the year are set out in the accompanying accounts.

The profit for the year after taxation amounted to £300,897.

A dividend of £510,774 was paid in the year. The balance of £209,877 has been transferred from reserves.

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

DIRECTORS REPORT continued

AUDITORS

In accordance with S384 of the Companies Act 1985, a resolution proposing the re-appointment of BDO Binder Hamlyn will be put to the members at the annual general meeting.

BY ORDER OF THE BOARD

A F WATERS

Secretary

Date: 20 August 1990

REPORT OF THE AUDITORS TO THE MEMBERS OF
MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

We have audited the accounts set out on pages 4 to 12 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 March 1990 and of the profit and source and application of funds of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Binder Hamlyn

BDO BINDER HAMLYN

Chartered Accountants

Bristol

Date: 21 August 1990

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

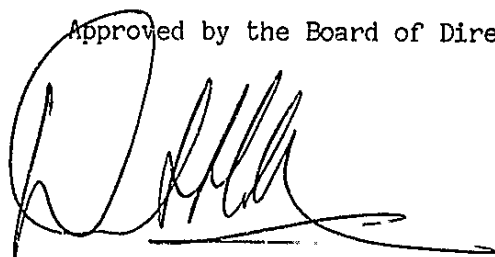
PROFIT AND LOSS ACCOUNT for the year ended 31 March 1990

	Notes	1990 £	1989 £
TURNOVER		7,380,443	6,914,471
Cost of sales		6,199,033	6,157,335
		<hr/>	<hr/>
GROSS PROFIT		1,181,410	757,136
Administrative costs		765,444	550,808
		<hr/>	<hr/>
OPERATING PROFIT		415,966	206,328
Other income	2	46,918	20,551
Interest payable	3	(3,503)	(6,292)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	459,381	220,587
Taxation	5	158,484	82,836
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		300,897	137,751
Dividend paid		510,774	-
		<hr/>	<hr/>
RETAINED (LOSS)/PROFIT FOR THE YEAR		(209,877)	137,751
Retained profits at 1 April 1989		396,148	258,397
		<hr/>	<hr/>
Retained profits at 31 March 1990		186,271	396,148
		=====	=====

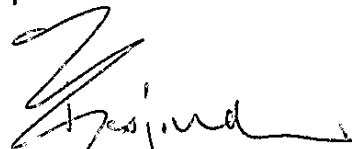
MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

<u>BALANCE SHEET</u> as at 31 March 1990	Notes	1990 £	1989 £
FIXED ASSETS			
Tangible assets	7	217,047	178,476
CURRENT ASSETS			
Stocks and work in progress	8	1,318,924	1,252,690
Debtors	9	1,235,151	953,824
Cash at bank		407	229
		<hr/>	<hr/>
		2,554,482	2,206,743
CREDITORS: amounts falling due within one year	10	2,573,111	1,977,575
		<hr/>	<hr/>
Net current (liabilities)/assets		(18,629)	229,168
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		198,418	407,644
CREDITORS: amounts falling due after more than one year	11	(1,081)	(6,505)
PROVISION FOR LIABILITIES AND CHARGES	12	(11,000)	(4,925)
		<hr/>	<hr/>
NET ASSETS		186,337	396,214
		=====	=====
CAPITAL AND RESERVES	13	66	66
Profit and loss account		186,271	396,148
		<hr/>	<hr/>
		186,337	396,214
		=====	=====

Approved by the Board of Directors



Directors



Date: 20 AUGUST 1990

MLTIE ENGINEERING SERVICES (BRISTOL) LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS for the year ended 31 March 1990

