

**Eagle Pest Control Services UK Limited**

**Directors' report and financial statements**

**for the year ended 31 March 2003**

**Registration number 3173779**



## **Eagle Pest Control Services UK Limited**

### **Company information**

Directors	P M Trotman Snr S J Trotman P M Trotman Jnr N A Trotman
Secretary	N A Trotman
Company number	3173779
Registered office	1 King Alfred Way Cheltenham Gloucestershire
Auditors	Waugh Haines Rigby Chartered Accountants and Registered Auditor 7 Barton Street Tewkesbury Gloucestershire
Bankers	National Westminster Bank plc 31 Promenade Cheltenham Gloucestershire
Solicitors	Bretherton Price Elgoods 123 Promenade Cheltenham Gloucestershire

## **Eagle Pest Control Services UK Limited**

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# **Eagle Pest Control Services UK Limited**

## **Directors' report for the year ended 31 March 2003**

The directors present their report and the financial statements for the year ended 31 March 2003.

### **Principal activity and review of the business**

The principal activity of the company is the provision of pest control services. This year sees further significant growth in turnover and increased profits.

### **Results and dividends**

The results for the year are set out on page 5.

The directors have paid an interim dividend amounting to £36,000 and they do not recommend payment of a final dividend.

### **Directors and their interests**

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

	<b>Ordinary A shares</b>		<b>Ordinary B shares</b>	
	<b>31/03/03</b>	<b>01/04/02</b>	<b>31/03/03</b>	<b>01/04/02</b>
P M Trotman Snr	<b>1,000</b>	1,000	-	-
S J Trotman	<b>44,500</b>	47,000	<b>300</b>	-
P M Trotman Jnr	<b>44,500</b>	47,000	<b>300</b>	-
N A Trotman	<b>10,000</b>	5,000	<b>300</b>	-

### **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

### **European monetary union**

The company will consider the need for expenses and other consequences involved in order to adapt operations and information systems to accommodate the single currency, The Euro, on advent of stage 3 of the Economic and Monetary Union (EMU). Such costs may include administration planning, training and modification of computer software and hardware.

**Eagle Pest Control Services UK Limited**

**Directors' report  
for the year ended 31 March 2003**

**Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Waugh Haines Rigby be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the board on .....12/06/03..... and signed on its behalf by



**N A Trotman  
Secretary**

## **Eagle Pest Control Services UK Limited**

### **Independent auditors' report to the shareholders of Eagle Pest Control Services UK Limited**

We have audited the financial statements of Eagle Pest Control Services UK Limited for the year ended 31 March 2003 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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.

**Eagle Pest Control Services UK Limited**

**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 2003 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Wangl Haines Rigby*  
**Wangl Haines Rigby**

**Chartered Accountants and**

**Registered Auditor**

**7 Barton Street**

**Tewkesbury**

**Gloucestershire**

**12 June 2003**

**Eagle Pest Control Services UK Limited**

**Profit and loss account  
for the year ended 31 March 2003**

		2003	2002
	Notes	£	£
<b>Turnover</b>	<b>2</b>	<b>4,139,332</b>	<b>3,253,433</b>
Cost of sales		<b>(2,664,610)</b>	<b>(2,128,772)</b>
<b>Gross profit</b>		<b>1,474,722</b>	<b>1,124,661</b>
Administrative expenses		<b>(1,012,670)</b>	<b>(849,079)</b>
<b>Operating profit</b>	<b>3</b>	<b>462,052</b>	<b>275,582</b>
Other interest receivable and similar income	4	<b>1,339</b>	426
Interest payable and similar charges	5	<b>(16,788)</b>	<b>(15,282)</b>
<b>Profit on ordinary activities before taxation</b>		<b>446,603</b>	<b>260,726</b>
Tax on profit on ordinary activities	8	<b>(113,935)</b>	<b>(55,380)</b>
<b>Profit on ordinary activities after taxation</b>		<b>332,668</b>	<b>205,346</b>
Dividends	9	<b>(36,000)</b>	-
<b>Retained profit for the year</b>		<b>296,668</b>	<b>205,346</b>
Retained profit brought forward		<b>726,255</b>	<b>520,909</b>
<b>Retained profit carried forward</b>		<b>1,022,923</b>	<b>726,255</b>

None of the company's activities was acquired or discontinued during the above two financial years.

