

2153715

UNIQUE CLEANING SERVICES LIMITED

FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 31 DECEMBER 1996

Levett Charles & Co  
Registered Auditors  
Chartered Accountants



2153715

UNIQUE CLEANING SERVICES LIMITED

DIRECTORS:	C W Witjens Mrs P M Webb
SECRETARY:	Mrs P M Webb
REGISTERED OFFICE:	117-119 Old Dover Road Blackheath London SE3 8SU
REGISTERED NUMBER	2153715
AUDITORS:	Levett Charles & Co Registered Auditors and Chartered Accountants Abacus House 70-72 High Street Bexley Kent DA5 1AJ

**UNIQUE CLEANING SERVICES LIMITED**  
**FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1996**

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**The following page does not form part of the Statutory Accounts**

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**UNIQUE CLEANING SERVICES LIMITED****REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 DECEMBER 1996**

The Directors present their annual report with the accounts of the Company for the year ended 31 December 1996.

**PRINCIPAL ACTIVITY**

The principal activity of the Company in the year under review was contract cleaning. The Company's subsidiary, Baker Blythe & Co Ltd, did not trade during the period.

**DIRECTORS**

The Directors in office in the year and their beneficial interests in the Company's issued ordinary share capital at the beginning and end of the period were as follows:

	Ordinary Shares of £1 each	
	1.1.96	31.12.96
C W Witjens	None	None
Mrs P M Webb	None	None

Neither Director held shares in either the company's subsidiary or parent company at either the beginning or the end of the period

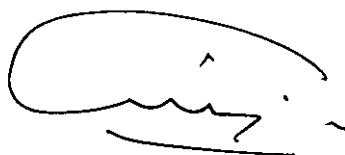
**POLITICAL AND CHARITABLE DONATIONS**

No political or charitable donations requiring separate disclosure were made during the year under review.

**AUDITORS**

Levett Charles & Co will be proposed for reappointment in accordance with Companies Act 1985 Section 385.

Signed on behalf of the  
Board of Directors



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C W Witjens  
Director

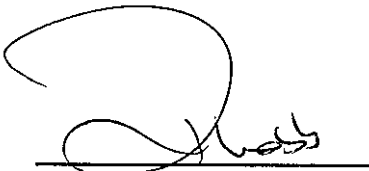
30 April 1997

UNIQUE CLEANING SERVICES LIMITEDSTATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial accounts 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 accounts we are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial accounts;
- prepare the financial accounts 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 accounts comply with 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.



By Order of the Board

30 April 1997

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
UNIQUE CLEANING SERVICES LIMITED**

We have audited the financial accounts on pages 4 to 13 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 accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial accounts, 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 accounts 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 accounts.

**OPINION**

In our opinion the financial accounts give a true and fair view of the state of the Company's affairs as at 31 December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Levett Charles & Co  
Registered Auditors  
Chartered Accountants  
Abacus House  
70-72 High Street  
Bexley  
Kent DA5 1AJ**

**30 April 1997**

**UNIQUE CLEANING SERVICES LIMITED****PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 1996**

	<u>Notes</u>	<u>1996</u>		<u>1995</u>	
		£	£	£	£
<b>TURNOVER</b>	2		1289593		710403
Cost of Sales			893958		491799
<b><u>GROSS PROFIT</u></b>			395635		218604
Administrative Expenses					
- Recurring		231569		177868	
- Exceptional	19	182448		-	
			414017		177868
<b><u>OPERATING PROFIT/(LOSS)</u></b>	3		(18382)		40736
Interest Receivable	5	-		(4453)	
Interest Payable	8	8602		12002	
			8602		7549
<b><u>NET PROFIT/(LOSS) ON ORDINARY ACTIVITIES</u></b>			(26984)		33187
<b><u>BEFORE TAXATION</u></b>					
Tax on Ordinary Activities	6		39432		10588
<b><u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES</u></b>			(66416)		22599
<b><u>AFTER TAXATION</u></b>					
Dividend Paid	18		-		20000
<b><u>RETAINED PROFIT/(LOSS) FOR THE YEAR</u></b>			(66416)		2599
Loss Brought Forward			(18048)		(20647)
<b><u>RETAINED (LOSS) CARRIED FORWARD</u></b>			£ (84464)		£ (18048)

