

Registration Number 1888801

**London Property Maintenance (Cleaning) Ltd.**

**Directors' Report and Financial Statements**

**for the year ended 31 December 1998**



**London Property Maintenance (Cleaning) Ltd.**

**Company Information**

Directors	I Perfect S T Trott
Secretary	City Road Registrars Limited
Company Number	1888801
Registered Office	245 Main Road Sidcup Kent DA14 6QS
Auditors	Pritchard Fellows & Co 245 Main Road Sidcup Kent DA14 6QS
Business Address	67/69 Ennersdale Road Hither Green London SE13 6JE
Bankers	Midland Bank Plc 16 High Street Maidstone Kent ME14 1HX
Solicitors	Royds Treadwell 2 Crane Court London ECA 2BL

# **London Property Maintenance (Cleaning) Ltd.**

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# **London Property Maintenance (Cleaning) Ltd.**

## **Directors' Report for the year ended 31 December 1998**

The directors present their report and the financial statements for the year ended 31 December 1998.

### **Principal Activity**

The principal activity of the company is that of commercial cleaning and supply of cleaning materials.

### **Directors and their Interests**

The directors who served during the year and their interests in the company are as stated below:

	<b>Ordinary shares</b>	
	<b>1998</b>	<b>1997</b>
I Perfect	-	-
S T Trott	-	-

### **Directors' Responsibilities**

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

- select suitable accounting policies and 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.

### **Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Pritchard Fellows & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on and signed on its behalf by



**I Perfect  
Director**

**London Property Maintenance (Cleaning) Ltd.**

**Auditors' Report to the Shareholders of London Property Maintenance (Cleaning) Ltd.**

We have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**Respective responsibilities of directors and auditors**

As described on page 1 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 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.

**Opinion**

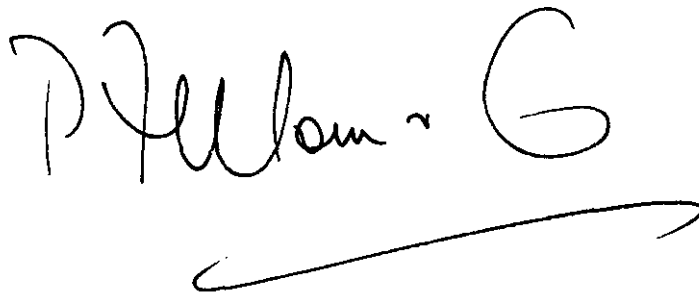
In our opinion the financial statements give a true and fair view of the state of the company's affairs as at the 31 December 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 relating to small companies.

**Pritchard Fellows & Co**

**Registered Auditor**

245 Main Road  
Sidcup  
Kent  
DA14 6QS

23/8/99



**London Property Maintenance (Cleaning) Ltd.**

**Profit and Loss Account  
for the year ended 31 December 1998**

		<b>Continuing operations</b>	
		<b>1998</b>	<b>1997</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	2,667,893	2,032,054
Cost of sales		(1,782,904)	(1,334,628)
<b>Gross profit</b>		884,989	697,426
Administrative expenses		(704,985)	(625,162)
Other operating income		-	3,043
<b>Operating profit</b>	<b>3</b>	180,004	75,307
Interest payable and similar charges	<b>4</b>	(4,705)	(5,242)
<b>Profit on ordinary activities before taxation</b>		175,299	70,065
Tax on profit on ordinary activities	<b>6</b>	(37,046)	(19,315)
<b>Retained profit for the year</b>		138,253	50,750
Retained profit brought forward		193,430	142,680
<b>Retained profit carried forward</b>		331,683	193,430

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 5 to 8 form an integral part of these financial statements.

**London Property Maintenance (Cleaning) Ltd.**

**Balance Sheet  
as at 31 December 1998**

	Notes	1998		1997	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	7		154,970		110,281
<b>Current Assets</b>					
Stocks		22,376		7,027	
Debtors	8	491,173		352,049	
Cash at bank and in hand		24,895		12,342	
		<u>538,444</u>		<u>371,418</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(320,871)</u>		<u>(259,299)</u>	
<b>Net Current Assets</b>			<u>217,573</u>		<u>112,119</u>
<b>Total Assets Less Current Liabilities</b>			372,543		222,400
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(40,760)</u>		<u>(28,870)</u>
<b>Net Assets</b>			<u><u>331,783</u></u>		<u><u>193,530</u></u>
<b>Capital and Reserves</b>					
Called up share capital	11		100		100
Profit and loss account			331,683		193,430
<b>Equity Shareholders' Funds</b>	12		<u><u>331,783</u></u>		<u><u>193,530</u></u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on and signed on its behalf by

  
**I Perfect**  
Director

The notes on pages 5 to 8 form an integral part of these financial statements.

