

**MITIE ENGINEERING SERVICES
(NORTH) LIMITED**

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**for the year ended
31 March 1993**



Company Number 2564586

DIRECTORS

D M Telling (Chairman)
W E Harding

SECRETARY

A F Waters

REGISTERED OFFICE

The Stable Block
Barley Wood
Wroughton
Avon BS18 7SA

COMPANY NUMBER

2564586

AUDITORS

BDO Binder Hamlyn
Broad Quay House
Broad Quay
Bristol BS1 4PQ

DIRECTORS' REPORT
for the year ended 31 March 1993

FINANCIAL STATEMENTS

The directors present their report and financial statements for the year ended 31 March 1993. The company is a wholly-owned subsidiary undertaking of MITIE Engineering Services Limited. The ultimate parent company is MITIE Group PLC, which is incorporated in Scotland.

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

- (1) select suitable accounting policies and then apply them consistently;
- (2) make judgements and estimates that are reasonable and prudent;
- (3) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (4) 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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

The company's principal activity was the installation of electrical and mechanical services in commercial and industrial premises.

The company ceased to trade on 31 March 1992 and has since remained dormant.

RESULTS

The loss for the year after taxation amounted to £194.

FIXED ASSETS

Details of movements in fixed assets during the year are set out in Note 5 to the financial statements.

DIRECTORS' REPORT
for the year ended 31 March 1993 (continued)

DIRECTORS

The directors during the year were as stated on page 1.

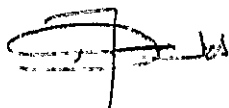
No director has any interest in the share capital of the company.

Messrs W E Harding and D M Telling are directors of MITIE Group PLC, the ultimate parent company, and their interests in the share capital of that company are shown in the financial statements of MITIE Group PLC.

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing that BDO Binder Hamlyn be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 18th August 1993



A F Waters
Secretary

AUDITORS' REPORT
to the members of MITIE Engineering Services (North) Limited

We have audited the financial statements on pages 5 to 12 which have been prepared on the basis of 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 1993 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Binder Hamlyn

Chartered Accountants
Registered Auditors
12th August 1993

PROFIT AND LOSS ACCOUNT
for the year ended 31 March 1993

	Notes	1993 £	1992 £
Turnover		-	16,000
Cost of sales		<u>(280)</u>	<u>19,446</u>
Gross profit/(loss)		280	(3,446)
Administrative expenses		<u>503</u>	<u>55,628</u>
Operating loss	2	(223)	(59,074)
Interest payable	3	<u>-</u>	<u>4,781</u>
Loss on ordinary activities before taxation		(223)	(63,855)
Tax on loss on ordinary activities	4	<u>(29)</u>	<u>(21,206)</u>
Retained loss for the year	9	<u>(194)</u>	<u>(42,649)</u>

BALANCE SHEET
as at 31 March 1993

	Notes	£	1993	£	£	1992	£
FIXED ASSETS							
Tangible assets	5			-		8,302	
CURRENT ASSETS							
Debtors	6	-			56,011		
Cash at bank and in hand		-			-		
					56,011		
CREDITORS: amounts falling due within one year	7	19,207			83,326		
Net Current Liabilities			(19,207)			(27,315)	
Net Liabilities			(19,207)			(19,013)	
CAPITAL AND RESERVES							
Called up share capital	8		48,000			48,000	
Profit and loss account	9		(67,207)			(67,013)	
			(19,207)			(19,013)	

The financial statements on pages 5 to 12 were approved by the Board on 18th August 1993


D M Telling
Director

CASH FLOW STATEMENT
for the year ended 31 March 1993

	Notes	£	1993	£	£	1992	£
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	10			31,725		(89,480)	
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE							
Interest paid			(583)			(4,140)	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				(583)		(4,140)	
TAX RECEIVED				21,229		11,906	
INVESTING ACTIVITIES							
Purchase of tangible fixed assets			-			(35,112)	
Sale of tangible fixed assets			26,849			36,782	
NET CASH INFLOW FROM INVESTING ACTIVITIES				26,849		1,670	
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING				79,220		(80,044)	
NET CASH INFLOW FROM FINANCING				-		-	
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	11			79,220		(80,044)	

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1993

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents the total, excluding sales taxes, receivable in respect of goods and services supplied and contract work completed in the year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, 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 - 10 years
Motor vehicles	4 years

Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets at the estimated net present value of underlying lease payments and are depreciated in accordance with the above policy. Obligations under such agreements are included in creditors net of finance charges allocated to future years. The finance element of the rental payments is charged to the profit and loss account over the year of the lease or hire purchase contract.

