

**DOMINION PLUMBING SUPPLIES LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30TH JUNE 2003**

**Registered Number  
3331904**

**ORMEROD RUTTER LIMITED**



**DOMINION PLUMBING SUPPLIES LIMITED**

**COMPANY INFORMATION**

**Company Number:** 3331904

**Directors:** Mr D W Conn  
Mr I W Hall  
Mr B Spooner

**Secretary:** Mr D W Conn

**Registered Office:** Utopia House  
Springvale Avenue  
Springvale Business Park  
Bilston  
Wolverhampton  
WV14 0QL

**Auditors:** Ormerod Rutter Limited  
Registered Auditors  
The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire  
WR9 9AY

**Bankers:** Royal Bank of Scotland Plc  
79/83 Colmore Row  
Birmingham  
B3 2AP

**DOMINION PLUMBING SUPPLIES LIMITED**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH JUNE 2003**

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# **DOMINION PLUMBING SUPPLIES LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 30TH JUNE 2003**

The directors present their report and the financial statements for the year ended 30th June 2003.

### **Principal activities**

The principal activity of the company during the year was the provision of sanitary products to bathroom manufacturers and wholesalers.

### **Directors' interests**

The directors who served during the year were as follows:

Mr D W Conn  
Mr I W Hall  
Mr B Spooner

The directors held no interest in the share capital of the company.

The ordinary share capital of the company is owned by Utopia Group Limited, its ultimate holding company. The interests of the directors in the issued share capital of the holding company are disclosed in that company's financial statements.

### **Responsibilities of the directors**

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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

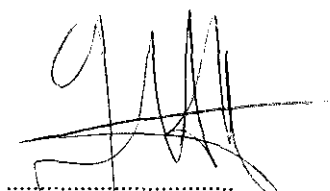
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

The auditors, Ormerod Rutter Limited, will be proposed for re-appointment with Section 385 of the Companies Act 1985

This report was approved by the board on 6th August 2003 and has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

### **On behalf of the board**



.....  
Mr I W Hall  
(Director)

**INDEPENDENT AUDITORS' REPORT**  
**TO THE SHAREHOLDERS OF DOMINION PLUMBING SUPPLIES LIMITED**  
**FOR THE YEAR ENDED 30TH JUNE 2003**

We have audited the financial statements on pages 3 to 8 which have been prepared in accordance with the *Financial Reporting Standard for Smaller Entities* (effective June 2002), 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 auditor's 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**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' responsibilities.

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 judgments 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.

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th June 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ormerod Rutter Limited  
Registered Auditors  
The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire  
WR9 9AY

15th August 2003

**DOMINION PLUMBING SUPPLIES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 30TH JUNE 2003**

	Note	2003 £	2002 £
Turnover		245,836	55,599
Cost of sales		288,279	57,539
Gross loss		(42,443)	(1,940)
Administrative expenses		50,865	104,217
Operating loss	2	(93,308)	(106,157)
Interest payable		(704)	(295)
Retained loss for the year		£ (94,012)	£(106,452)

The annexed notes form part of these financial statements.

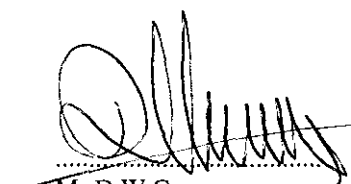
**DOMINION PLUMBING SUPPLIES LIMITED**

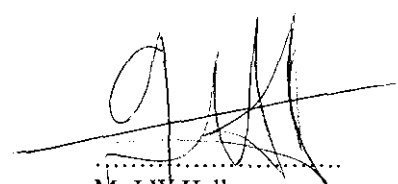
**BALANCE SHEET**

**AS AT 30TH JUNE 2003**

	Note	2003	2002
		£	£
<b>Fixed assets</b>			
Tangible assets	3	24,001	39,172
<b>Current assets</b>			
Stocks		-	287,019
Debtors	4	50,037	35,797
Cash at bank and in hand		944	1,941
		<u>50,981</u>	<u>324,757</u>
<b>Creditors</b>			
Amounts falling due within one year	5	<u>(272,000)</u>	<u>(461,030)</u>
<b>Net current liabilities</b>		<u>(221,019)</u>	<u>(136,273)</u>
<b>Total assets less current liabilities</b>		<u>(197,018)</u>	<u>(97,101)</u>
<b>Creditors</b>			
Amounts falling due after more than one year	6	<u>(3,445)</u>	<u>(9,350)</u>
<b>Net liabilities</b>		<u>£(200,463)</u>	<u>£(106,451)</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account	8	<u>(200,464)</u>	<u>(106,452)</u>
<b>Shareholders' funds</b>		<u>£(200,463)</u>	<u>£(106,451)</u>

Approved by the board of directors on 6th August 2003 and signed on its behalf. These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

  
 Mr D W Conn  
 (Director)

  
 Mr I W Hall  
 (Director)

The annexed notes form part of these financial statements.

# DOMINION PLUMBING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2003

### 1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is a small company.

#### **Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

#### **Depreciation and diminution in value of assets**

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	- 20% per annum of cost
Fixtures and fittings	- 33%-50% per annum of cost

#### **Stocks**

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 stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

#### **Deferred taxation**

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation purposes, using the full provision method. Deferred tax assets are only provided where, in the opinion of the directors, they are expected to be fully recoverable. Implementation of Financial Reporting Standard No. 19 has been adopted however it has resulted in no material deferred tax liabilities or assets.

