

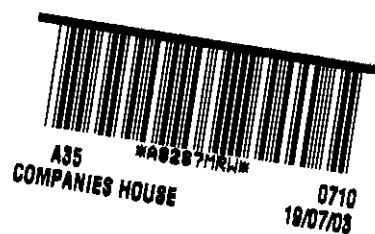
REGISTERED NUMBER: 00893718 (England and Wales)

REGISTRARS COPY

Abbreviated Financial Statements for the Year Ended 31 December 2002

for

SUPERIOR PLUMBING INSTALLATIONS LIMITED



SUPERIOR PLUMBING INSTALLATIONS LIMITED

**Contents of the Financial Statements
for the Year Ended 31 December 2002**

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SUPERIOR PLUMBING INSTALLATIONS LIMITED

**Company Information
for the Year Ended 31 December 2002**

DIRECTORS:

J E Dillon
Mrs P A Dillon
R F Ferriday
J W Dillon
P J Dillon
M J Dillon
K T Shears
B Cooke

SECRETARY:

Mrs P A Dillon

REGISTERED OFFICE:

7 High Street
Chasetown
Burntwood
West Midlands
WS7 8XE

REGISTERED NUMBER:

00893718 (England and Wales)

AUDITORS:

Trafalgars
Registered Auditors
Chartered Accountants
Kings Heath
Birmingham
B14 6DT

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Report of the Directors for the Year Ended 31 December 2002

The directors present their report with the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of central heating engineers and contractors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The business has again continued to grow during the year with turnover increasing by £5 million. All the traditional areas of our business have been trading successfully and the prospects for continuing moderate growth in the coming financial year appear to be positive.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2002.

DIRECTORS

The directors during the year under review were:

J E Dillon
Mrs P A Dillon
R F Ferriday
J W Dillon
P J Dillon
M J Dillon
K T Shears
B Cooke

The beneficial interests of the directors holding office on 31 December 2002 in the issued share capital of the company were as follows:

| | 31.12.02 | 1.1.02 |
|---------------------------------|----------|--------|
| Ordinary shares 1 shares | | |
| J E Dillon | 109 | 111 |
| Mrs P A Dillon | 108 | 110 |
| R F Ferriday | 1 | 1 |
| J W Dillon | 84 | 84 |
| P J Dillon | 84 | 84 |
| M J Dillon | 84 | 84 |
| K T Shears | 26 | 24 |
| B Cooke | 4 | 2 |

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 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.

SUPERIOR PLUMBING INSTALLATIONS LIMITED

**Report of the Directors
for the Year Ended 31 December 2002**

AUDITORS

The auditors, Trafalgars, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'P A Dillon', with a stylized flourish at the end.

Mrs P A Dillon - SECRETARY

Dated: 26 June 2003

SUPERIOR PLUMBING INSTALLATIONS LIMITED

**Report of the Independent Auditors to
SUPERIOR PLUMBING INSTALLATIONS LIMITED
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages five to sixteen, together with the full financial statements of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to sixteen are properly prepared in accordance with that provision.



Trafalgars
Registered Auditors
Chartered Accountants
Kings Heath
Birmingham
B14 6DT

Dated: 26 June 2003

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Abbreviated Profit and Loss Account for the Year Ended 31 December 2002

| | | 31.12.02 | 31.12.01 |
|--|-------|-------------------|-------------------|
| | Notes | £ | £ |
| GROSS PROFIT | | 3,886,341 | 2,548,309 |
| Administrative expenses | | 2,260,482 | 1,795,134 |
| OPERATING PROFIT | 3 | 1,625,859 | 753,175 |
| Interest receivable and similar income | | 65,513 | 27,810 |
| | | 1,691,372 | 780,985 |
| Interest payable and similar charges | 4 | 16,802 | 27,342 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 1,674,570 | 753,643 |
| Tax on profit on ordinary activities | 5 | 508,932 | 229,440 |
| PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION | | 1,165,638 | 524,203 |
| Retained profit brought forward | | 1,333,973 | 809,770 |
| RETAINED PROFIT CARRIED FORWARD | | <u>£2,499,611</u> | <u>£1,333,973</u> |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