# London Property Maintenance (Cleaning) Limited

## Notes to the Financial Statements for the year ended 31 December 1998

### 1. Accounting Policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

#### 1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

#### 1.3 Tangible fixed assets and depreciation

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

Fixtures, fittings and equipment	- 15% Reducing Balance
Motor vehicles	- 25% Reducing Balance

#### 1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

#### 1.5 Stock

Stock is valued at the lower of cost and net realisable value.

### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

### 3. Operating profit

	1998 £	1997 £
Operating profit is stated after charging:		
Depreciation of tangible assets	46,526	33,719
Loss on disposal of tangible fixed assets	3,453	21,769
Auditors' remuneration	6,020	7,000



# London Property Maintenance (Cleaning) Limited

## Notes to the Financial Statements for the year ended 31 December 1998

..... continued

<b>4. Interest payable and similar charges</b>	<b>1998</b>	<b>1997</b>	
	<b>£</b>	<b>£</b>	
On bank loans and overdrafts	-	393	
Hire purchase interest	4,705	4,849	
	<u>4,705</u>	<u>5,242</u>	
<b>5. Directors' emoluments</b>	<b>1998</b>	<b>1997</b>	
	<b>£</b>	<b>£</b>	
Remuneration and other benefits	<u>29,002</u>	<u>26,656</u>	
<b>6. Taxation</b>	<b>1998</b>	<b>1997</b>	
	<b>£</b>	<b>£</b>	
UK current year taxation			
UK Corporation Tax	<u>37,046</u>	<u>19,315</u>	
<b>7. Tangible assets</b>	<b>Fixtures, fittings equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 1998	37,974	177,073	215,047
Additions	19,085	88,442	107,527
Disposals	-	(35,706)	(35,706)
At 31 December 1998	<u>57,059</u>	<u>229,809</u>	<u>286,868</u>
<b>Depreciation</b>			
At 1 January 1998	18,589	86,177	104,766
On disposals	-	(19,394)	(19,394)
Charge for the year	5,770	40,756	46,526
At 31 December 1998	<u>24,359</u>	<u>107,539</u>	<u>131,898</u>
<b>Net book values</b>			
At 31 December 1998	<u>32,700</u>	<u>122,270</u>	<u>154,970</u>
At 31 December 1997	<u>19,385</u>	<u>90,896</u>	<u>110,281</u>

**London Property Maintenance (Cleaning) Limited**

**Notes to the Financial Statements  
for the year ended 31 December 1998**

..... continued

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	1998		1997	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	<u>92,732</u>	<u>30,911</u>	<u>56,146</u>	<u>18,715</u>
<b>8. Debtors</b>			<b>1998</b>	<b>1997</b>
			<b>£</b>	<b>£</b>
Trade debtors			364,200	267,314
Other debtors			44,984	43,724
Prepayments and accrued income			<u>81,989</u>	<u>41,011</u>
			<u>491,173</u>	<u>352,049</u>
<b>9. Creditors: amounts falling due within one year</b>			<b>1998</b>	<b>1997</b>
			<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts			35,710	18,765
Trade creditors			60,702	74,561
Corporation tax			51,558	33,827
Other taxes and social security costs			89,043	77,488
Accruals and deferred income			<u>83,858</u>	<u>54,658</u>
			<u>320,871</u>	<u>259,299</u>
<b>10. Creditors: amounts falling due after more than one year</b>			<b>1998</b>	<b>1997</b>
			<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts			<u>40,760</u>	<u>28,870</u>

**London Property Maintenance (Cleaning) Limited**

**Notes to the Financial Statements  
for the year ended 31 December 1998**

..... continued

<b>11. Share capital</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid equity</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>12. Reconciliation of movements in shareholders' funds</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Profit for the year	138,253	50,750
Opening shareholders' funds	<u>193,530</u>	<u>142,780</u>
	<u>331,783</u>	<u>193,530</u>

**13. Related party transactions**

During the year the company paid Mr Baldwin consultancy fees of £ 65021 through an unincorporated business, that of Town & Country Services which is wholly owned by him.

Mr I Perfect was paid consultancy fees of £ 26000 through Abacus Accounting, an unincorporated business which is wholly owned by him.

**14. Ultimate parent undertaking**

The company regards Meredith Corporation Limited, incorporated in England as its ultimate holding company.

**15. Going concern**

The directors have prepared these financial statements on the basis that the company's creditors will not withdraw their facilities in the foreseeable future.