

**Touche
Ross**

Deloitte Touche
Tohmatsu
International



Company Number 2135450

MITIE MAINTENANCE LIMITED
(formerly MITIE Building Maintenance Limited)

Report and Financial Statements

31 March 1995

**Touche Ross & Co.
Queen Anne House
69-71 Queen Square
Bristol
BS1 4JP**



REPORT AND FINANCIAL STATEMENTS 1995

CONTENTS

	Page
Officers and professional advisers	1
Directors' report	2
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the accounts	8
Additional information	14



REPORT AND FINANCIAL STATEMENTS 1995

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D M Telling
I R Stewart
W E Harding
R G Brown
A F Waters
R Holt

SECRETARY

A F Waters

REGISTERED OFFICE

The Stable Block
Barley Wood
Wroughton
Bristol
BS18 7SA

BANKERS

Midland Bank plc
49 Corn Street
Bristol
BS99 7PP

AUDITORS

Touche Ross & Co.
Queen Anne House
69-71 Queen Square
Bristol
BS1 4JP

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 March 1995. The company changed its name from MITIE Building Maintenance Limited to MITIE Maintenance Limited on 22 May 1995.

STATEMENT OF 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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

During the year the company provided management and administration services to associated undertakings.

POST BALANCE SHEET EVENT

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

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £70,015 (1994: £63,810). The company enjoys the support of its parent undertaking MITIE Group PLC.

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 follows:

D M Telling
I R Stewart
W E Harding
R G Brown
A F Waters
R Holt
A M Thornton Cooper (resigned 6 June 1994)

DIRECTORS' REPORT (continued)

DIRECTORS (continued)

The interest of the directors and their families in the share capital of the company at the beginning and end of the financial year were:

	31 March 1995	1 April 1994
	£1 Ordinary shares	£1 Ordinary shares
	Number	Number
R Holt	20	20

No other director had an interest in the share capital of the company.

Messrs D M Telling, I R Stewart and W E Harding are directors of MITIE Group PLC 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:

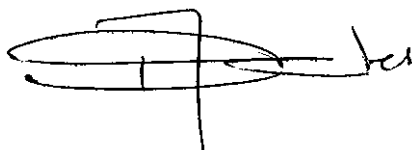
	31 March 1995		1 April 1994	
	25p Ordinary	6% Convertible	50p Ordinary	6% Convertible
	shares	redeemable	shares	redeemable
	Number	unsecured	Number	unsecured
		loan stock		loan stock
		£		£
A F Waters	160,400	3,414	83,200	3,414
R Holt	100,000	-	50,000	-

No other director had an interest in the share capital of that company.

AUDITORS

The Bristol Partnership of BDO Binder Hamlyn merged their practice with Touche Ross & Co. on 5 October 1994 and now carry on business under the name of Touche Ross & Co. The directors consented to the appointment of the Bristol Partnership of BDO Binder Hamlyn as auditors of the company being treated as extending to Touche Ross & Co. A resolution to re-appoint Touche Ross & Co. as auditors will be proposed at the Annual General Meeting.

**Approved by the Board of Directors
and signed on behalf of the Board**



A F Waters
Secretary

16 August 1995



Chartered Accountants

Touche Ross & Co.
Queen Anne House
69-71 Queen Square
Bristol BS1 4JP

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International + 44 117 921 1622
Fax (Gp. 3): 0117 929 2801

AUDITORS' REPORT TO THE MEMBERS OF

MITIE MAINTENANCE LIMITED (formerly MITIE Building Maintenance Limited)

We have audited the financial statements on pages 5 to 13 which have been prepared under the accounting policies set out on page 8.

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

25 August 1995

Chartered Accountants and
Registered Auditors

PROFIT AND LOSS ACCOUNT
Year ended 31 March 1995

	Notes	Discontinued operations 1995 £	1994 £
TURNOVER		-	-
Administrative expenses		(63,967)	(84,689)
OPERATING LOSS	2	(63,967)	(84,689)
Interest payable	3	(34,169)	(12,762)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(98,136)	(97,451)
Tax on loss on ordinary activities	4	28,121	33,641
RETAINED LOSS FOR THE YEAR	10	(70,015)	(63,810)

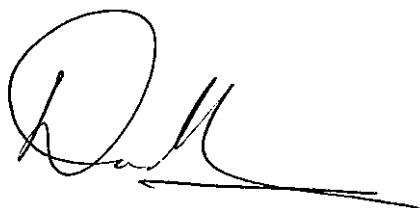
There are no recognised gains or losses for the current financial year or preceding financial year other than as stated in the profit and loss account.

