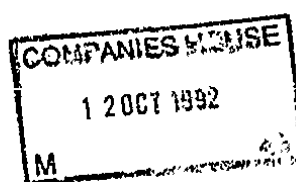


**M'TIE ENGINEERING SERVICES  
(BRISTOL) LIMITED**

**DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS**

for the year ended  
31 March 1992



Company Number 1006742

DIRECTORS

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

SECRETARY

A F Waters

REGISTERED OFFICE

The Stable Block  
Barley Wood  
Wroughton  
Avon BS18 7SA

COMPANY NUMBER

1006742

AUDITORS

BDO Binder Hamlyn  
Broad Quay House  
Broad Quay  
Bristol BS1 4PQ

**DIRECTORS' REPORT**  
for the year ended 31 March 1992**FINANCIAL STATEMENTS**

The directors present their report and financial statements for the year ended 31 March 1992. The company is a wholly-owned subsidiary undertaking of MITIE Engineering Services Limited. The ultimate parent company is MITIE Group PLC, which is incorporated in Scotland.

**PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The company's principal activity is the installation of electrical and mechanical services in commercial and industrial premises.

The company's business developed satisfactorily and the directors consider that the company is in a good position to continue that development.

**RESULTS AND DIVIDENDS**

The profit for the year after taxation amounted to £570,146. The directors recommend that this amount be dealt with as follows:

	£
Ordinary dividends	
- Final proposed	285,000
Transfer to reserves	285,146
	<u>570,146</u>

**FIXED ASSETS**

Details of movements in fixed assets during the year are set out in Note 5 to the financial statements.

**DIRECTORS**

The directors during the year were as stated on page 1.

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, the ultimate parent company, and their interests in the share capital of that company are shown in the financial statements of MITIE Group PLC.

Other directors' interests in the share capital of MITIE Group PLC are as follows:

	31 March 1992 50p Ordinary shares Number	1 April 1991 50p Ordinary shares Number
J F Davis	31,500	31,500
W C F Hennys	35,000	35,000
T G Lewis	293,483	293,483
C S Townsend	72,231	82,231
P B C Williams	16,750	25,750

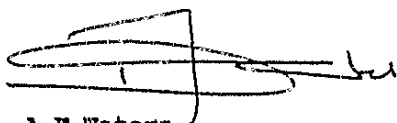
DIRECTORS' REPORT  
for the year ended 31 March 1992 (continued)

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AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing that BDO Binder Hamlyn be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 17 August 1992

A handwritten signature in dark ink, appearing to read 'A F Waters', is written over a horizontal line.

A F Waters  
Secretary

**AUDITORS' REPORT**  
to the members of MITIE Engineering Services (Bristol) Limited

We have audited the financial statements on pages 5 to 14 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 1992 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*John K. Hamlyn*

Chartered Accountants  
Registered Auditor

*11 August 1992*

PROFIT AND LOSS ACCOUNT  
for the year ended 31 March 1992

	Notes	1992 £	1991 £
Turnover		9,924,736	7,628,798
Cost of sales		8,039,777	6,380,370
Gross profit		1,884,959	1,248,428
Administrative expenses		1,167,819	1,058,160
Operating profit	2	717,140	190,268
Interest receivable	3	136,482	102,912
Interest payable	3	1,453	2,140
Profit on ordinary activities before taxation		852,169	291,040
Tax on profit on ordinary activities	4	282,023	98,654
Profit on ordinary activities after taxation		570,146	192,386
Dividends		285,000	96,000
Retained profit for the year	12	285,146	96,386

BALANCE SHEET  
as at 31 March 1992

	Notes	1992	1991
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	5	264,134	240,223
<b>CURRENT ASSETS</b>			
Work in progress	6	1,421,402	1,224,075
Debtors	7	328,303	757,203
Cash at bank and in hand		1,310,001	1,002,588
		<u>3,059,706</u>	<u>2,983,866</u>
CREDITORS: amounts falling due within one year	8	<u>2,753,574</u>	<u>2,933,418</u>
Net Current Assets		306,132	50,448
Total Assets less Current Liabilities		570,266	290,671
CREDITORS: amounts falling due after more than one year	9	1,247	3,748
PROVISIONS FOR LIABILITIES AND CHARGES	10	<u>1,150</u>	<u>4,200</u>
Net Assets		<u>567,869</u>	<u>282,723</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	66	66
Profit and loss account	12	567,803	282,657
		<u>567,869</u>	<u>282,657</u>

The financial statements on pages 5 to 14 were approved by the Board on 17 August 1992