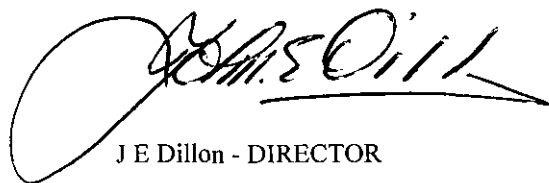
SUPERIOR PLUMBING INSTALLATIONS LIMITED

**Abbreviated Balance Sheet
31 December 2002**

| | | 31.12.02 | | 31.12.01 | |
|--|-------|------------------|-------------------|------------------|-------------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS: | | | | | |
| Tangible assets | 6 | | 1,508,680 | | 869,310 |
| Investments | 7 | | 500 | | 500 |
| | | | <u>1,509,180</u> | | <u>869,810</u> |
| CURRENT ASSETS: | | | | | |
| Stocks | 8 | 90,489 | | 78,851 | |
| Debtors | 9 | 2,661,650 | | 2,519,595 | |
| Investments | 10 | 1,000,000 | | - | |
| Cash at bank | | 1,540,416 | | 1,217,473 | |
| | | <u>5,292,555</u> | | <u>3,815,919</u> | |
| CREDITORS: Amounts falling due within one year | 11 | 4,176,676 | | 3,147,051 | |
| NET CURRENT ASSETS: | | | <u>1,115,879</u> | | <u>668,868</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES: | | | 2,625,059 | | 1,538,678 |
| CREDITORS: Amounts falling due after more than one year | 12 | | (14,551) | | (94,211) |
| PROVISIONS FOR LIABILITIES AND CHARGES: | 14 | | (34,284) | | (33,881) |
| | | | <u>£2,576,224</u> | | <u>£1,410,586</u> |
| CAPITAL AND RESERVES: | | | | | |
| Called up share capital | 15 | | 500 | | 500 |
| Revaluation reserve | 16 | | 76,113 | | 76,113 |
| Profit and loss account | | | 2,499,611 | | 1,333,973 |
| SHAREHOLDERS' FUNDS: | 18 | | <u>£2,576,224</u> | | <u>£1,410,586</u> |

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:


J E Dillon - DIRECTOR

Approved by the Board on 26 June 2003

The notes form part of these financial statements

SUPERIOR PLUMBING INSTALLATIONS LIMITED

**Cash Flow Statement
for the Year Ended 31 December 2002**

| | | 31.12.02 | | 31.12.01 | |
|---|-------|----------|--------------------------|----------|------------------------|
| | Notes | £ | £ | £ | £ |
| Net cash inflow from operating activities | 1 | | 2,523,450 | | 1,229,698 |
| Returns on investments and servicing of finance | 2 | | 48,711 | | 468 |
| Taxation | | | (218,370) | | (44,557) |
| Capital expenditure and financial investment | 2 | | (1,871,162) | | (140,423) |
| | | | <u>482,629</u> | | <u>1,045,186</u> |
| Financing | 2 | | (159,686) | | (200,195) |
| Increase in cash in the period | | | <u><u>£322,943</u></u> | | <u><u>£844,991</u></u> |
| Reconciliation of net cash flow to movement in net funds | 3 | | | | |
| Increase in cash in the period | | | 322,943 | | 844,991 |
| Cash outflow from increase in liquid resources | | | 1,000,000 | | - |
| Cash outflow from decrease in debt and lease financing | | | <u>155,214</u> | | <u>204,668</u> |
| Change in net funds resulting from cash flows | | | 1,478,157 | | 1,049,659 |
| New finance leases | | | - | | (98,800) |
| Movement in net funds in the period | | | <u>1,478,157</u> | | <u>950,859</u> |
| Net funds at 1 January | | | <u>975,850</u> | | <u>24,991</u> |
| Net funds at 31 December | | | <u><u>£2,454,007</u></u> | | <u><u>£975,850</u></u> |

The notes form part of these financial statements

SUPERIOR PLUMBING INSTALLATIONS LIMITED

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2002**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 31.12.02 £ | 31.12.01 £ |
|--|-------------------------|-------------------------|
| Operating profit | 1,625,859 | 753,175 |
| Depreciation charges | 210,517 | 196,993 |
| Loss on sale of fixed assets | 21,275 | 10,643 |
| Increase in stocks | (11,638) | (8,761) |
| Increase in debtors | (142,055) | (341,265) |
| Increase in creditors | 819,492 | 618,913 |
| | <u> </u> | <u> </u> |
| Net cash inflow from operating activities | <u><u>2,523,450</u></u> | <u><u>1,229,698</u></u> |

