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EUROPA CLEANING SERVICES LIMITED

Report and Accounts

31 DECEMBER 1985

HERBERT PEPPER & RUDLAND

Chartered Accountants

33 St James's Street  
London SW1A 1HX



EUROPA CLEANING SERVICES LIMITEDREPORT OF THE DIRECTORS

The directors submit their report and the financial statements for the year ended 31 December 1985.

PRINCIPAL ACTIVITY

The company carries on the business of office and industrial cleaners.

REVIEW OF THE BUSINESS

A summary of the results of the year's trading is given on page three of the accounts. The financial position of the company at 31 December 1985 is given in the balance sheet on page 4.

DIVIDENDS

No dividend on the share capital has been paid in respect of the year, nor is one recommended.

DIRECTORS AND THEIR INTERESTS

The directors who have served during the year and their beneficial interests in the share capital of the company were as follows:

		<u>Ordinary Shares</u>	
		<u>31.12.85</u>	<u>31.12.84</u>
H L Ford	(Resigned 31 December 1985)	-	2,950
P Ford	(do)	-	550
D Ford	(do)	-	500
A O Jones	(Appointed 31 December 1985)	3,500	-
A E Sayers	(do)	-	-

Mr M Jones was appointed an additional director on 13 January 1986 and Mr A E Sayers died on 1 March 1986.

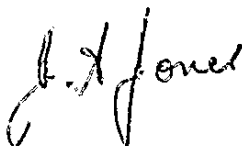
FIXED ASSETS

Details of the changes in fixed assets during the year are shown in note 6 supporting the accounts.

AUDITORS

Messrs Herbert Pepper & Rudland do not seek reappointment and a resolution to appoint Messrs Edmondsons in their place will be put to the Annual General Meeting.

By order of the Board



Mrs J Jones  
Secretary

13 May 1986

EUROPA CLEANING SERVICES LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF


EUROPA CLEANING SERVICES LIMITED

We have audited the financial statements on pages three to eight in accordance with approved auditing standards having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation the company's system of control is dependent upon the close involvement of the directors who are the major shareholders. Where independent confirmation of the completeness of the accounting records was therefore not available we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion the financial statements, which have been prepared under the historical cost convention, give a true and fair view of the state of the company's affairs at 31 December 1985 and of its profit and source and application of funds for the year ended on that date and comply with the Companies Act 1985.

33 St James's Street  
London SW1A 1HX  
19 May 1986

  
HERBERT PEPPER & RUDLAND  
Chartered Accountants

EUROPA CLEANING SERVICES LIMITEDFOR THE YEAR ENDED 31 DECEMBER 1985PROFIT AND LOSS ACCOUNT

	<u>Notes</u>	<u>1985</u>	<u>1984</u>
		£	£
TURNOVER	1/2	65,031	58,762
Cost of sales		41,934	38,228
		<u>23,097</u>	<u>20,534</u>
Administrative expenses		16,685	13,944
Other operating charges		<u>6,157</u>	<u>6,397</u>
		22,842	20,341
OPERATING PROFIT	3	255	193
Taxation	5	-	92
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		255	101
Retained profit at 1 January 1985		<u>3,295</u>	<u>3,194</u>
RETAINED PROFIT AT 31 DECEMBER 1985		<u>3,550</u>	<u>3,295</u>

The notes on pages 6 to 8 form part of these financial statements.



## EUROPA CLEANING SERVICES LIMITED

SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31 DECEMBER 1985

	<u>1985</u>		<u>1984</u>	
	£	£	£	£
<b>SOURCE OF FUNDS</b>				
Profit on ordinary activities before taxation		255		193
Adjustment for items not involving the movement of funds:				
Depreciation		1,414		3,290
<u>Total Generated from Operations</u>		<u>1,669</u>		<u>3,483</u>
Funds from other sources:				
Sale proceeds of tangible fixed assets		7,000		-
		<u>8,669</u>		<u>3,483</u>
<b>APPLICATION OF FUNDS</b>				
Purchase of tangible fixed assets	11,698		-	
Corporation tax paid	<u>88</u>		<u>204</u>	
		<u>11,786</u>		<u>204</u>
		<u>(3,117)</u>		<u>3,279</u>
<b>MOVEMENT IN WORKING CAPITAL</b>				
Debtors Increase		376		524
Creditors (Increase) Decrease		2,495		120
Hire purchase (over one year) (Increase) Decrease		<u>(2,473)</u>		<u>655</u>
		398		1,299
Movement in net liquid funds:				
Bank balances		<u>(3,515)</u>		<u>1,980</u>
		<u>3,117</u>		<u>3,279</u>
		=====		=====

The notes on pages 6 to 8 form part of these financial statements.

