

**Deloitte &
Touche**

Deloitte Touche
Tohmatsu



Company Number 2108774

MITIE CLEANING LIMITED

Report and Balance Sheet

13 March 1999

**Deloitte & Touche
Queen Anne House
69-71 Queen Square
Bristol
BS1 4JP**



REPORT AND BALANCE SHEET 1999

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MITIE CLEANING LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR

D M Telling

SECRETARIES

A F Waters
M O Thomas

REGISTERED OFFICE

The Stable Block
Barley Wood
Wroughton
Bristol
BS40 5SA

AUDITORS

Deloitte & Touche
Queen Anne House
69-71 Queen Square
Bristol
BS1 4JP

DIRECTOR'S REPORT

The director presents his report and balance sheet for the financial year ended 13 March 1999.

These financial statements have been made up to 13 March 1999, being a date not more than seven days after the accounting reference date as permitted by Section 223 of the Companies Act 1985.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

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

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

The director is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act. He is 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.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

On 1 April 1995 the company transferred its entire business to the parent undertaking MITIE Group PLC and has not traded since that date.

RESULTS AND DIVIDENDS

The result for the year after taxation amounted to nil (1998: nil). The director does not propose the payment of a dividend.

DIRECTOR AND HIS INTERESTS

Mr D M Telling was the sole director during the year.

Mr D M Telling is a director of MITIE Group PLC, the parent undertaking, and his interest in the share capital of that company is shown in the financial statements of MITIE Group PLC.

**DIRECTOR'S REPORT (continued)****YEAR 2000**

The project to cope with the year 2000 technology problem is well under way. An Executive Steering Committee chaired by a Group Managing Director has been established. Its responsibility is to ensure that all operating companies within the group have identified the systems (included embedded chips) with associated business criticality, which require change and have made appropriate plans to ensure that all changes are successfully implemented no later than October 1999.

In addition, systems which are critical to the business but are part of the supplier/customer chain and are outside the direct control of the MITIE Group are also included in the project.

Phase one of this programme has been concluded with all subsidiary companies completing a detailed assessment as to their state of readiness for year 2000. Phase two of this programme has also been completed, which confirms that all key business systems within the group are or have been made compliant well before the target deadline.

Due to the general level of uncertainty inherent with the year 2000 issue it is not possible to be 100% certain that no business interruption will occur. Costs incurred to date have been written off to the profit and loss account and the Board consider that future costs will not have a material impact on the group accounts.

AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Director and
signed on his behalf



A F Waters
Secretary

12 August 1999



AUDITORS' REPORT TO THE MEMBERS OF

MITIE CLEANING LIMITED

We have audited the balance sheet on page 5, which has been prepared under the accounting policies set out on page 6.

Respective responsibilities of director and auditors

As described on page 2, the company's director is 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 director 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 13 March 1999 and of the result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and
Registered Auditors

16 August 1999

BALANCE SHEET
At 13 March 1999

	Notes	1999 £	1998 £
CURRENT ASSETS			
Debtors	3	274,027	274,027
NET ASSETS		<u>274,027</u>	<u>274,027</u>
CAPITAL AND RESERVES			
Called up share capital	4	262,500	262,500
Share premium account		40,500	40,500
Profit and loss account		(28,973)	(28,973)
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>274,027</u>	<u>274,027</u>

These financial statements were approved by the Director on 12 August 1999.

Signed on behalf of the Director



D M Telling
Director

NOTES TO THE BALANCE SHEET
Year ended 13 March 1999

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention.

Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the current financial year or preceding financial year and made neither profit nor loss. There are no recognised gains or losses for the current financial year and preceding financial year.

Accordingly no statement of gains and losses or reconciliation of movement in shareholders' funds have been prepared.

3. DEBTORS	1999	1998
	£	£
Amounts owed by parent undertaking and fellow subsidiary undertakings	<u>274,027</u>	<u>274,027</u>

4. CALLED UP SHARE CAPITAL

Authorised

	1999	
	No.	£
25p Ordinary shares	<u>2,000,000</u>	<u>500,000</u>

Allotted and fully paid

	1999	1998
	£	£
1,050,000 25p Ordinary shares	<u>262,500</u>	<u>262,500</u>

5. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of MITIE Group PLC, MITIE Cleaning Limited, has taken advantage of the exemption from the requirement to disclose related party transactions with MITIE Group PLC and companies within the group.

6. PARENT UNDERTAKING

The directors regard MITIE Group PLC, a company registered in Scotland, as the company's ultimate parent undertaking. Copies of the group financial statements can be obtained from the Company Secretary at the registered office.