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Utilicom Limited

Report and Accounts

30th June 1985

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Comins & Co
Chartered Accountants
London, Ashford and Geneva



Member of the ICC
international group

UTILICOM LIMITED

30TH JUNE 1985

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UTILICOM LIMITED
REPORT OF THE DIRECTORS

DIRECTORS:

A.J.M. Planchot
C.J. Maillard

SECRETARY:

S.B. Thomson

The Directors present their report and accounts for the year ended 30th June 1985.

1. REVIEW OF THE BUSINESS

The principal activity of the Company during the year was the provision of heating and energy services.

	1985	1984
Turnover	£3,072,445	£2,518,381
	=====	=====
Profit/(Loss) before taxation	54,243	(87)
Taxation	28,299	(5,986)
	-----	-----
Extraordinary Item	25,944	5,899
	18,041	-
	-----	-----
Profit for the year	£ 43,985	£ 5,899
	=====	=====

2. PROPOSED DIVIDEND

The Directors do not recommend the payment of a dividend.

3. DIRECTORS AND THEIR INTERESTS

The Directors have no interests in the company or its parent company IDEX S.A. The Directors during the year were as follows:-

A.J.M. Planchot
C.J. Maillard
J.H. Birch (resigned 30th November 1984)

4. AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing the re-appointment of Messrs. Comins & Co. as Auditors of the Company will be put to the Annual General Meeting.

Registered Office:
22 St. Andrew Street
London
EC4A 3AN

6th August, 1986

BY ORDER OF THE BOARD

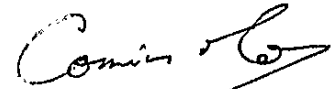
S.B. Thomson

Secretary

REPORT OF THE AUDITORS
TO THE MEMBERS OF UTILICOM LIMITED

We have audited the accounts on pages 3 to 11 in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraph.

In our opinion the accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of affairs of the Company at 30th June 1985 and of its profit and source and application of funds for the year ended on that date and comply with the Companies Act 1985.



COMINS & CO:

Chartered Accountants

22, St. Andrew Street,
London,
EC4A 3AN.

6th August, 1986

UTILICOM LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 30TH JUNE 1985

		1985 £	1984 £
<u>TURNOVER</u>	NOTE 2	3,072,445	2,518,381
<u>Cost of Sales</u>		2,715,421	2,241,921
<u>GROSS PROFIT</u>		357,024	276,460
Administrative Expenses		244,912	243,186
<u>OPERATING PROFIT</u>	3	112,112	33,274
Income from Investments	5	3,061	10,202
		115,173	43,476
Interest Payable	6	60,930	43,563
<u>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		54,243	(87)
Taxation	7	28,299	(5,986)
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		25,944	5,899
Extraordinary Item	8	18,041	-
<u>PROFIT FOR THE FINANCIAL YEAR</u>	18	£ 43,985	£ 5,899

The notes on pages 6 to 11
 form part of these Accounts

UTILICOM LIMITED

BALANCE SHEET 30TH JUNE 1985

		1985	1984
	NOTE	£	£
<u>FIXED ASSETS</u>			
Tangible Assets	9	42,031	28,503
<u>CURRENT ASSETS</u>			
Stocks	10	160,545	182,972
Debtors	11	1,065,102	869,287
Investments	12	248	248
Cash	13	33,948	21,154
		1,259,843	1,073,661
<u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	14	985,738	728,246
<u>NET CURRENT ASSETS</u>		274,105	345,415
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		316,136	373,918
<u>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</u>	15	31,242	135,847
<u>PROVISIONS FOR LIABILITIES AND CHARGES</u>	16	2,838	-
<u>NET ASSETS</u>		£282,056	£238,071
Financed by:			
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	17	200,000	200,000
Profit and Loss Account	18	82,056	38,071
<u>SHAREHOLDERS FUNDS</u>		£282,056	£238,071
Approved by the Board			
A.J.M. Planchot)		
C.J. Maillard)		
) Directors		
6th August, 1986			
The notes on pages 6 to 11 form part of these accounts			