#### **Leasing**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

#### **Pension costs**

The company operates a defined contribution pension scheme and pension contributions are charged to the profit and loss account as they fall due

#### **Going concern**

These financial statements have been drawn up on the going concern basis. If the going concern basis were not appropriate adjustments would have to be made to reduce assets to recoverable amounts to provide for any further liabilities that might arise and to re-classify fixed assets as current assets and long term liabilities as current liabilities.



**DOMINION PLUMBING SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30TH JUNE 2003**

**2. Operating loss**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Directors' emoluments	-	74,138
Auditors' remuneration and expenses	2,750	1,000
Depreciation of owned assets	11,628	3,312
Depreciation of assets held under finance leases and hire purchase contracts	3,545	886
Pension costs	8,583	5,579
	<u>          </u>	<u>          </u>

**3. Tangible fixed assets**

	<b>Plant and Machinery £</b>	<b>Fixtures and Fittings £</b>	<b>Total £</b>
Cost:			
At 1st July 2002	17,715	25,656	43,371
At 30th June 2003	<u>17,715</u>	<u>25,656</u>	<u>43,371</u>
Depreciation:			
At 1st July 2002	886	3,313	4,199
Charge for the year	3,543	11,628	15,171
At 30th June 2003	<u>4,429</u>	<u>14,941</u>	<u>19,370</u>
Net book value:			
At 30th June 2003	<u>£13,286</u>	<u>£10,715</u>	<u>£24,001</u>
At 30th June 2002	<u>£16,829</u>	<u>£22,343</u>	<u>£39,172</u>

Included in the total net book value of tangible fixed assets held at 30th June 2003 was £13,286 (2002 - £16,829) of assets held under hire purchase and finance leases.

**DOMINION PLUMBING SUPPLIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 30TH JUNE 2003**

<b>4. Debtors</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Due within one year:</b>		
Trade debtors	45,037	744
Amounts owed by undertakings in which the company has a participating interest	5,000	5,000
Other debtors	-	30,053
	<u>£50,037</u>	<u>£35,797</u>
<b>5. Creditors - amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Net obligations under finance lease and hire purchase contracts	5,905	5,905
Trade creditors	528	3,136
Amounts owed to group undertakings	255,637	445,857
Taxation and social security	5,845	5,133
Other creditors	4,085	999
	<u>£272,000</u>	<u>£461,030</u>
<b>6. 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	3,445	9,350
	<u></u>	<u></u>
<b>7. Share capital</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
Ordinary shares of £1 each	1,000	1,000
	<u></u>	<u></u>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	1	1
	<u></u>	<u></u>

# DOMINION PLUMBING SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### FOR THE YEAR ENDED 30TH JUNE 2003

#### 8. Profit and loss account

	2003 £
Balance at 1st July 2002	(106,452)
Loss suffered for the year	(94,012)
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Balance at 30th June 2003	£(200,464)
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#### 9. Contingent liabilities

A bank loan and overdraft facility have been guaranteed by Utopia Group Limited, Utopia Furniture limited, Dominion Plumbing Supplies Limited and Kidsville Limited. At 30th June 2003 the amounts outstanding on these facilities amounted to £2,075,000 (2002 - £3,025,000).

#### 10. Transactions with directors and officers

During the year, Mr I W Hall and Mr D W Conn had interests in Utopia Group Limited, Utopia Furniture Limited and Newlyn Homes Limited. Any transactions were undertaken under normal commercial trading terms. Balances outstanding at the year end were as follows:

	Balance Outstanding at 30th June 2003 £
<b>Company</b>	
Utopia Group Limited	(97,387)
Utopia Furniture Limited	(158,250)
Newlyn Homes Limited	5,000

The aggregate of transactions amounted to £16,000 rent charges and £313,553 inter-company sales and recharges.

#### 11. Pension costs

The company operates a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension contributions for the year amounted to £8,583 (2002 - £5,579). There were no prepaid or outstanding contributions at the year end.

#### 12. Ultimate holding company

The directors consider that the holding company is Utopia Group Limited, a company registered in England and Wales.

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**DOMINION PLUMBING SUPPLIES LIMITED**  
**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30TH JUNE 2003**

	<b>2003</b>		<b>2002</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>				
Sales		245,836		55,599
<b>Cost of sales</b>				
Opening stock	287,019		-	
Purchases	1,260		344,558	
	<hr/>		<hr/>	
	288,279		344,558	
Closing stock	-		287,019	
	<hr/>		<hr/>	
		288,279		57,539
<b>Gross loss</b>		(42,443)		(1,940)
<b>Overheads</b>				
Directors' remuneration and NIC	-		57,183	
Directors' pensions	8,583		5,579	
Wages, salaries and NIC	3,639		10,508	
Plant hire	-		230	
Motor and travel expenses	530		759	
Rent and rates	16,000		8,000	
Printing, stationery and advertising	2,080		7,471	
Training costs	-		650	
Repairs and renewals	884		5,250	
Telephone and postage	729		377	
Bank charges	243		2,401	
Sundry expenses	241		276	
Auditors' remuneration	2,750		1,000	
Accountancy	-		40	
Legal and professional	15		295	
Bank interest	2		2	
Hire purchase interest	702		293	
Depreciation	15,171		4,198	
	<hr/>		<hr/>	
		51,569		104,512
<b>Loss on ordinary activities</b>		<u>£ (94,012)</u>		<u>£(106,452)</u>