BALANCE SHEET
31 March 1995

	Notes	1995	1994
		£	£
FIXED ASSETS			
Tangible assets	5	-	61,747
Investments	6	-	471,861
		<u>-</u>	<u>533,608</u>
CURRENT ASSETS			
Debtors	7	398,912	38,568
CREDITORS: amounts falling due within one year	8	<u>(560,754)</u>	<u>(664,003)</u>
Net current liabilities		(161,842)	(625,435)
NET LIABILITIES		<u>(161,842)</u>	<u>(91,827)</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account	10	(161,942)	(91,927)
TOTAL EQUITY SHAREHOLDERS' FUNDS		<u>(161,842)</u>	<u>(91,827)</u>

These financial statements were approved by the Board of Directors on 16 August 1995.

Signed on behalf of the Board of Directors



D M Telling
Director

CASH FLOW STATEMENT
Year ended 31 March 1995

	Notes	1995	1994
		£	£
Net cash (outflow)/inflow from operating activities	12	(272,394)	9,221
Returns on investments and servicing of finance			
Interest paid		(32,334)	(11,786)
Net cash outflow from returns on investments and servicing of finance		(32,334)	(11,786)
Taxation			
UK Corporation tax received		33,671	12,991
Investing activities			
Purchase of tangible fixed assets		-	(45,750)
Purchase of investments		-	(145,861)
Sale of tangible fixed assets		41,844	24,728
Net cash inflow/(outflow) from investing activities		41,844	(166,883)
Net cash outflow before financing		(229,213)	(156,457)
Financing			
Issue of shares		-	19
Net cash inflow from financing		-	19
Decrease in cash and cash equivalents	13	(229,213)	(156,438)

NOTES TO THE ACCOUNTS
Year ended 31 March 1995

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost 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 to 5 years
Motor vehicles	3 to 5 years

Leasing commitments

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

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.

Compliance with accounting standards

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

2. OPERATING LOSS is stated after charging/(crediting):	1995	1994
	£	£
Depreciation	17,563	21,403
Auditors' remuneration: audit services	500	1,000
Loss/(profit) on disposal of fixed assets	2,340	(1,396)
	<hr/>	<hr/>
3. INTEREST PAYABLE		
Bank interest payable on borrowings due within five years	34,169	12,762
	<hr/>	<hr/>
4. TAXATION		
UK current year taxation		
Group relief	(28,100)	(33,650)
Prior years		
UK Corporation Tax	(21)	9
	<hr/>	<hr/>
Tax on loss on ordinary activities	<hr/> (28,121) <hr/>	<hr/> (33,641) <hr/>

NOTES TO THE ACCOUNTS
Year ended 31 March 1995

5. TANGIBLE FIXED ASSETS

(1) Summary

	Office equipment £	Plant and equipment £	Motor vehicles £	Total £
Cost				
1 April 1994	62,356	2,387	32,573	97,316
Disposals	(7,937)	(2,387)	-	(10,324)
Group transfers out	(54,419)	-	(32,573)	(86,992)
31 March 1995	-	-	-	-
Depreciation				
1 April 1994	25,114	1,317	9,138	35,569
Charge for the year	11,564	597	5,402	17,563
Disposals	(6,069)	(1,914)	-	(7,983)
Group transfers out	(30,609)	-	(14,540)	(45,149)
31 March 1995	-	-	-	-
Net book value				
31 March 1995	-	-	-	-
 31 March 1994	 37,242	 1,070	 23,435	 61,747

(2) Capital commitments

At 31 March 1995 the directors had authorised capital expenditure of Nil (1994: Nil).