UTILICOM LIMITED

SOURCE AND APPLICATION OF FUNDS FOR THE YEAR ENDED 30TH JUNE 1985

	1985		1984	
	£	£	£	£
SOURCE OF FUNDS				
Profit/(Loss) on ordinary activities before taxation		54,243		(87)
Extraordinary Item before taxation		42,866		-
Adjustment for items not involving the movement of funds:				
Depreciation	11,485		7,885	
Net Loss on sale of Fixed Assets	1,519		9,908	
		13,004		17,793
TOTAL GENERATED FROM OPERATIONS		110,113		17,706
FUNDS FROM OTHER SOURCES				
Proceeds of sale of Fixed Assets	955		4,327	
Increase in Creditors due after more than one year	-	955	45,237	49,564
		111,068		67,270
APPLICATION OF FUNDS				
Taxation Paid	35,917		7,742	
Purchase of Fixed Assets	27,487		1,538	
Decrease in Creditors due after more than one year	104,605		-	9,280
		168,009		
		£(56,941)		£57,990
		=====		=====
(DECREASE)/INCREASE IN WORKING CAPITAL				
Stocks		(22,427)		(43,995)
Debtors - excluding taxation		188,125		177,249
Creditors due within one year-excluding taxation and bank overdraft.		45,211		(131,721)
		210,909		1,533
Movement in Net Liquid Funds				
Cash	12,794		(84,883)	
Bank overdraft	(280,644)		141,340	
		(267,850)		56,457
		£(56,941)		£57,990
		=====		=====

UTILICOM LIMITED

NOTES TO THE ACCOUNTS
30TH JUNE 1985

1. ACCOUNTING POLICIES

(i) Accounting Conventions

The Accounts are prepared under the historical cost convention.

(ii) Long Term Provision

Utilicom Ltd undertakes during the period of a heat-supply contract to replace certain items of boiler plant and machinery at the end of their useful lives. It is the Company's policy to provide for this liability over the life of the contract by annual amounts adjusted for inflation. Expenditure incurred is set against the provision.

(iii) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life as follows:

Plant and Machinery	at 25% p.a. on a reducing balance basis
Fixtures and Fittings	at 15% p.a. on a reducing balance basis
Motor vehicles	at 25% p.a. on a reducing balance basis

(iv) Stocks

Stocks are stated in accordance with Statement of Standard Accounting Practice No. 9 at the lower of cost and net realisable value as follows:

Purchased for re-sale:- purchase cost on a first in first out basis

Stocks of Spares:- At cost by reference to suppliers current replacement cost or the company's valuation.

Net realisable value is based on the estimated selling price less further costs expected to be incurred to completion and disposal.

(v) Deferred Taxation

Deferred taxation is provided on the liability method on all short term timing differences. Provision is also made for long term timing differences except for those which are not expected to reverse in the future.

(vi) Turnover

Turnover represents the invoiced amount of goods sold and services provided during the year exclusive of value added tax.

UTILICOM LIMITED

NOTES TO THE ACCOUNTS 30TH JUNE 1985

2. ANALYSIS OF TURNOVER

All turnover is derived from the United Kingdom.

3. OPERATING PROFIT

This is stated after charging:	<u>1985</u> <u>£</u>	<u>1984</u> <u>£</u>
Depreciation	11,485	7,885
Hire of Plant and Machinery	2,745	1,440
Auditors Remuneration	4,250	2,500

4. EMPLOYEES

The average weekly numbers of employees during the year was made up as follows:

	<u>1985</u>	<u>1984</u>
Administration Staff	8	7
Engineers	24	13
	-----	-----
	32	20
	=====	=====

Staff costs during the year amounted to:

Wages and Salaries	302,385	237,167
Other Pension Costs	2,829	4,237
	-----	-----
	£305,214	£241,404
	=====	=====

Staff costs include the following in respect of Directors:

Others Emoluments (including pension contributions)	£26,000	£24,002
	-----	-----

Emoluments (excluding pension contributions) were paid as follows:

Chairman	£NIL	£NIL
	=====	=====
Highest Paid Director	£16,000	£24,002
	=====	=====
Other Directors:		
£0 - £5,000	-	1
£5,001-£10,000	1	-

UTILICOM LIMITED
NOTES TO THE ACCOUNTS
30TH JUNE 1985

5. INVESTMENT INCOME

	<u>1985</u>	<u>1984</u>
Bank Deposit Interest	2,631	10,194
Premium on sale of lease	414	-
Dividends Received	16	8
	-----	-----
	£ 3,061	£10,202
	=====	=====

6. INTEREST PAYABLE

	<u>1985</u>	<u>1984</u>
Bank overdraft	59,666	43,563
Interest on overdue Corporation Tax	1,264	-
	-----	-----
	£60,930	£43,563
	=====	=====

7. TAXATION

	<u>1985</u>	<u>1984</u>
UK Corporation Tax at 43.75%		
Current	25,088	10,094
Adjustment: in respect of prior years	373	-
Deferred Tax	2,838	(16,080)
	-----	-----
	£28,299	£(5,986)
	=====	=====