EUROPA CLEANING SERVICES LIMITEDNOTES TO THE FINANCIAL STATEMENTS31 DECEMBER 19851. ACCOUNTING POLICIES(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Turnover

Turnover represents the amount receivable for services supplied, excluding value added tax.

(c) Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Commercial vehicles	- 25% on cost
Motor cars	- 25% on cost
Office equipment	- 20% on cost

2. TURNOVER

The turnover and operating profit is attributable to the one principal activity of the company and arises wholly within the United Kingdom.

3. OPERATING PROFIT

	<u>1985</u>	<u>1984</u>
The operating profit is stated after charging:	£	£
Directors' emoluments (note 4)	4,800	3,800
Depreciation	1,414	3,290
Auditors' remuneration	1,000	1,000
	<u>=====</u>	<u>=====</u>

4. DIRECTORS' EMOLUMENTS

## Remuneration:

H L Ford	4,500	3,500
P Ford	150	150
D Ford	150	150
	<u>=====</u>	<u>=====</u>
	4,800	3,800

5. TAXATION

There is no liability to corporation tax on the profit of the year.

## EUROPA CLEANING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 1985

6. TANGIBLE FIXED ASSETS

	<u>Plant</u>	<u>Commercial</u>	<u>Motor</u>	<u>Office</u>	<u>Total</u>
	<u>£</u>	<u>vehicles</u>	<u>cars</u>	<u>equipment</u>	<u>£</u>
<u>Cost</u>					
At 1 January 1985	1,105	3,283	10,978	205	15,571
Additions	-	4,564	7,134	-	11,698
Disposals	-	(1,183)	(10,978)	-	(12,161)
At 31 December 1985	1,105	6,664	7,134	205	15,108
	=====	=====	=====	=====	=====
<u>Depreciation</u>					
At 1 January 1985	1,055	3,283	5,490	186	10,014
Charge for year	-	1,142	1,784	-	2,926
Disposals	-	(1,183)	(5,490)	-	(6,673)
At 31 December 1985	1,055	3,242	1,784	186	6,267
	=====	=====	=====	=====	=====
<u>Written down values</u>					
At 31 December 1985	50	3,422	5,350	19	8,841
	=====	=====	=====	=====	=====
At 31 December 1984	50	-	5,488	19	5,557
	=====	=====	=====	=====	=====

7. DEBTORS

	<u>1985</u>	<u>1984</u>
	<u>£</u>	<u>£</u>
Trade debtors	5,857	4,888
Other debtors	705	974
Prepayments	412	736
	=====	=====
	6,974	6,598
	=====	=====

8. CREDITORS: amounts falling due within one year

Trade creditors	2,512	575
Social security and other taxes	2,502	4,985
Other creditors	-	556
Hire purchase	1,201	1,176
Accruals	2,294	3,712
Corporation tax	4	92
	=====	=====
	8,513	11,096
	=====	=====



EUROPA CLEANING SERVICES LIMITEDNOTES TO THE FINANCIAL STATEMENTS (Continued)31 DECEMBER 1985

9. <u>CREDITORS: amounts falling due after</u>	<u>1985</u>	<u>1984</u>
more than one year	£	£
Hire purchase	3,048	575
	=====	=====
10. <u>CALLED UP SHARE CAPITAL</u>		
Authorised		
Ordinary shares of £1 each	4,000	4,000
	=====	=====
Allotted, issued and fully paid		
Ordinary Shares of £1 each	4,000	4,000
	=====	=====
11. <u>CAPITAL COMMITMENTS</u>		
There were no capital commitments at 31 December 1985 (1984 nil).		
12. <u>CONTINGENT LIABILITIES</u>		
There were no contingent liabilities at 31 December 1985 (1984 nil).		