None of the Company's activities were acquired or discontinued during either 1996 or 1995

There were no other recognised gains or losses for 1996 or 1995 other than those included in the profit and loss account

The notes on pages 6 to 13 form part of these accounts

**UNIQUE CLEANING SERVICES LIMITED**

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**BALANCE SHEET  
AS AT 31 DECEMBER 1996**

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
<b>FIXED ASSETS</b>			
Investment	9	154490	154490
Intangible Assets	10	-	187532
Tangible Assets	11	52976	42686
		<hr/> 207466	<hr/> 384708
<b>CURRENT ASSETS</b>			
Stock and Work-in-Progress	12	15842	6600
Debtors	13	177876	143113
Cash at Bank and in Hand		4896	2278
		<hr/> 198614	<hr/> 151991
<b>CREDITORS : amounts falling due within one year</b>	14	400542	364745
		<hr/> (201928)	<hr/> (212754)
<b>NET CURRENT LIABILITIES</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5538	171954
<b>CREDITORS : amounts falling due after more than one year</b>	15	-	100000
<b>NET ASSETS</b>		<hr/> £ 5538	<hr/> £ 71954
		<hr/> <hr/>	<hr/> <hr/>
<b>CAPITAL AND RESERVES</b>			
Share Capital	20	4	4
Share Premium Account	17	89998	89998
Profit and Loss Account	17	(84464)	(18048)
<b>SHAREHOLDERS' FUNDS</b>	16	<hr/> £ 5538	<hr/> £ 71954
		<hr/> <hr/>	<hr/> <hr/>

Signed on behalf of the  
board of directors



**C W Witjens**  
Director

Approved by the board: 30 April 1997

The notes on pages 6 to 13 form part of these accounts



**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1996**

**1 ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost accounting convention.

**Turnover**

Turnover represents the net invoiced sales of goods, excluding VAT, adjusted for Work-in-Progress at the beginning and end of the period.

**Tangible Fixed Assets**

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

Motor Vehicles	25% Straight Line basis
Plant and Equipment	25% Straight Line basis
Fixtures and Fittings	25% Straight Line basis

**Intangible Fixed Assets**

(See also Page 13 Note 19)

The Directors considered that the Goodwill acquired on the purchase of Baker Blythe & Co Ltd had a useful life of ten years and the cost is amortised over that period on a straight-line basis.

**Stocks and Work-in-Progress**

Stocks and work-in-progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

**Hire Purchase Contracts and Operating Leases**

Assets held under hire purchase contracts are capitalised as tangible fixed assets and depreciated over their expected useful lives. The finance element of the rental payment is charged to the profit and loss account to produce a constant periodic rate of charge on the net obligation outstanding in each period. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the profit and loss account as incurred.

**Pensions**

The Company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**UNIQUE CLEANING SERVICES LIMITED**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1996**

**1 ACCOUNTING POLICIES** (continued)

**Cash Flow Statement**

The Company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

**2 TURNOVER**

The Turnover and Loss (1995 - Profit) before taxation for the year is attributable to the principal activity of the Company which is contract cleaning.

**3 OPERATING LOSS/(PROFIT)**

The Operating Loss (1995 - Profit) is stated after charging:

	<u>1996</u>	<u>1995</u>
	£	£
Amount Written Off Tangible Fixed Assets		
- owned by the Company	24905	18331
- subject to hire purchase contracts	-	2249
Amount Written Off Intangible Fixed Assets	182448	6338
Operating Leases - Land and Buildings	14625	12000
Staff Costs - note 4	881079	514614
Auditors Remuneration	2800	1800
	<u>          </u>	<u>          </u>

**4 STAFF COSTS**

The costs incurred, including Directors' Remuneration (note 7), were as follows:

	<u>1996</u>	<u>1995</u>
	£	£
Wages and Salaries	846910	489972
Social Security Costs	28479	21441
Pension Costs	5690	3201
	<u>          </u>	<u>          </u>
	881079	514614
	<u>          </u>	<u>          </u>

The average weekly number of employees during the year was as follows:

Office and Management	9	8
Operatives	281	125
	<u>          </u>	<u>          </u>
	290	133
	<u>          </u>	<u>          </u>

UNIQUE CLEANING SERVICES LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1996**5 INCOME FROM INVESTMENTS**

	<u>1996</u> £	<u>1995</u> £
Bank Interest Received	-	4453

**6 TAXATION**

The tax charge on the loss on ordinary activities was as follows:

	<u>1996</u> £	<u>1995</u> £
Corporation Tax	39618	10770
Prior Year Adjustment	(186)	(182)
	<u>39432</u>	<u>182</u>

Corporation tax has been charged on the profit at 25% and 24% (1995 - 25%).