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

Compliance with accounting standards

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

	1993 £	1992 £
2. OPERATING LOSS is stated after charging:		
Depreciation	-	4,500
Operating lease rentals - land and buildings	-	6,290
Auditors' remuneration	-	850
	<u>-</u>	<u>11,640</u>

3. INTEREST

Interest payable

Bank loans and overdrafts payable within five years	<u>-</u>	<u>4,781</u>
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1993 (continued)

4. TAXATION	1993 £	1992 £
UK current year taxation		
Group relief	-	(21,200)
Prior years		
UK Corporation Tax	(29)	(6)
Tax credit on loss on ordinary activities	(29)	(21,206)

5. TANGIBLE FIXED ASSETS

(a) Summary

	Office equipment £	Total £
Cost		
1 April 1992	10,221	10,221
Intra-group transfers	(10,221)	(10,221)
31 March 1993	-	-
Depreciation		
1 April 1992	1,919	1,919
Intra-group transfers	(1,919)	(1,919)
31 March 1993	-	-
Net book value		
31 March 1993	-	-
31 March 1992	8,302	8,302

(b) Capital commitments

At 31 March 1993 the directors had authorised capital expenditure of £Nil (1992: £Nil).

6. DEBTORS	1993 £	1992 £
Amounts owed by parent undertaking and fellow subsidiary undertakings	-	33,016
Corporation tax recoverable	-	21,200
Other debtors	-	1,795
	-	56,011

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1993 (continued)

		1993	1992
		£	£
7.	CREDITORS: amounts falling due within one year		
	Bank overdraft	-	79,220
	Trade creditors	-	519
	Amounts owed to parent undertaking and fellow subsidiary undertakings	19,175	595
	Other taxes and social security costs	-	1,344
	Accruals and deferred income	32	1,649
		<u>19,207</u>	<u>83,326</u>
8.	SHARE CAPITAL		
	Authorised and allotted share capital	Authorised	Allotted, called up and fully paid
		1993	1992
		Number	Number
	£1 Ordinary	<u>100,000</u>	<u>100,000</u>
		<u>48,000</u>	<u>48,000</u>
9.	PROFIT AND LOSS ACCOUNT	£	
	1 April 1992	(67,013)	
	Retained loss for the year	(194)	
	31 March 1993	<u>(67,207)</u>	
10.	RECONCILIATION OF OPERATING LOSS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1993	1992
		£	£
	Operating loss	(223)	(59,074)
	Depreciation charges	-	4,500
	Decrease/(increase) in debtors	16,264	(15,799)
	Increase/(decrease) in creditors	15,684	(19,107)
	Net cash inflow/(outflow) from operating activities	<u>31,725</u>	<u>(89,480)</u>
11.	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
		1993	1992
		£	£
	Cash at bank and in hand	-	-
	Bank overdrafts	-	(79,220)
		<u>-</u>	<u>(79,220)</u>
		<u>(79,220)</u>	<u>79,220</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1993 (continued)

13. FINANCIAL COMMITMENTS

(a) Operating leases - land and buildings

At 31 March 1993 the company had no annual commitments under non-cancellable operating leases.

(b) Commitments on behalf of group undertakings

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

13. DIRECTORS

(a) Emoluments

	1993 £	1992 £
The emoluments of directors of the company were:		
Fees and other emoluments (including pension contributions and benefits-in-kind)	-	300

(b) Bandings

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

The chairman	-	-
The highest-paid director	-	-

14. EMPLOYEES

(a) Number of employees

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

Administration and management	-	2
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(b) Employment costs

	£	£
Wages and salaries	-	25,931
Social security costs	-	2,700
Other pension costs	-	-
	-	28,631

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 1993 (continued)

15. ULTIMATE PARENT UNDERTAKING

The directors regard MITIE Group PLC, a company incorporated 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.