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

The notes on pages 8 to 15 form an integral part of these financial statements.



# Eagle Pest Control Services UK Limited

## Balance sheet as at 31 March 2003

		2003		2002	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		541,805		563,546
<b>Current assets</b>					
Stocks	11	97,444		65,580	
Debtors	12	1,145,312		830,467	
Cash at bank and in hand		33,655		55,923	
		<u>1,276,411</u>		<u>951,970</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(653,432)</u>		<u>(629,058)</u>	
<b>Net current assets</b>			<u>622,979</u>		<u>322,912</u>
<b>Total assets less current liabilities</b>			<u>1,164,784</u>		<u>886,458</u>
<b>Creditors: amounts falling due after more than one year</b>	14		(33,494)		(49,167)
<b>Provisions for liabilities and charges</b>	15		(7,467)		(11,036)
<b>Net assets</b>			<u>1,123,823</u>		<u>826,255</u>
<b>Capital and reserves</b>					
Called up share capital	16		100,900		100,000
Profit and loss account			<u>1,022,923</u>		<u>726,255</u>
<b>Shareholders' funds</b>	17		<u>1,123,823</u>		<u>826,255</u>

The financial statements were approved by the board on .....12/06/03..... and signed on its behalf by

S J Trotman  
Director



P M Trotman Jnr  
Director



N A Trotman  
Director



The notes on pages 8 to 15 form an integral part of these financial statements.

**Eagle Pest Control Services UK Limited**

**Cash flow statement  
for the year ended 31 March 2003**

	Notes	2003 £	2002 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		462,052	275,582
Depreciation		262,381	204,760
(Increase) in stocks		(31,864)	(2,085)
(Increase) in debtors		(314,845)	(207,759)
Increase in creditors		7,006	185,934
<b>Net cash inflow from operating activities</b>		<b>384,730</b>	<b>456,432</b>
Returns on investments and servicing of finance	23	(15,449)	(14,856)
Taxation	23	(47,800)	(30,003)
Capital expenditure	23	(165,909)	(87,330)
		<b>155,572</b>	<b>324,243</b>
Equity dividends paid		(36,000)	-
		<b>119,572</b>	<b>324,243</b>
Financing	23	(141,840)	(215,499)
<b>Decrease in cash in the year</b>		<b>(22,268)</b>	<b>108,744</b>
<b>Reconciliation of net cash flow to movement in net funds (Note 24)</b>			
<b>Decrease in cash in the year</b>		<b>(22,268)</b>	<b>108,744</b>
Cash outflow from increase in debts and lease financing		142,740	149,356
Change in net funds resulting from cash flows		120,472	258,100
New finance leases and hire purchase contracts		(74,731)	(190,398)
<b>Movement in net funds in the year</b>		<b>45,741</b>	<b>67,702</b>
<b>Net debt at 1 April 2002</b>		<b>(158,956)</b>	<b>(226,658)</b>
<b>Net debt at 31 March 2003</b>		<b>(113,215)</b>	<b>(158,956)</b>

## **Eagle Pest Control Services UK Limited**

### **Notes to the financial statements for the year ended 31 March 2003**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention.

##### **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:

Short leasehold properties	-	10% Straight Line
Fixtures, fittings and equipment	-	33% Straight Line
Motor vehicles	-	25% Straight Line