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

| | 31.12.02 £ | 31.12.01 £ |
|--|---------------------------|-------------------------|
| Returns on investments and servicing of finance | | |
| Interest received | 65,513 | 27,810 |
| Interest paid | (117) | (876) |
| Interest element of hire purchase payments | (16,685) | (26,466) |
| | <u> </u> | <u> </u> |
| Net cash inflow for returns on investments and servicing of finance | <u><u>48,711</u></u> | <u><u>468</u></u> |
| Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (924,287) | (176,473) |
| Cash payments - investmt purch | (1,000,000) | - |
| Sale of tangible fixed assets | 53,125 | 36,050 |
| | <u> </u> | <u> </u> |
| Net cash outflow for capital expenditure | <u><u>(1,871,162)</u></u> | <u><u>(140,423)</u></u> |
| Financing | | |
| Hire purchase repayments in the year. | (155,214) | (204,667) |
| Amount introduced by directors | - | 4,472 |
| Amount withdrawn by directors | (4,472) | - |
| | <u> </u> | <u> </u> |
| Net cash outflow from financing | <u><u>(159,686)</u></u> | <u><u>(200,195)</u></u> |

The notes form part of these financial statements

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Cash Flow Statement for the Year Ended 31 December 2002

3. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.1.02 £ | Cash flow £ | At 31.12.02 £ |
|----------------------------------|------------------|------------------|------------------|
| Net cash: | | | |
| Cash at bank | 1,217,473 | 322,943 | 1,540,416 |
| | <u>1,217,473</u> | <u>322,943</u> | <u>1,540,416</u> |
| Liquid resources: | | | |
| Current asset investments | - | 1,000,000 | 1,000,000 |
| | <u>-</u> | <u>1,000,000</u> | <u>1,000,000</u> |
| Debt: | | | |
| Hire purchase | (241,623) | 155,214 | (86,409) |
| | <u>(241,623)</u> | <u>155,214</u> | <u>(86,409)</u> |
| Total | <u>975,850</u> | <u>1,478,157</u> | <u>2,454,007</u> |
| Analysed in Balance Sheet | | | |
| Cash at bank | 1,217,473 | | 1,540,416 |
| Current asset investments | - | | 1,000,000 |
| Hire purchase | | | |
| within one year | (147,412) | | (71,858) |
| after one year | (94,211) | | (14,551) |
| | <u>975,850</u> | | <u>2,454,007</u> |

The notes form part of these financial statements

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|---------------------|-------------------------------------|
| Freehold property | - 5% on cost |
| Leasehold property | - Evenly over the life of the lease |
| Plant and machinery | - 25% on reducing balance |
| Motor vehicles | - 25% on reducing balance |

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

| | 31.12.02 | 31.12.01 |
|---------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 8,711,987 | 6,900,641 |
| Other pension costs | 177,816 | 126,224 |
| | <u>8,889,803</u> | <u>7,026,865</u> |

The average monthly number of employees during the year was as follows:

| | 31.12.02 | 31.12.01 |
|----------------|------------|------------|
| Operatives | 176 | 142 |
| Administration | 52 | 38 |
| Managers | 8 | 8 |
| | <u>236</u> | <u>188</u> |

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

3. OPERATING PROFIT

The operating profit is stated after charging:

| | 31.12.02 | 31.12.01 |
|--|-------------------|-------------------|
| | £ | £ |
| Depreciation - owned assets | 149,698 | 86,786 |
| Depreciation - assets on hire purchase contracts | 60,819 | 110,207 |
| Loss on disposal of fixed assets | 21,275 | 10,643 |
| Auditors' remuneration | 4,035 | 3,535 |
| | <u> </u> | <u> </u> |

| | | |
|-----------------------|-------------------|-------------------|
| Directors' emoluments | 754,973 | 585,950 |
| | <u> </u> | <u> </u> |

Information regarding the highest paid director is as follows:

| | 31.12.02 | 31.12.01 |
|----------------|-------------------|-------------------|
| | £ | £ |
| Emoluments etc | 194,661 | 198,981 |
| | <u> </u> | <u> </u> |