  
D M Telling  
Director

CASH FLOW STATEMENT  
for the year ended 31 March 1992

	Notes	1992		1991	
		£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	13		530,523		1,305,344
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest received			137,656		102,967
Interest element of finance lease and hire purchase rental payments			(1,491)		(2,102)
Dividends paid			(96,000)		-
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			40,165		100,865
TAX PAID			(105,773)		(223,554)
INVESTING ACTIVITIES					
Purchase of tangible fixed assets			(183,874)		(66,610)
Sale of tangible fixed assets			37,356		12,450
NET CASH OUTFLOW FROM INVESTING ACTIVITIES			(146,518)		(54,160)
NET CASH INFLOW BEFORE FINANCING			318,397		1,128,495
FINANCING					
Capital element of finance lease and hire purchase rental payments	14		(10,984)		(32,763)
NET CASH OUTFLOW FROM FINANCING			(10,984)		(32,763)
INCREASE IN CASH AND CASH EQUIVALENTS	15		307,413		1,095,732



NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 1992

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1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents the total, excluding sales taxes, receivable in respect of goods and services supplied and contract work completed in the year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and office equipment	4 - 10 years
Motor vehicles	4 years

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets at the estimated net present value of underlying lease payments and are depreciated in accordance with the above policy. Obligations under such agreements are included in creditors net of finance charges allocated to future periods. The finance element of the rental payments is charged to the profit and loss account over the period of the lease or hire purchase contract.

Rentals paid under other leases (operating leases) are charged against income on a straight line basis over the lease term.

Work in progress

Work in progress is stated at the lower of cost (including appropriate overheads) and net realisable value.

Pension costs

Pension costs represent amounts paid to one of the group's pension schemes. Details of the schemes are given in the financial statements of MITIE Group PLC.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 1992 (continued)

	1992 £	1991 £
2. OPERATING PROFIT is stated after charging:		
Depreciation: owned fixed assets	93,741	77,974
Depreciation: assets under finance leases and hire purchase contracts	10,555	15,390
Operating lease rentals		
- land and buildings	42,500	42,500
Auditors' remuneration	7,500	7,000
	<u>          </u>	<u>          </u>
3. INTEREST		
(a) Interest receivable		
Bank deposit account interest	136,482	102,912
	<u>          </u>	<u>          </u>
(b) Interest payable		
On finance leases and hire purchase contracts terminating within five years	1,453	2,102
Other interest payable	-	38
	<u>          </u>	<u>          </u>
	1,453	2,140
	<u>          </u>	<u>          </u>
4. TAXATION		
UK current year taxation		
UK Corporation Tax at 33% (1991: 34%)	285,300	106,000
Deferred tax	(3,050)	(6,800)
	<u>          </u>	<u>          </u>
	282,250	99,200
Prior years		
UK Corporation Tax	(227)	(546)
	<u>          </u>	<u>          </u>
Tax on profit on ordinary activities	282,023	98,654
	<u>          </u>	<u>          </u>

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 1992 (continued)

## 5. TANGIBLE FIXED ASSETS

## (a) Summary

	Plant £	Office equipment £	Motor vehicles £	Total £
Cost				
1 April 1991	60,104	113,864	291,622	465,590
Additions	7,969	13,462	149,432	170,863
Intra-group transfers	-	-	(14,297)	(14,297)
Disposals	(5,000)	(3,220)	(82,907)	(91,127)
31 March 1992	63,073	124,106	343,850	531,029
Depreciation				
1 April 1991	54,187	57,178	114,002	225,367
Charge for the year	4,554	20,046	85,387	109,987
Intra-group transfers	-	-	(10,127)	(10,127)
Disposals	(5,000)	(1,718)	(51,614)	(58,332)
31 March 1992	59,741	75,506	137,648	266,895
Net book value				
Owned assets	9,332	48,600	159,862	217,794
Leased assets	-	-	46,340	46,340
31 March 1992	9,332	48,600	206,202	264,134
Owned assets	5,917	56,686	142,312	204,915
Leased assets	-	-	35,308	35,308
31 March 1991	5,917	56,686	177,620	240,223

## (b) Capital commitments

At 31 March 1992 the directors had authorised capital expenditure of £Nil (1991: £Nil).