**7 DIRECTORS' REMUNERATION**

	<u>1996</u> £	<u>1995</u> £
Directors' Remuneration	56012	37200
Directors' Pension Scheme	3690	3201
	<u>59702</u>	<u>40401</u>
Emoluments, excluding Pension Contributions:		
Chairman (also Highest Paid Director)	<u>45857</u>	<u>29421</u>

Number of Other Directors whose total emoluments, excluding Pension Contributions, were within the ranges:

£15,001 - £20,000	<u>1</u>	<u>1</u>
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**8 INTEREST PAYABLE**

	<u>1996</u> £	<u>1995</u> £
Loan Interest	8048	9810
Hire Purchase Interest	208	1355
Bank Interest	346	837
	<u>8602</u>	<u>12002</u>

UNIQUE CLEANING SERVICES LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 19969 INVESTMENT

	<u>1996</u>	<u>1995</u>
	£	£
Shares in Group Undertakings :		
Baker Blythe & Company Ltd		
2 Ordinary Shares of £1 each	154490	154490

Baker Blythe & Co Ltd is a non-trading subsidiary of the company. The sole asset is a loan account of £209040 due from Unique Cleaning Services Ltd which we believe to be recoverable. The shares held by the company represent the whole issued capital of Baker Blythe & Co Ltd.

10 INTANGIBLE FIXED ASSETS

	<u>1996</u>	<u>1995</u>
	£	£
<b>COST</b>		
At 1 January	193870	-
Additions in Year	-	193870
Reduction in Year (see below)	(5084)	-
Carried Forward	188786	193870
<b>AMORTISATION</b>		
At 1 January	6338	-
Amortisation for Year	182448	6338
Carried Forward	188786	6338
<b>NET BOOK VALUE</b>	-	187532

Performance warranties forming part of the sale and purchase contract of Baker Blythe & Co Ltd were not met and the figure of £5084 shown above is the agreed reduction in the final purchase price payable.

UNIQUE CLEANING SERVICES LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 199611 TANGIBLE FIXED ASSETS

<b>COST</b>	<b>Motor Vehicles</b>	<b>Plant &amp; Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>TOTAL</b>
	£	£	£	£
At 1.1.96	46300	18488	30193	94981
Additions in Year	43224	32819	18146	94189
Disposals in Year	(24750)	-	(500)	(25250)
At 31 December 1996	<u>64774</u>	<u>51307</u>	<u>47839</u>	<u>163920</u>
<b>DEPRECIATION</b>				
At 1.1.96	15528	16954	19813	52295
Write Off On Disposal	(18191)	-	(182)	(18373)
Charge for Year	23342	32151	21529	77022
At 31 December 1996	<u>20679</u>	<u>49105</u>	<u>41160</u>	<u>110944</u>
<b>NET BOOK VALUE</b>				
At 31 December 1996	<u>44095</u>	<u>2202</u>	<u>6679</u>	<u>52976</u>
At 31 December 1995	<u>30772</u>	<u>1534</u>	<u>10380</u>	<u>42686</u>

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

	<u>31.12.96</u>	<u>31.12.95</u>
Cost	-	8995
Depreciation to date	-	5882
Net Book Value	<u>-</u>	<u>3113</u>

**UNIQUE CLEANING SERVICES LIMITED****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1996****12 STOCK AND WORK-IN-PROGRESS**

	<u>1996</u> £	<u>1995</u> £
Cleaning Materials & Equipment	7421	6600
Unbilled Work	8421	-
	<hr/> 15842	<hr/> 6600
	<hr/> <hr/>	<hr/> <hr/>