8. EXTRAORDINARY ITEM

	<u>1985</u>	<u>1984</u>
The extraordinary item comprises:-		
Long Term Provision no longer required	107,686	-
Less: Corporation tax applicable thereto	(24,825)	-
	-----	-----
	82,861	£ -
Less: Provision for		
Directors Loan Account	(29,920)	
Loan	(34,900)	

	£18,041	
	=====	

UTILICOM LIMITED
NOTES TO THE ACCOUNTS
30TH JUNE 1985

9. TANGIBLE FIXED ASSETS

	<u>MOTOR VEHICLES</u>	<u>PLANT AND MACHINERY</u>	<u>FIXTURES & FITTINGS</u>	<u>TOTAL</u>
<u>Cost or Valuation</u>				
1st July 1984	30,797	7,240	14,868	52,905
Additions	15,000	3,785	8,702	27,487
Disposals	(4,300)	-	(55)	(4,355)
	-----	-----	-----	-----
At 30th June 1985	£41,497	£11,025	£23,515	£76,037
	=====	=====	=====	=====
<u>Depreciation</u>				
1st July 1984	16,126	3,708	4,568	24,402
Charge for the year	6,813	1,830	2,842	11,485
Disposals	(1,881)	-	-	(1,881)
	-----	-----	-----	-----
At 30th June 1985	£21,058	£5,538	£7,410	£34,006
	=====	=====	=====	=====
<u>Net Book Value</u>				
At 30th June 1985	£20,439	£5,487	£16,105	£42,031
	=====	=====	=====	=====
At 1st July 1984	£14,671	£3,532	£10,300	£28,503
	=====	=====	=====	=====

UTILICOM LIMITED
NOTES TO THE ACCOUNTS
30TH JUNE 1985

10. <u>STOCKS</u>	<u>1985</u>	<u>1984</u>
Stock of spares	12,311	12,525
Fuel	148,234	170,447
	-----	-----
	£160,545	£182,972
	=====	=====
11. <u>DEBTORS</u>	<u>1985</u>	<u>1984</u>
Trade debtors	877,051	708,201
Other debtors	118,840	149,810
Prepayments and accrued income	37,016	4,274
Corporation Tax	7,690	-
Associated Company	17,503	-
Holding Company	7,002	7,002
	-----	-----
	£1,065,102	£869,287
	=====	=====
12. <u>INVESTMENTS HELD AS CURRENT ASSETS</u>	<u>1985</u>	<u>1984</u>
Listed Investments		
(Market Value £308 1984: £280)	£248	£248
	=====	=====
13. <u>CASH</u>		
£30,000 of this balance is subject to a specific charge in respect of Bank guarantees given by the Company.		
14. <u>CREDITORS: AMOUNTS FALLING</u>		
<u>DUE WITHIN ONE YEAR</u>	<u>1985</u>	<u>1984</u>
Bank overdraft **	693,238	412,594
Trade creditors	200,180	233,830
Corporation Tax	49,909	27,850
Other Taxes and Social Security costs	13,447	39,394
Other Creditors and accruals	28,964	14,578
	-----	-----
	£985,738	£728,246
	=====	=====

** The Bank holds a floating charge over the assets of the company

UTILICOM LIMITED
NOTES TO THE ACCOUNTS
30TH JUNE 1985

15. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR

	<u>1985</u>	<u>1984</u>
Long Term Provision	£ 31,242 =====	£135,847 =====

16. PROVISIONS FOR LIABILITIES AND CHARGES

This comprises deferred taxation as follows:-

	<u>1985</u>	<u>1984</u>
Accelerated Depreciation Allowances	8,305	-
Timing differences	(5,467)	-
	-----	-----
	£ 2,838	£ -
	=====	=====

17. SHARE CAPITAL

	<u>1985</u>	<u>1984</u>
Authorised		
Ordinary shares of £1 each	£250,000 =====	£250,000 =====
Allotted called-up and fully paid		
Ordinary shares of £1 each	£200,000 =====	£200,000 =====

18. RESERVES

	<u>Profit and Loss Account</u>
At 1st July 1984	38,071
Retained profit for year	43,985

	£ 82,056 =====

19. LEASING COMMITMENTS

The amount outstanding for the leasing of motor vehicles of the 30th June was £49,953 (1984:- £40,586).

20. CONTINGENT LIABILITIES

At 30th June 1985 there was a contingent liability in respect of a guarantee given by the Company for a bond issued amounting to £6,780.

21. HOLDING COMPANY

The holding company is IDEX SA a company incorporated in France.