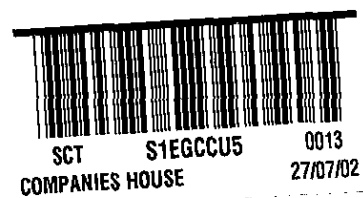


PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED
5TH APRIL 2002

Company No:- SCO55959



PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

ACCOUNTS

5TH APRIL 2002

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DIRECTORS AND OFFICERS

Directors

on behalf of the Federation

J.B. Park ✓
A.B. Whyte ✓
G. Nicoll ✓

on behalf of the Association

R.C. Chatfield ✓
R. Price ✓
J. Trowbridge

on behalf of the Union

Sir K.J. Jackson ✓
A. Pickering ✓
D. Carrigan ✓
G. Whitlow

Secretary & Pensions Manager

R.D. Burgon ✓

ADVISORS

Auditors

Deloitte & Touche
Lomond House
9 George Square
GLASGOW
G2 1QQ

Bankers

Bank of Scotland
52 Shandwick Place
EDINBURGH
EH2 4SB

REPORT OF THE DIRECTORS

The Directors submit their report and the audited accounts for the year ended 5th April, 2002. This report has been prepared in accordance with the special provisions relating to small companies under Section 246 of the Companies Act 1985, and with the Financial Reporting Standard for Smaller Entities. (effective March, 2000).

PRINCIPAL ACTIVITY

The principal activity of the company is the administration and management of Pension Schemes on behalf of the Plumbing and Mechanical Services Industry.

REVIEW OF THE BUSINESS

A contribution equal to the operating loss net of interest received amounting to £1,228,578 was received from Plumbing and Mechanical Services (UK) Industry Pension Scheme.

RESULTS AND DIVIDENDS

The results for the year are set out on page 7. The Directors recommend that no dividend be paid.

DIRECTORS

The Directors who served during the year were as follows:

on behalf of the Federation

J.B. Park
A.B. Whyte
G. Nicoll

on behalf of the Association

R.C. Chatfield
R. Price
J. Trowbridge

on behalf of the Union

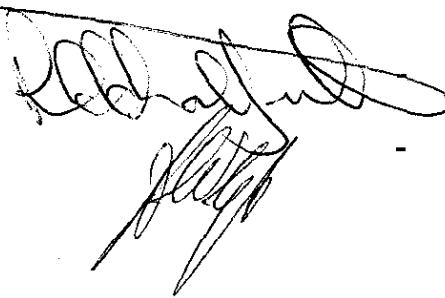
Sir K.J. Jackson
A. Pickering
D. Carrigan
G. Whitlow

The Directors have no beneficial or family interest in the shares of the company.

AUDITORS

A resolution for the re-appointment of Deloitte & Touche as Auditors of the company is to be proposed at the forthcoming Annual General Meeting

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

Two handwritten signatures in black ink. The top signature is a cursive script, and the bottom signature is a more stylized, angular script.

Director

- Director

Edinburgh,
3 July, 2002

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 as at the end of the financial year 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; 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

We have audited the financial statements of Plumbing Pensions (UK) Administration Ltd for the year ended 5 April 2002 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein and the Financial Reporting Standard for Smaller Entities (effective March 2000).

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 United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLUMBING
PENSIONS (UK) ADMINISTRATION LIMITED (Continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 5 April 2002 and of its result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Deloitte Touche
Chartered Accountants and Registered Auditors

Deloitte & Touche
Lomond House
9 George Square
Glasgow
G2 1QQ

3 July 2002

PROFIT AND LOSS ACCOUNT

for the year ended 5th April, 2002

	Note	2002 Continuing Operations £	2001 Continuing Operations £
TURNOVER			
Administration fees	2	49,307	106,627
Administration Expenses		<u>(1,279,312)</u>	<u>(1,286,456)</u>
OPERATING LOSS	3	(1,230,005)	(1,179,829)
Interest receivable		1,427	1,619
Other income	4	<u>1,228,578</u>	<u>1,178,210</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities	5	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		-	-
RETAINED PROFIT BROUGHT FORWARD		<u>88,218</u>	<u>88,218</u>
RETAINED PROFIT CARRIED FORWARD		<u>88,218</u> =====	<u>88,218</u> =====

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

BALANCE SHEET

5th April, 2002

	Note	£	2002 £	£	2001 £
FIXED ASSETS					
Tangible Assets	6		58,095		56,418
CURRENT ASSETS					
Debtors	8	379,244		331,177	
Cash at bank & in hand		<u>(120,440)</u>		<u>39,482</u>	
		<u>258,804</u>		<u>370,659</u>	
CREDITORS - amounts falling due within one year					
Sundry creditors		<u>(228,581)</u>		<u>(338,759)</u>	
		<u>(228,581)</u>		<u>(338,759)</u>	
NET CURRENT ASSETS			<u>30,223</u>		<u>31,900</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>88,318</u>		<u>88,318</u>
			=====		=====
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Profit and loss account			<u>88,218</u>		<u>88,218</u>
EQUITY SHAREHOLDERS' FUNDS			<u>88,318</u>		<u>88,318</u>
			=====		=====

These financial statements were approved by the Board of Directors.

This report has been prepared in accordance with the special provisions relating to small companies under Section 246 of the Companies Act 1985, and with the Financial Reporting Standard for Smaller Entities (effective March, 2000).

Signed on behalf of the Board of Directors on



Director

Edinburgh.



Director

3 July, 2002

NOTES TO THE ACCOUNTS

5th April, 2002

1. ACCOUNTING POLICIES

The particular accounting policies adopted are described below.

(a) Convention

The financial statements have been prepared in accordance with the historical cost convention.