##### **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.

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

##### **1.5. Stock**

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

##### **1.6. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

##### **1.7. Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

#### **2. Turnover**

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

# Eagle Pest Control Services UK Limited

## Notes to the financial statements for the year ended 31 March 2003

..... continued

<b>3. Operating profit</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Depreciation and other amounts written off intangible assets	-	3,326
Depreciation and other amounts written off tangible assets	<b>260,422</b>	211,154
Loss/(profit) on disposal of tangible fixed assets	<b>5,241</b>	(9,721)
Operating lease rentals		
- Plant and machinery	<b>40,008</b>	41,252
- Land and buildings	<b>30,000</b>	30,000
Auditors' remuneration	<b>2,750</b>	2,000
	<u><u>          </u></u>	<u><u>          </u></u>
<b>4. Interest receivable and similar income</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank interest	<b>1,339</b>	426
	<u><u>          </u></u>	<u><u>          </u></u>
<b>5. Interest payable and similar charges</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	<b>83</b>	357
Hire purchase interest	<b>16,705</b>	14,925
	<u><u>16,788</u></u>	<u><u>15,282</u></u>
<b>6. Employees</b>		
<b>Number of employees</b>		
The average monthly numbers of employees (including the directors) during the year were:	<b>2003</b>	<b>2002</b>
Production	71	50
Administration	27	26
	<u><u>98</u></u>	<u><u>76</u></u>
<b>Employment costs</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,867,764</b>	1,480,932
Social security costs	<b>123,800</b>	135,402
Other pension costs	<b>25,566</b>	34,845
	<u><u>2,017,130</u></u>	<u><u>1,651,179</u></u>

# Eagle Pest Control Services UK Limited

## Notes to the financial statements for the year ended 31 March 2003

..... continued

### 6.1. Directors' emoluments

	2003	2002
	£	£
Remuneration and other emoluments	128,853	141,333
Pension contributions	11,264	21,560
	<u>140,117</u>	<u>162,893</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>3</u>	<u>3</u>

### 7. Pension costs

The company operates defined contribution pension schemes in respect of the employees and directors. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £25,566 (2002 - £34,845).

### 8. Tax on profit on ordinary activities

Analysis of charge in period	2003	2002
	£	£
<b>Current tax</b>		
UK corporation tax at 24.24% (2002 - 20.00%)	117,504	47,819
Deferred tax		
Timing differences, origination and reversal	(3,569)	7,561
Tax on profit on ordinary activities	<u>113,935</u>	<u>55,380</u>

#### Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax on the accounting profits as explained below:

	2003	2002
	£	£
Profit on ordinary activities before taxation	<u>446,603</u>	<u>260,726</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (31 March 2002 : 20%)	108,257	52,145
Expenses not deductible for tax purposes	3,337	3,235
Adjustments to tax charge in respect of previous periods	2,341	-
Current tax charge for period	<u>113,935</u>	<u>55,380</u>

Eagle Pest Control Services UK Limited

Notes to the financial statements  
for the year ended 31 March 2003

..... continued

9.	Dividends			2003 £	2002 £
	Dividends on equity shares:				
	Ordinary B shares - interim paid			36,000	-
10.	Tangible fixed assets	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
	Cost				
	At 1 April 2002	70,239	248,578	609,054	927,871
	Additions	5,200	55,721	200,600	261,521
	Disposals	-	-	(72,522)	(72,522)
	At 31 March 2003	75,439	304,299	737,132	1,116,870
	Depreciation				
	At 1 April 2002	24,947	119,267	220,111	364,325
	On disposals	-	-	(46,400)	(46,400)
	Charge for the year	7,730	75,604	173,806	257,140
	At 31 March 2003	32,677	194,871	347,517	575,065
	Net book values				
	At 31 March 2003	42,762	109,428	389,615	541,805
	At 31 March 2002	45,292	129,311	388,943	563,546

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

	2003		2002	
Asset description	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Fixtures, fittings and equipment	500	2,004	2,504	2,000
Motor vehicles	280,815	83,069	348,914	102,092
	<u>281,315</u>	<u>85,073</u>	<u>351,418</u>	<u>104,092</u>

**Eagle Pest Control Services UK Limited**

**Notes to the financial statements  
for the year ended 31 March 2003**

..... continued

<b>11. Stocks</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	<u>97,444</u>	<u>65,580</u>
<b>12. Debtors</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade debtors	994,609	725,827
Other debtors	1,430	1,495
Prepayments and accrued income	<u>149,273</u>	<u>103,145</u>
	<u>1,145,312</u>	<u>830,467</u>
<b>13. Creditors: amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	113,376	165,712
Trade creditors	113,227	104,931
Corporation tax	117,504	47,801
Other taxes and social security costs	191,427	152,206
Directors' accounts	8,100	24,187
Other creditors	1,741	10,541
Accruals and deferred income	<u>108,057</u>	<u>123,680</u>
	<u>653,432</u>	<u>629,058</u>
The bank holds a mortgage debenture giving a fixed and floating charge over all current and future assets of the company.		
<b>14. Creditors: amounts falling due after more than one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	<u>33,494</u>	<u>49,167</u>

