

**NS SCAFFOLDING LIMITED**

**Report and Financial Statements**

**31 March 2002**

**Deloitte & Touche  
Queen Anne House  
69-71 Queen Square  
Bristol  
BS1 4JP**



**REPORT AND FINANCIAL STATEMENTS 2002**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

D M Telling  
J J Clifford  
I R Stewart

**SECRETARIES**

C K Ross  
A F Waters (resigned 31 March 2002)

**REGISTERED OFFICE**

Dovehill Farm  
180 Riverford Road  
Glasgow  
G43 2DE

**BANKERS**

HSBC Bank plc  
PO Box 120  
49 Corn Street  
Bristol  
BS99 7PP

**AUDITORS**

Deloitte & Touche  
Queen Anne House  
69-71 Queen Square  
Bristol  
BS1 4JP

**DIRECTORS' REPORT**

The directors present their annual report and audited financial statements for the year ended 31 March 2002.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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;
- state whether applicable accounting standards have been followed; 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. 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 ACTIVITIES AND REVIEW OF THE BUSINESS**

The company did not trade during the year. The company enjoys the support of the ultimate holding company.

**RESULTS AND DIVIDENDS**

The profit for the year after taxation amounted to nil (2001: £39,250). The directors do not propose the payment of a dividend and recommend that this amount is transferred to reserves.

**DIRECTORS AND THEIR INTERESTS**

The directors during the year were as follows:

D M Telling	
J J Clifford	
I R Stewart	(appointed 31 October 2001)
N C Chandler	(resigned 15 November 2001)
A J C Skeats	(resigned 20 June 2001)

No director had an interest in the share capital of the company at the beginning or end of the year.

Messrs D M Telling, J J Clifford and I R Stewart are directors of MITIE Group PLC, the parent undertaking, and their interests in the share capital of that company are shown in the financial statements of MITIE Group PLC.

No other director had an interest in the share capital of MITIE Group PLC.

**DIRECTORS' REPORT (continued)**

**AUDITORS**

A resolution for the reappointment 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

A handwritten signature in black ink, appearing to be 'C K Ross', with a stylized flourish at the end.

C K Ross  
Secretary

12 August 2002

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
NS SCAFFOLDING LIMITED**

We have audited the financial statements of NS Scaffolding Limited for the year ended 31 March 2002 which comprise the profit and loss account, balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

**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.

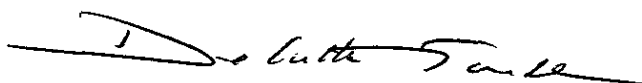
**Basis of audit opinion**

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.

**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 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**DELOITTE & TOUCHE**  
Chartered Accountants and  
Registered Auditors

12 August 2002

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 March 2002**

	Notes	Discontinued operations	
		2002 £	2001 £
<b>TURNOVER</b>		-	-
Cost of sales		-	-
<b>GROSS PROFIT</b>		-	-
Distribution costs		-	-
Administrative expenses		-	-
Other operating income		-	39,250
<b>OPERATING PROFIT</b>	2	-	39,250
Interest payable	3	-	-
<b>RETAINED PROFIT FOR THE YEAR</b>	6	-	39,250


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

**BALANCE SHEET**  
At 31 March 2002

	Notes	2002 £	2001 £
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	4	(583,958)	(583,958)
<b>NET LIABILITIES</b>		<u>(583,958)</u>	<u>(583,958)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	100,000	100,000
Profit and loss account	6	(683,958)	(683,958)
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>	7	<u>(583,958)</u>	<u>(583,958)</u>

These financial statements were approved by the Board of Directors on 12 August 2002.

Signed on behalf of the Board of Directors



D M Telling  
Director



**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002****1. ACCOUNTING POLICIES****Accounting convention**

The financial statements are prepared under the historical cost convention and are prepared in accordance with applicable accounting standards.

**Turnover**

Turnover represents the total, excluding sales taxes, receivable in respect of goods and services supplied. All turnover arises within the United Kingdom, from the company's principal activity.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost 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	3 to 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 periods. The finance element of the rental payments is charged to the profit and loss account over the period 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.

**Deferred taxation**

Provision is made for deferred taxation using the liability method in respect of timing differences to the extent that liabilities will crystallise in the foreseeable future.

**Pension costs**

Pension costs represent amounts paid to one of the group's pension schemes. Details of the defined benefit and money purchase schemes are given in the financial statements of MITIE Group PLC.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002**

<b>2. OPERATING PROFIT</b> is stated after charging:	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	-	-
Depreciation - leased assets	-	-
	<u>-</u>	<u>-</u>
Auditors' remuneration was borne by the parent company.		
<b>3. INTEREST PAYABLE</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Finance lease and hire purchase contracts	-	-
Other interest payable	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	583,958	583,958
	<u>583,958</u>	<u>583,958</u>
<b>5. CALLED UP SHARE CAPITAL</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
100,000 £1 Ordinary shares	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
	<b>£</b>	<b>£</b>
<b>Allotted and fully paid</b>		
100,000 £1 Ordinary shares	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

**NOTES TO THE ACCOUNTS**  
Year ended 31 March 2002**6. PROFIT AND LOSS ACCOUNT**

	£
At 1 April 2001	(683,958)
Retained profit for the year	-
	<hr/>
At 31 March 2002	<u>(683,958)</u>

**7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2002 £	2001 £
Profit for the financial year	-	39,250
Issue of ordinary share capital	-	99,900
	<hr/>	<hr/>
Net addition in shareholders' funds	-	139,150
Opening shareholders' funds	(583,958)	(723,108)
	<hr/>	<hr/>
Closing shareholders' funds	<u>(583,958)</u>	<u>(583,958)</u>

**8. FINANCIAL COMMITMENTS****Commitments on behalf of the group undertakings**

The company is party with other group undertakings to cross-guarantees of each other's bank overdrafts. As at 31 March 2002, the overall commitment was nil (2001: nil).

**9. DIRECTORS**

	2002 £	2001 £
The emoluments of the directors of the company were:		
Fees and other emoluments (excluding pension contributions but including benefits in kind)	-	-
	<hr/>	<hr/>

Messrs D M Telling, J J Clifford and I R Stewart are also directors of MITIE Group PLC and their emoluments and pension details are disclosed in the group accounts. It is not practicable to allocate their remuneration between their services as directors of NS Scaffolding Limited and their services as directors of other group companies.

	No.	No.
The number of directors who were members of a defined benefit pension scheme	1	1
	<hr/>	<hr/>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002****10. EMPLOYEES****Number of employees**

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

	2002 No.	2001 No.
Site labour	-	-
Management	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
<b>Employment costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	-	-
Social security costs	-	-
Pension costs	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

**11. RELATED PARTY TRANSACTIONS**

MITIE Access (Scotland) Limited is the holder of 100% of the issued share capital. The company has taken advantage of the exemption from the requirement to disclose related party transactions with MITIE Group PLC and companies within the group.

**12. PARENT UNDERTAKING**

The directors regard MITIE Group PLC, a company registered in Scotland, as the company's ultimate parent undertaking and controlling party. Copies of the group financial statements can be obtained from the Company Secretary at the registered office.