4. INTEREST PAYABLE AND SIMILAR CHARGES

| | 31.12.02 | 31.12.01 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Bank interest | 117 | 876 |
| Hire purchase interest | 16,685 | 26,466 |
| | <u> </u> | <u> </u> |
| | 16,802 | 27,342 |
| | <u> </u> | <u> </u> |

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

| | 31.12.02 | 31.12.01 |
|--------------------------------------|-------------------|-------------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | 508,529 | 218,370 |
| Deferred tax: | | |
| Deferred taxation | 403 | 11,070 |
| | <u> </u> | <u> </u> |
| Tax on profit on ordinary activities | 508,932 | 229,440 |
| | <u> </u> | <u> </u> |

UK corporation tax has been charged at 30% (2001 - 27.70%).

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

5. TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | 31.12.02 £ | 31.12.01 £ |
|--|------------------|----------------|
| Profit on ordinary activities before tax | <u>1,674,570</u> | <u>753,643</u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2001 - 27.736%) | 502,371 | 209,030 |
| Effects of: | | |
| Disallowable expenses including freehold and leasehold depreciation | 5,490 | 5,075 |
| Depreciation for period in excess of capital allowances | <u>668</u> | <u>4,265</u> |
| Current tax charge | <u>508,529</u> | <u>218,370</u> |

6. TANGIBLE FIXED ASSETS

| | Freehold property | Leasehold property | Plant and machinery | Motor vehicles | Totals |
|-------------------------|----------------------|-----------------------|------------------------|-------------------|------------------|
| | £ | £ | £ | £ | £ |
| COST: | | | | | |
| At 1 January 2002 | 191,811 | - | 100,223 | 1,149,789 | 1,441,823 |
| Additions | - | 516,364 | 5,120 | 402,803 | 924,287 |
| Disposals | - | - | - | (246,640) | (246,640) |
| At 31 December 2002 | <u>191,811</u> | <u>516,364</u> | <u>105,343</u> | <u>1,305,952</u> | <u>2,119,470</u> |
| DEPRECIATION: | | | | | |
| At 1 January 2002 | 5,000 | - | 68,444 | 499,069 | 572,513 |
| Charge for year | 5,000 | 592 | 8,648 | 196,277 | 210,517 |
| Eliminated on disposals | - | - | - | (172,240) | (172,240) |
| At 31 December 2002 | <u>10,000</u> | <u>592</u> | <u>77,092</u> | <u>523,106</u> | <u>610,790</u> |
| NET BOOK VALUE: | | | | | |
| At 31 December 2002 | <u>181,811</u> | <u>515,772</u> | <u>28,251</u> | <u>782,846</u> | <u>1,508,680</u> |
| At 31 December 2001 | <u>186,811</u> | <u>-</u> | <u>31,779</u> | <u>650,720</u> | <u>869,310</u> |

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

6. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Motor vehicles |
|--------------------------|-------------------|
| | £ |
| COST: | |
| At 1 January 2002 | 578,465 |
| Transferred to ownership | (224,977) |
| | <hr/> |
| At 31 December 2002 | 353,488 |
| | <hr/> |
| DEPRECIATION: | |
| At 1 January 2002 | 214,860 |
| Charge for year | 60,819 |
| Transferred to ownership | (105,246) |
| | <hr/> |
| At 31 December 2002 | 170,433 |
| | <hr/> |
| NET BOOK VALUE: | |
| At 31 December 2002 | 183,055 |
| | <hr/> |
| At 31 December 2001 | 363,605 |
| | <hr/> |

7. FIXED ASSET INVESTMENTS

| | £ |
|---|--------------------------|
| COST: | |
| At 1 January 2002 and 31 December 2002 | 500 |
| | <hr/> |
| NET BOOK VALUE: | |
| At 31 December 2002 | 500 |
| | <hr/> |
| At 31 December 2001 | 500 |
| | <hr/> |
| | 31.12.02 31.12.01 |
| | £ £ |
| Unlisted investments | 500 500 |
| | <hr/> <hr/> |

8. STOCKS

| | | |
|-------|----------|----------|
| | 31.12.02 | 31.12.01 |
| | £ | £ |
| Stock | 90,489 | 78,851 |
| | <hr/> | <hr/> |

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

**9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

| | 31.12.02 £ | 31.12.01 £ |
|-------------------------|------------------|------------------|
| Trade debtors | 2,552,201 | 2,347,947 |
| Prepayments | 69,449 | 131,648 |
| Loan Proffinner Limited | 40,000 | 40,000 |
| | <u>2,661,650</u> | <u>2,519,595</u> |

10. CURRENT ASSET INVESTMENTS

| | 31.12.02 £ | 31.12.01 £ |
|--------------------|---------------|---------------|
| Listed investments | 1,000,000 | - |

Market value of listed investments at 31 December 2002 - £1,040,422.

