

**Utilicom Limited**  
(Company Number 1506399)

**Report and Financial Statements**  
30th June 1993



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A08|RECEIPT DATE:25/06/94.

**Comins & Co**  
Chartered Accountants  
London, Ashford and Geneva

Member of the ICC  
international group

UTILICOM LIMITED

30TH JUNE 1993

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UTILICOM LIMITED  
REPORT OF THE DIRECTORS

DIRECTORS:

A.J.M. Planchot (Chairman)  
C.J. Maillard  
P.C. Bono

SECRETARY:

R.A. Pledger

The directors present their report and financial statements for the year ended 30th June 1993.

1. PRINCIPAL ACTIVITY

The principal activity of the company during the year was the provision of heating and energy services.

2. DIRECTORS AND THEIR INTERESTS

The directors have no interests in the share capital of the company, or its parent company (1992 : Nil). The directors during the year were as follows:

A.J.M. Planchot  
C.J. Maillard

P.C. Bono was appointed as a director on 24th November 1993.

Advantage is taken in the preparation of the directors' report of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

BY ORDER OF THE BOARD

  
C.J. Maillard  
Director

Registered Office:

22 St. Andrew Street  
LONDON  
EC4A 3AN

23rd June 1994

UTILICOM LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS  
TO THE SHAREHOLDERS OF UTILICOM LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on pages 6 and 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

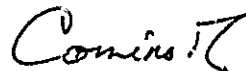
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Fundamental uncertainty

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the future financing of the company. The financial statements have been prepared on a going concern basis, the validity of which depends upon future funding being available. The financial statements do not include any adjustments that would result from a failure to obtain continuing financial support. Details of circumstances relating to this fundamental uncertainty are described in note 1. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30th June 1993 and of the loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



COMINS & CO  
Chartered Accountants  
Registered Auditor

22 St. Andrew Street  
LONDON  
EC4A 3AN

23rd June 1994

UTILICOM LIMITED  
PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30TH JUNE 1993

	<u>NOTES</u>	<u>1993</u>	<u>1992</u>
<u>TURNOVER</u>	2	1,969,985	1,465,933
Cost of sales		1,585,966	1,220,768
		<hr/>	<hr/>
<u>GROSS PROFIT</u>		384,019	245,165
Administrative expenses		(611,638)	(606,847)
Amount waived by joint shareholders		-	708,532
		<hr/>	<hr/>
<u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>	3	(227,619)	346,850
Interest receivable		2,415	29,631
Interest payable	4	(66,912)	(70,243)
		<hr/>	<hr/>
<u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		(292,116)	306,238
Tax on (loss)/profit on ordinary activities	5	7,424	-
		<hr/>	<hr/>
<u>RETAINED (LOSS)/PROFIT FOR THE FINANCIAL YEAR</u>	10	£ (284,692) =====	£ 306,238 =====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss (1992 : profit) for the above two financial years.

The notes on pages 6 to 9 form part of these financial statements.

# UTILICOM LIMITED

BALANCE SHEET  
30TH JUNE 1993

	<u>NOTES</u>	<u>1993</u>	<u>1992</u>
<u>FIXED ASSETS</u>			
Tangible assets	6	256,686	277,999
<u>CURRENT ASSETS</u>			
Stocks		85,397	205,720
Debtors	7	906,236	1,353,215
Cash at bank and in hand		841	-
		<u>992,474</u>	<u>1,558,935</u>
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	8	<u>(1,491,352)</u>	<u>(1,801,388)</u>
<u>NET CURRENT LIABILITIES</u>		<u>(498,878)</u>	<u>(242,453)</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>(242,192)</u>	<u>35,546</u>
<u>PROVISION FOR LIABILITIES AND CHARGES</u>	9	<u>(113,369)</u>	<u>(106,415)</u>
<u>NET DEFICIENCY OF ASSETS</u>		<u>£ (355,561)</u> =====	<u>£ (70,869)</u> =====
<u>CAPITAL AND RESERVES</u>			
Called up share capital	10	250,000	250,000
Capital reserve	10	658,705	658,705
Profit and loss account	10	<u>(1,264,266)</u>	<u>(979,574)</u>
		<u>£ (355,561)</u> =====	<u>£ (70,869)</u> =====

Advantage is taken in the preparation of the financial statements of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. In the directors' opinion, the company is entitled to those exemptions as a small company.

Approved by the Board on  
23rd June 1994 and  
signed on its behalf

C.J. Mailard - Director

The notes on pages 6 to 9  
form part of these financial  
statements.

UTILICOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
30TH JUNE 1993

1. FUNDAMENTAL ACCOUNTING CONCEPT

The financial statements have been prepared on a going concern basis, the validity of which depends on the continued financial support of the parent company's shareholders. The board of directors of those shareholders have confirmed that it will continue to provide financial support for the company in the foreseeable future.