6. INVESTMENTS

Investments in subsidiary undertakings

	£
Cost	
1 April 1994	471,861
Additions in the year	3
Disposals in the year	(471,864)
31 March 1995	-

On 10 February 1995 the company transferred all its investments to the parent undertaking MITIE Group PLC at cost.

NOTES TO THE ACCOUNTS
Year ended 31 March 1995

7. DEBTORS	1995	1994
	£	£
Amounts owed by parent undertaking and fellow subsidiary undertakings	370,662	-
Other debtors	150	1,738
Prepayments and accrued income	-	3,180
Corporation tax recoverable	28,100	33,650
	<u>398,912</u>	<u>38,568</u>
 8. CREDITORS: amounts falling due within one year		
Bank overdraft	507,539	278,326
Amounts owed to subsidiary undertaking and fellow subsidiary undertakings	23,870	365,822
Other taxes and social security costs	25,694	13,398
Accruals and deferred income	3,651	6,457
	<u>560,754</u>	<u>664,003</u>
 9. CALLED UP SHARE CAPITAL		
	1995	
(1) Authorised	Number	£
£1 Ordinary shares	<u>1,000</u>	<u>1,000</u>
 (2) Allotted and fully paid	1995	1994
	£	£
£1 Ordinary shares	<u>100</u>	<u>100</u>
 10. PROFIT AND LOSS ACCOUNT	£	
1 April 1994	(91,927)	
Retained loss for the year	(70,015)	
 31 March 1995	<u>(161,942)</u>	

NOTES TO THE ACCOUNTS
Year ended 31 March 1995

**11. RECONCILIATION OF MOVEMENTS IN
SHAREHOLDERS' FUNDS**

	1995 £	1994 £
Loss for the financial year	(70,015)	(63,810)
Issue of ordinary shares	-	19
	<hr/>	<hr/>
Net reduction in shareholders' funds	(70,015)	(63,791)
Opening shareholders' funds	(91,827)	(28,036)
	<hr/>	<hr/>
Closing shareholders' funds	(161,842)	(91,827)
	<hr/>	<hr/>

**12. RECONCILIATION OF OPERATING LOSS NET TO CASH
(OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

Operating loss	(63,967)	(84,689)
Depreciation charges	17,563	21,403
Loss/(profit) on disposal of tangible fixed assets	2,340	(1,396)
(Increase)/decrease in debtors	(71,283)	55,582
(Decrease)/increase in creditors	(157,047)	18,321
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(272,394)	9,221
	<hr/>	<hr/>

13. CASH AND CASH EQUIVALENTS

Balance of cash and cash equivalents

Bank overdraft	(507,539)	(278,326)
	<hr/>	<hr/>

Change in the balance of cash and cash equivalents

1 April	(278,326)	(121,888)
Net cash outflow for the year	(229,213)	(156,438)
	<hr/>	<hr/>
31 March	(507,539)	(278,326)
	<hr/>	<hr/>

NOTES TO THE ACCOUNTS
Year ended 31 March 1995

14. FINANCIAL COMMITMENTS

(1) Operating leases

At 31 March 1995 the company had annual commitments under non-cancellable operating leases as follows:

<i>Other</i>	1995 £	1994 £
Expiry date:		
Between two and five years	<u>4,687</u>	<u>4,785</u>

(2) Commitments on behalf of group undertakings

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

15. DIRECTORS

(1) Emoluments

The emoluments of directors of the company were:

Fees and other emoluments (including pension contributions and benefits-in-kind)	<u>73,847</u>	<u>-</u>
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(2) Bandings

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

The chairman	-	-
The highest-paid director	<u>69,460</u>	<u>-</u>

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

	Number	Number
£0 - £5,000	5	5
£5,000 - £10,000	<u>1</u>	<u>-</u>

NOTES TO THE ACCOUNTS
Year ended 31 March 1995

16. EMPLOYEES

(1) Number of employees

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

	1995 Number	1994 Number
Administration and management	<u>3</u>	<u>3</u>
(2) Employment costs	£	£
Wages and salaries	103,314	76,457
Social security costs	9,747	4,691
Other pension costs	6,331	2,017
	<u>119,392</u>	<u>83,165</u>

17. POST BALANCE SHEET EVENTS

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

18. PARENT UNDERTAKING

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