## 6. WORK IN PROGRESS

	1992 £	1991 £
Work in progress	7,374,816	7,250,555
Payments on account	(5,953,414)	(6,026,490)
	1,421,402	1,224,075

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 1992 (continued)

	1992 £	1991 £
7. DEBTORS		
Trade debtors	282,729	725,466
Amounts owed by parent undertaking and fellow subsidiary undertakings	18,078	6,719
Other debtors	14,371	13,537
Prepayments and accrued income	13,125	11,481
	<u>328,303</u>	<u>757,203</u>
8. CREDITORS: amounts falling due within one year		
Trade creditors	1,538,966	1,886,879
Obligations under finance leases and hire purchase contracts	6,450	9,944
Amounts owed to parent undertaking and fellow subsidiary undertakings	-	18,068
Corporation tax	285,300	106,000
Other taxes and social security costs	174,544	125,333
Other creditors	58,908	29,076
Accruals and deferred income	86,603	87,405
Payments on account	317,803	574,713
Proposed dividends	285,000	96,000
	<u>2,753,574</u>	<u>2,933,418</u>
9. CREDITORS: amounts falling due after more than one year		
Obligations under finance leases and hire purchase contracts	<u>1,247</u>	<u>3,748</u>

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 1992 (continued)

## 10. PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred tax £
1 April 1991	4,200
Transfer to profit and loss account	(3,050)
31 March 1992	<u>1,150</u>

Deferred tax provided in the financial statements, and the total potential tax liability including the amounts for which provision has been made, are as follows:

	Potential and Provided	
	1992 £	1991 £
Accelerated capital allowances	(1,420)	1,250
Other timing differences	2,570	2,950
	<u>1,150</u>	<u>4,200</u>

## 11. SHARE CAPITAL

Authorised and allotted share capital	Authorised		Allotted, called up and fully paid	
	1992 Number	1991 Number	1992 £	1991 £
£1 Ordinary	<u>100</u>	<u>100</u>	<u>66</u>	<u>66</u>

## 12. PROFIT AND LOSS ACCOUNT

	£
1 April 1991	282,657
Retained profit for the year	285,146
31 March 1992	<u>567,803</u>

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 1992 (continued)

13. RECONCILIATION OF OPERATING PROFIT TO NET CASE INFLOW FROM OPERATING ACTIVITIES	1992 £	1991 £
Operating profit	717,140	190,268
Depreciation charges	109,986	93,364
Profit on sale of tangible fixed assets	(5,690)	(8,668)
Increase/decrease in stocks and work in progress	(197,327)	94,849
Decrease in debtors	433,025	478,643
Decrease/increase in creditors	(526,612)	456,888
Net cash inflow from operating activities	<u>530,523</u>	<u>1,305,344</u>

## 14. ANALYSIS OF CHANGES IN FINANCING DURING THE YEAR

	Finance leases and hire purchase contracts £
1 April 1991	13,692
Inception of finance leases and hire purchase contracts	4,989
Capital element of finance lease and hire purchase rental payments	(10,984)
31 March 1992	<u>7,697</u>

## 15. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS

	1992 £	1991 £	Change £
Cash at bank and in hand	<u>1,310,001</u>	<u>1,002,588</u>	<u>307,413</u>

## 16. FINANCIAL COMMITMENTS

## (a) Operating leases - land and buildings

At 31 March 1992 the company had no annual commitments under non-cancellable operating leases.

## (b) Commitments on behalf of group undertakings

The company is party with other group undertakings to cross-guarantees of each other's bank overdrafts.

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 1992 (continued)

## 17. DIRECTORS

## (a) Emoluments

	1992 £	1991 £
The emoluments of directors of the company were:		
Fees and other emoluments (including pension contributions and benefits-in-kind)	<u>247,397</u>	<u>206,203</u>

## (b) Bandings

Fees and other emoluments disclosed above (excluding pension contributions) include amounts paid to:

The chairman	-	-
The highest-paid director	<u>63,490</u>	<u>48,461</u>

Other directors' emoluments (excluding pension contributions) were in the following ranges:

	Number	Number
£0 - £ 5,000	1	1
£30,001 - £35,000	-	1
£35,001 - £40,000	2	3
£40,001 - £45,000	2	-

## 18. EMPLOYEES

## (a) Number of employees

The average number of persons (including directors) employed by the company during the year was:

Site labour	108	109
Administration and management	<u>30</u>	<u>29</u>
	<u>138</u>	<u>138</u>

## (b) Employment costs

	£	£
Wages and salaries	1,787,702	1,621,221
Social security costs	179,413	161,049
Other pension costs	<u>47,563</u>	<u>40,379</u>
	<u>2,014,678</u>	<u>1,822,649</u>

## 19. ULTIMATE PARENT COMPANY

The directors regard MITIE Group PLC, a company incorporated in Scotland, as the company's ultimate parent company.