	1990 £	1989 £
SOURCE OF FUNDS		
Funds generated from operations		
Profit before taxation	459,381	220,587
Depreciation	58,624	42,356
(Profit)/loss on disposal of fixed assets	(6,426)	48
	<hr/>	<hr/>
	511,579	262,991
Funds from other sources		
Disposal of fixed assets	35,504	18,497
	<hr/>	<hr/>
	547,083	281,488
APPLICATION OF FUNDS		
Purchase of fixed assets	126,273	129,249
Taxation paid	65,356	(269)
Dividends paid	510,774	-
	<hr/>	<hr/>
(Decrease)/Increase in working capital	(155,320)	152,508
Arising from movements in:		
Debtors	281,327	588,063
Stocks/work in progress	66,234	696,392
Creditors	(464,779)	(883,355)
Cash balance	(38,102)	(248,592)
	<hr/>	<hr/>
	(155,320)	152,508

HITIE ENGINEERING SERVICES (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 1990

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention.

The company has continued to adopt the prudent treatment normal in this industry in not accounting for partially completed contracts notwithstanding the fact that contract activity on individual contracts may fall into different Accounting Periods.

The number of contracts on hand at the balance sheet date makes it impractical to quantify proportional turnover or profit or loss on these contracts and therefore the amounts of such contracts after provision for foreseeable losses are included in work in progress net of payments received on account. The turnover and profit or loss is recognised on completion of the contract and final invoicing.

Long term contracts where applicable are treated in accordance with SSAP 9.

TURNOVER

This represents the sales value of work done, excluding value added tax.

DEPRECIATION

Depreciation is provided under the straight line method at rates calculated to write off the cost of the assets over their expected useful lives. The following rates are employed:

Plant	25%
Office equipment	10%
Computers	25%
Motor vehicles	25%

LEASED ASSETS

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases) the assets are treated as if they had been purchased outright. The amount capitalised is the fair value of the asset and the corresponding leasing commitments are shown as a liability.

Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are treated as consisting of capital and interest elements and the interest is charged to the profit and loss account using the Sum of the Digits method.

STOCKS

Stocks are valued at the lower of cost and net realisable value.

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 1990

1. ACCOUNTING POLICIES continued

WORK IN PROGRESS

Work in progress is valued at the cost of direct materials and labour plus an appropriate portion of the attributable overheads. Full provision is made for foreseeable losses.

DEFERRED TAXATION

Deferred taxation is provided on the liability method at the rate of corporation tax ruling at the period end on timing differences only to the extent that they are likely to result in an actual tax liability in the foreseeable future.

2. <u>OTHER INCOME</u>	1990 £	1989 £
Bank deposit account interest	46,918 =====	20,551 =====
3. <u>INTEREST PAYABLE</u>	£	£
Bank loans and overdrafts repayable within five years	411	900
Finance leases and hire purchase contracts	3,092	5,392
	<hr/> 3,503 =====	<hr/> 6,292 =====
4. <u>PROFIT ON ORDINARY ACTIVITIES</u>	£	£
This is stated after charging:		
Auditors remuneration	6,000	5,000
Depreciation on owned assets	47,596	25,312
Depreciation on assets held under finance leases and hire purchase contracts	11,028	17,044
(Profit)/loss on disposal of fixed assets	(6,426)	48
	<hr/> =====	<hr/> =====
5. <u>TAXATION</u>	£	£
UK Corporation tax at 35%		
- current year	158,500	84,000
- overprovision in previous year	(6,091)	(1,164)
Deferred tax	6,075	-
	<hr/> 158,484 =====	<hr/> 82,836 =====

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 1990

6. DIRECTORS AND EMPLOYEES

	1990 £	1989 £
Staff costs:		
Wages and salaries	1,491,503	1,150,311
Social security costs	150,643	111,987
Other pension costs	36,394	32,525
	<hr/>	<hr/>
	1,678,540	1,294,923
	=====	=====
The average number of persons employed during the year:	<u>Number</u>	<u>Number</u>
Administration and management	26	29
Site labour	101	93
	<hr/>	<hr/>
	127	122
	=====	=====
The remuneration paid to directors was:	£	£
Emoluments for services as directors	145,452	106,019
Pension contributions	10,075	8,362
	<hr/>	<hr/>
	155,527	114,381
	=====	=====
The directors remuneration disclosed above, excluding pension contributions, included amounts paid to:	£	£
The Chairman	-	25,293
The highest paid director	39,327	35,785
	=====	=====
The number of other directors who received emoluments, excluding pension contributions, fell within the ranges:	<u>Number</u>	<u>Number</u>
£0 - £5,000	1	1
£15,001 - £20,000	-	1
£20,001 - £25,000	3	2
£30,001 - £35,000	1	1
	=====	=====