(b) Tangible Fixed Assets and Depreciation

Depreciation is provided on a straight line basis at the following rates:-

Computer	25% per annum
Computer programs	10% per annum
Office equipment	25% per annum

(c) Income and Expenditure

Administration expenditure is dealt with on an accruals basis.

2 TURNOVER

Turnover represents administration fees. These are mainly in respect of reinstatement fees charged to insurance companies in respect of members reinstated to the Pension Scheme. The remainder are other administration fees.

3. OPERATING LOSS

Operating loss is arrived at after charging:

	2002	2001
	£	£
Depreciation	19,863	21,731
Auditors' Remuneration	1,757	1,705
	=====	=====

The Directors received no remuneration for their services to the company (2001 - £nil).

NOTES TO THE ACCOUNTS

5th April, 2002

4. OTHER INCOME

Other income includes £1,228,578 (2001: £1,178,210) in respect of the contribution received from the Plumbing and Mechanical Services (UK) Industry Pension Scheme, a Scheme which is managed by Plumbing Pensions (UK) Administration Limited. The contribution is equal to the operating loss net of interest received.

At the financial year end £286,197 (2001: £240,619) was due from the Plumbing and Mechanical Services (UK) Industry Pension Scheme. This amount is included within debtors.

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

As the Company had no taxable income, no tax provision is necessary.

6. TANGIBLE ASSETS

	Computer	Computer	Office	
		Programs	Equipment	Total
	£	£	£	£
Cost or valuation at 5th April 2001	62,047	172,055	59,359	293,461
Additions	18,550	2,431	559	21,540
at 5th April 2002	<u>80,597</u>	<u>174,486</u>	<u>59,918</u>	<u>315,001</u>
Depreciation at 5th April 2001	56,035	123,256	57,752	237,043
Charge for the year	10,298	8,245	1,320	19,863
at 5th April 2002	<u>66,333</u>	<u>131,501</u>	<u>59,072</u>	<u>256,906</u>
Net Book Value at 5th April 2002	14,264	42,985	846	58,095
	=====	=====	=====	=====
at 5th April 2001	6,012	48,799	1,607	56,418
	=====	=====	=====	=====

NOTES TO THE ACCOUNTS

5th April, 2002

7. RELATED PARTY TRANSACTIONS

Transactions and balances with the Plumbing and Mechanical Services (UK) Industry Pension Scheme, a pension scheme managed by the company, are disclosed in Note 4. SNIPEF Management own the 50 'A' ordinary shares and the Association of Plumbing and Heating Contractors own the 50 'B' ordinary shares. During the year recharges totalling £45,313 (2001: £51,355) were paid to SNIPEF Management Ltd. At the year end £90 (2001: £2,811) was due to SNIPEF Management Ltd.

	2002 £	2001 £
8. DEBTORS		
Due from Plumbing and Mechanical Services (UK) Industry Pension Scheme	286,197	240,619
VAT to be recovered from member firms	39,375	48,097
Sundry Debtors	<u>53,672</u>	<u>42,461</u>
	<u>379,244</u>	<u>331,177</u>
	=====	=====
9. SHARE CAPITAL		
Authorised		
50 'A' Shares of £1	50	50
50 'B' Shares of £1	<u>50</u>	<u>50</u>
	100	100
	=====	=====
Called up, Allotted and Fully Paid		
50 'A' Shares of £1	50	50
50 'B' Shares of £1	<u>50</u>	<u>50</u>
	100	100
	=====	=====

NOTES TO THE ACCOUNTS

5th April, 2002

10 PENSION COSTS

Certain of the company's employees are members of the revalued career average pension scheme operated by Plumbing and Mechanical Services (UK) Industry Pension Scheme.

The pension cost charged to the Profit and Loss Account represents the amount of contributions payable in the period, which amounted to £30,611 (2001 - £28,173).

11 SALARY COSTS

	2002	2001
	£	£
Salary Costs	193,987	186,556
National Insurance Contributions	<u>66,236</u>	<u>65,581</u>
	<u>260,223</u>	<u>252,137</u>

ADDITIONAL INFORMATION

The additional information on page 14 is prepared from the accounting records of the company. It should be read in conjunction with the statutory financial statements set out on pages 7 to 12 and the auditors' report thereon.

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

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DETAILED PROFIT AND LOSS ACCOUNT

for the year ended 5th April, 2002	2002	2001		
£	£	£	£	£
TURNOVER				
Administration Fees	<u>49,307</u>			<u>106,627</u>
ADMINISTRATION EXPENSES				
Salaries & Superannuation	290,834			280,260
Travelling & Meeting Expenses	17,431			17,095
Printing & Stationery	27,468			28,837
Rates & Insurance	15,462			16,372
Heat, Light & Cleaning	7,626			8,229
Repairs & Maintenance	5,726			4,507
Promotional Campaign	9,681			10,684
Telephone	6,695			5,322
Posts & Sundries	30,868			31,840
Computer Services				
Software hire & maintenance	80,094		51,648	
Stationery	<u>-</u>	80,094	<u>347</u>	51,995
Depreciation				
Computer Equipment	10,298		5,790	
Computer Programs	8,245		14,670	
Office Equipment	<u>1,320</u>	19,863	<u>1,271</u>	21,731
Staff Recruitment	2,100			6,300
Directors' Training	280			1,400
Professional fees	2,213			908
Performance Measurement fees	13,041			16,179
Investment Consultancy	43,900			32,650
Investment Accountancy fees	521,042			586,581
Legal Fees	32,240			-
Auditors Fees	1,757			1,705
Consulting Actuary	111,435			125,818
Service charge	35,200			29,600
VAT on contribution not received	<u>4,356</u>			<u>8,443</u>
	<u>(1,279,312)</u>			<u>(1,286,456)</u>
OPERATING LOSS	(1,230,005)			(1,179,829)

=====

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