**Eagle Pest Control Services UK Limited**

**Notes to the financial statements  
for the year ended 31 March 2003**

..... continued

**15 Provisions for liabilities and charges**

	<b>Deferred taxation £</b>
At 1 April 2002	<b>11,036</b>
Movements in the year	<b>3,569</b>
At 31 March 2003	<b><u>7,467</u></b>

<b>16. Share capital</b>	<b>2003 £</b>	<b>2002 £</b>
<b>Authorised</b>		
250,000 Ordinary A shares of £1 each (Ordinary Shares of £1 each)	<b>250,000</b>	250,000
900 Ordinary B shares of £1 each	<b>900</b>	-
	<b><u>250,900</u></b>	<b><u>250,000</u></b>
<b>Allotted, called up and fully paid</b>		
100,000 Ordinary A shares of £1 each (Ordinary Shares of £1 each)	<b>100,000</b>	100,000
900 Ordinary B shares of £1 each	<b>900</b>	-
	<b><u>100,900</u></b>	<b><u>100,000</u></b>

During the year, the authorised share capital of the company was increased by creating an additional 900 Ordinary shares of £1 each and was re-designated as 250,000 Ordinary A shares and 900 Ordinary B shares. The 900 Ordinary B shares were fully issued at par during the year.

<b>17. Reconciliation of movements in shareholders' funds</b>	<b>2003 £</b>	<b>2002 £</b>
Profit for the year	<b>332,668</b>	205,346
Dividends	<b>(36,000)</b>	-
	<b><u>296,668</u></b>	<b><u>205,346</u></b>
Net proceeds of equity share issue	<b>900</b>	-
Net addition to shareholders' funds	<b><u>297,568</u></b>	<b><u>205,346</u></b>
Opening shareholders' funds	<b>826,255</b>	620,909
Closing shareholders' funds	<b><u>1,123,823</u></b>	<b><u>826,255</u></b>



**Eagle Pest Control Services UK Limited**

**Notes to the financial statements  
for the year ended 31 March 2003**

..... continued

**18. Financial commitments**

At 31 March 2003 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Expiry date:</b>		
Within one year	<b>30,000</b>	30,000
Between one and five years	<b>112,500</b>	120,000
In over five years	-	22,500
	<b><u>142,500</u></b>	<b><u>172,500</u></b>

**19. Capital commitments**

The company had no capital commitments at 31 March 2003 or at 31 March 2002.

**20. Contingent liabilities**

There were no contingent liabilities as at 31 March 2003 or at 31 March 2002.

**21. Related party disclosures**

During the year there were net withdrawals from the directors loan accounts of £16,087 leaving balances of £8,100 (2002 - £24,187), which are included in creditors (note 13). The company paid an annual rent of £30,000 (2002 - £30,000) to the company pension scheme, Namulas Pension Trustees Limited, for occupation of the premises.

**22. Post balance sheet events**

During the period between the year end and the signing of the accounts the directors have been in negotiations with a third party in connection with the possible transfer of some, or all, of the share capital of the company to the third party. Negotiations had not been concluded at the date that the accounts were signed.

**Eagle Pest Control Services UK Limited**

**Notes to the financial statements  
for the year ended 31 March 2003**

..... continued

**23. Gross cash flows**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	1,339	426
Interest paid	(16,788)	(15,282)
	<u>(15,449)</u>	<u>(14,856)</u>
<b>Taxation</b>		
Corporation tax paid	(47,800)	(30,003)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(186,790)	(103,029)
Receipts from sales of tangible assets	20,881	15,699
	<u>(165,909)</u>	<u>(87,330)</u>
<b>Financing</b>		
Issue of ordinary share capital	900	-
Capital element of finance leases and hire purchase contracts	(142,740)	(215,499)
	<u>(141,840)</u>	<u>(215,499)</u>

**24. Analysis of changes in net funds**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Other changes</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	55,923	(22,268)		33,655
Finance leases and hire purchase contracts	(214,879)	142,740	(74,731)	(146,870)
<b>Net funds</b>	<u>(158,956)</u>	<u>120,472</u>	<u>(74,731)</u>	<u>(113,215)</u>

**Eagle Pest Control Services UK Limited**

**The following pages do not form part of the statutory financial statements.**