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

| | 31.12.02 £ | 31.12.01 £ |
|--|------------------|------------------|
| Hire purchase contracts (see note 13) | 71,858 | 147,412 |
| Trade creditors | 1,899,196 | 1,982,635 |
| Other creditors | 112,164 | 48,808 |
| Amount owed to associated company | 758,671 | - |
| Directors' current accounts | - | 4,472 |
| Social security & other taxes | 822,258 | 714,247 |
| Corporation tax | 508,529 | 218,370 |
| Accrued expenses | 4,000 | 31,107 |
| | <u>4,176,676</u> | <u>3,147,051</u> |

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

| | 31.12.02 £ | 31.12.01 £ |
|--|---------------|---------------|
| Hire purchase contracts (see note 13) | 14,551 | 94,211 |

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

| | 31.12.02 | 31.12.01 |
|------------------------------|---------------|----------------|
| | £ | £ |
| Gross obligations repayable: | | |
| Within one year | 75,690 | 164,097 |
| Between one and five years | 18,332 | 112,543 |
| | <u>94,022</u> | <u>276,640</u> |
| Finance charges repayable: | | |
| Within one year | 3,832 | 16,685 |
| Between one and five years | 3,781 | 18,332 |
| | <u>7,613</u> | <u>35,017</u> |
| Net obligations repayable: | | |
| Within one year | 71,858 | 147,412 |
| Between one and five years | 14,551 | 94,211 |
| | <u>86,409</u> | <u>241,623</u> |

14. PROVISIONS FOR LIABILITIES AND CHARGES

| | 31.12.02 | 31.12.01 |
|-----------------------------|---------------|---------------|
| | £ | £ |
| Deferred taxation | <u>34,284</u> | <u>33,881</u> |
| | Deferred tax | |
| | £ | |
| Balance at 1 January 2002 | 33,881 | |
| Movement in year | 403 | |
| Balance at 31 December 2002 | <u>34,284</u> | |

15. CALLED UP SHARE CAPITAL

| | | | | |
|----------------------------------|-----------------|----------------|--------------|--------------|
| Authorised: | | | | |
| Number: | Class: | Nominal value: | 31.12.02 | 31.12.01 |
| | | | £ | £ |
| 1,000 | Ordinary shares | 1 | <u>1,000</u> | <u>1,000</u> |
| Allotted, issued and fully paid: | | | | |
| Number: | Class: | Nominal value: | 31.12.02 | 31.12.01 |
| | | | £ | £ |
| 500 | Ordinary shares | 1 | <u>500</u> | <u>500</u> |

16. REVALUATION RESERVE

| | 31.12.02 | 31.12.01 |
|-----------------|---------------|---------------|
| | £ | £ |
| Brought forward | <u>76,113</u> | <u>76,113</u> |

SUPERIOR PLUMBING INSTALLATIONS LIMITED

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2002

17. RELATED PARTY DISCLOSURES

The company owns 50% of Proofinner Limited to which it provided services to the value of £549,027 at arms length during the year. The amount owing at the 31st December 2002 in respect of these transactions was £22,160. The company also purchased goods to the value of £9,877,045 from S P I Trading Limited, a company in which J E and Mrs P A Dillon are the only directors and shareholders. The amount owing at 31st December 2002 in respect of these transactions was £758,671.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 31.12.02 | 31.12.01 |
|--|------------------|------------------|
| | £ | £ |
| Profit for the financial year | 1,165,638 | 524,203 |
| Net addition to shareholders' funds | 1,165,638 | 524,203 |
| Opening shareholders' funds | 1,410,586 | 886,383 |
| Closing shareholders' funds | 2,576,224 | 1,410,586 |
| Equity interests | 2,576,224 | 1,410,586 |

19. CONTROLLING PARTY

The company is controlled by the directors as shown on page 1.