2. ACCOUNTING POLICIES

(i) Basis of preparation

The accounts are prepared under the historical cost convention. No cash flow statement is presented as allowed by FRS1 on the grounds that the company is a small company as defined by Section 247 of the Companies Act 1985.

(ii) Long term provision

The company undertakes during the year to replace certain items of boiler plant and machinery with regard to heat-supply contracts, at the end of their useful lives. It is the company's policy to provide for this liability over the life of the contract by annual amounts adjusted for inflation. Expenditure incurred is set against the provision.

(iii) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Leasehold land and buildings	at 5% p.a. on a reducing balance basis
Plant and machinery etc.	at varying rates between 15% and 33% on a reducing balance basis and at 33% on a straight line basis.

(iv) Stocks

Stocks are stated in accordance with Statement of Standard Accounting Practice No.9 at the lower of cost and net realisable value.

(v) Deferred taxation

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences except for those which are not expected to reverse in the foreseeable future.

(vi) Turnover

All turnover is derived from the provision of heating and energy services and is stated exclusive of value added tax.



# UTILICOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) 30TH JUNE 1993

### 2. ACCOUNTING POLICIES (Continued)

#### (vii) Pension payments

The company operates a defined contribution pension scheme. The amount of contributions payable to the pension scheme are charged to the profit and loss account in respect of the accounting period to which they relate.

### 3. (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST

	<u>1993</u>	<u>1992</u>
This is stated after charging/(crediting):		
Directors' remuneration	£ 23,500	£ 18,158
Depreciation	£ 42,735	£ 45,892
Auditors' remuneration	£ 12,000	£ 12,000
Exceptional item:		
Loans waived by joint shareholders	£ -	£(708,532)
Loss on sale of fixed assets	£ 1,433	£ 3,468
	=====	=====

### 4. INTEREST PAYABLE

On bank overdraft wholly repayable within five years	2,052	971
Interest payable to group undertakings	64,860	69,272
	-----	-----
	£ 66,912	£ 70,243
	=====	=====

### 5. TAXATION

There is no liability to UK Corporation Tax due to the availability of loss relief. The company has losses of £1,320,000 available for carry forward against future profits.

UTILICOM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
30TH JUNE 1993

6. TANGIBLE FIXED ASSETS

	<u>Leasehold Land and Buildings</u>	<u>Plant and Machinery etc.</u>	<u>Total</u>
<u>Cost</u>			607,913
At 1st July 1992	183,777	424,136	24,832
Additions	-	24,832	(15,557)
Disposals	-	(15,557)	
At 30th June 1993	£183,777	£433,411	£617,188
	=====	=====	=====
<u>Depreciation</u>			329,914
At 1st July 1992	22,568	307,346	42,735
Charge for the year	8,060	34,675	(12,147)
Eliminated on disposal	-	(12,147)	
At 30th June 1993	£ 30,628	£329,874	£360,502
	=====	=====	=====
<u>Net book value</u>			£256,686
At 30th June 1993	£153,149	£103,537	=====
At 1st July 1992	£161,209	£116,790	£277,999
	=====	=====	=====

7. DEBTORS

	<u>1993</u>	<u>1992</u>
Trade debtors	275,982	275,024
Amounts owed by group undertakings	564,174	1,008,705
Other debtors	66,080	69,486
	£ 906,236	£1,353,215
	=====	=====

8. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR

Bank overdraft	19,294	10,595
Trade creditors	100,857	87,281
Amounts owed to group undertakings	1,124,371	1,513,422
Other creditors	246,830	190,090
	£1,491,352	£1,801,388
	=====	=====

9. PROVISION FOR LIABILITIES  
AND CHARGES

Long term heat supply contracts	£ 113,369	£ 106,415
	=====	=====

# UTILICOM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) 30TH JUNE 1993

### 10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital, allotted called up and fully paid	Capital Reserve	Profit & loss Account	Total
At 1st July 1991	250,000	-	(1,285,812)	(1,035,812)
Capital contribution from parent company	-	658,705	-	658,705
Profit for the year	-	-	306,238	306,238
At 30th June 1992	250,000	658,705	(979,574)	(70,869)
Loss for the year	-	-	(284,692)	(284,692)
At 30th June 1993	£250,000 =====	£658,705 =====	£(1,264,266) =====	£ (355,561) =====

At 30th June 1993, the authorised share capital was 250,000 ordinary shares of £1 each (1992 : 250,000).

### 11. ULTIMATE PARENT COMPANY

The parent company is Utilicom Holdings Limited which is registered in England. The ultimate parent company is IDEX SA, which is incorporated in France.

### 12. PENSION CONTRIBUTIONS

The company operates a defined contribution pension scheme for the benefit of certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The company also makes pension payments to certain employees' own personal pension schemes. The pension cost charge represents all contributions payable by the company and amounted to £7,351 (1992 : £11,102).