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 1990

7. <u>TANGIBLE ASSETS</u>	Plant	Office Equip	Motor Vhcls	Total
	£	£	£	£
COST				
Balance brought forward	56,236	91,040	188,372	335,648
Additions	2,218	37,672	86,383	126,273
Transfers	-	(23,154)	-	(23,154)
Sales	-	(1,850)	(50,874)	(52,724)
Balance carried forward	58,454	103,708	223,881	386,043
DEPRECIATION				
Balance brought forward	40,695	45,092	71,385	157,172
Charge for the year	6,724	10,307	41,593	58,624
Transfers	-	(12,437)	-	(12,437)
Sales	-	(1,334)	(33,029)	(34,363)
Balance carried forward	47,419	41,628	79,949	168,996
NET BOOK VALUE				
31 March 1990	11,035	62,080	143,932	217,047
31 March 1989	15,541	45,948	116,987	178,476

The net book value includes an amount of £18,202 (1989 £43,727) in respect of assets held under finance leases and hire purchase contracts.

8. <u>STOCK AND WORK IN PROGRESS</u>	1990 £	1989 £
Raw materials and consumables	20,103	55,127
Work in progress	5,467,203	2,482,570
Payments in advance	(4,168,382)	(1,285,007)
	1,318,924	1,252,690
	=====	=====

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 1990

	1990 £	1989 £
9. DEBTORS		
Trade debtors	1 90,570	704,525
Other debtors	11,243	6,734
Prepayments	12,682	6,320
Value added tax	5,035	80,732
Amounts due from group companies	15,621	155,513
	<hr/>	<hr/>
	1,235,151	953,824
	=====	=====
10. CREDITORS - amounts falling due within one year	£	£
Bank overdraft	93,551	55,271
Obligations under finance lease and hire purchase contracts	8,912	20,282
Trade creditors	1,984,576	1,618,217
Amounts due to group companies	14,631	36,337
Taxation and social security	64,073	39,990
Corporation tax	224,100	137,047
Other creditors	5,000	11,847
Accruals	34,551	6,605
Payments in advance	143,717	51,979
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	2,573,111	1,977,575
	=====	=====
11. CREDITORS - amounts falling due after more than one year	£	£
Obligations under finance leases and hire purchase contracts	1,081	6,505
	=====	=====
12. PROVISIONS FOR LIABILITIES AND CHARGES	£	£
Deferred taxation		
At beginning of the year	4,925	4,925
Charge for the year	6,075	-
	<hr/>	<hr/>
At end of the year	11,000	4,925
	=====	=====

MITIE ENGINEERING SERVICES (BRISTOL) LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 March 1990

12. PROVISIONS FOR LIABILITIES AND CHARGES continued

The major components of the provision for deferred taxation are as follows:

	1990 £	1989 £
Short term timing differences	3,161	197
Accelerated capital allowances	7,839	4,728
	<hr/>	<hr/>
	11,000	4,925
	=====	=====

13. SHARE CAPITAL

	Authorised	1990 Allotted and fully paid	1989
Shares of £1 each	100	66	66
	=====	====	====

All the issued shares are held by MITIE Engineering Services Ltd, a company incorporated in England. The ultimate holding company is MITIE Group PLC, which is incorporated in Scotland.

14. CONTINGENT LIABILITY

The company is a party to a cross guarantee agreement with Midland Bank plc which guarantees the facility utilized by fellow subsidiary companies.