**13 DEBTORS**

	<u>1996</u> £	<u>1995</u> £
<b>Amounts due within one year:</b>		
Trade Debtors	170643	98153
Sundry Debtors	1569	1275
Prepayments	5664	5009
Loan A/c : Baker Blythe & Co Ltd	-	33676
Advance Corporation Tax Recoverable	-	5000
	<hr/> 177876	<hr/> 143113
	<hr/> <hr/>	<hr/> <hr/>

**14 CREDITORS**

	<u>1996</u> £	<u>1995</u> £
<b>Amounts falling due within one year:</b>		
Bank Overdraft (see below)	33211	195072
Trade Creditors	24675	17792
Loan A/c : Baker Blythe & Co Ltd	209040	-
Other Creditors:		
Corporation Tax	39618	15588
Social Security and Other Taxes	69551	37119
Other Creditors	24447	98188
Hire Purchase Liability	-	986
	<hr/> 400542	<hr/> 364745
	<hr/> <hr/>	<hr/> <hr/>

The bank overdraft is secured by a fixed and floating charge over the other assets of the Company. Hire Purchase liabilities are secured on the related assets. The aggregate amount of secured creditors is £33211 (1995 - £196058).

**15 CREDITORS**

	<u>1996</u> £	<u>1995</u> £
<b>Amounts falling due after more than one year:</b>		
Due to Parent Company	-	100000
Hire Purchase Creditor	-	-
	<hr/> -	<hr/> 100000
	<hr/> <hr/>	<hr/> <hr/>

UNIQUE CLEANING SERVICES LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 199616 MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1996</u> £	<u>1995</u> £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	(66416)	22599
Less :		
Dividend Paid	-	20000
Net Addition to/(Depletion of) Shareholders' Funds	(66416)	2599
Shareholders' Funds Brought Forward	71954	69355
<u>SHAREHOLDERS' FUNDS CARRIED FORWARD</u>	<u>5538</u>	<u>71954</u>

17 RESERVES

	<u>1996</u> £	<u>1995</u> £
<u>SHARE PREMIUM ACCOUNT</u>		
Balance Brought Forward	89998	89998
Movement in year	-	-
Balance Carried Forward	<u>89998</u>	<u>89998</u>
<u>PROFIT AND LOSS ACCOUNT</u>		
Balance Brought Forward	(18048)	(20647)
Retained Profit/(Loss) for the year	(66416)	2599
Balance Carried Forward	<u>(84464)</u>	<u>(18048)</u>

18 DIVIDENDS

	<u>1996</u> £	<u>1995</u> £
Dividend Paid :		
£Nil (1995 - £5000) per Ordinary Share	-	20000

UNIQUE CLEANING SERVICES LIMITEDNOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 1996**19 EXCEPTIONAL ITEM**

The balance of Goodwill at 31 December 1995, amounting to £182448, in respect of the purchase of Baker Blythe & Co Ltd has been written off as a result of that company ceasing to trade. All assets and liabilities of the company were transferred to Unique Cleaning Services Ltd on 1 January 1996.

**20 SHARE CAPITAL**

	<u>1996</u>	<u>1995</u>
	£	£
Authorised :		
Ordinary Shares of £1 each	1000	1000
	<hr/>	<hr/>
Allotted, Issued and Fully Paid :		
Ordinary Shares of £1 each	4	4
	<hr/>	<hr/>

**21 ULTIMATE HOLDING COMPANY**

The Company is a wholly-owned subsidiary of Friends Investments Ltd, a company registered in the Channel Islands.

**22 RELATED PARTY TRANSACTIONS**

On 1 January 1996 the net assets of the Company's subsidiary, Baker Blythe & Co Ltd, amounting to £209040 were transferred to Unique Cleaning Services Ltd at cost or net book value as appropriate. The amount outstanding at the end of the period was £209040 due by the Company (1995 - £33676 due to the Company).

**23 FINANCIAL COMMITMENTS****Operating Leases**

At 31 December 1996 the company had annual commitments under non-cancellable operating leases as set out below :-

<u>Land and Buildings</u>	<u>1996</u>	<u>1995</u>
	£	£
Operating Leases that expire:		
within one year	8000	Nil
	<hr/>	<hr/>
	8000	Nil
	<hr/>	<hr/>