

1506399

**Utilicom Limited**

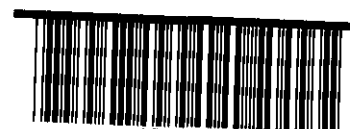
Report and Financial Statements

Year Ended

31 August 2001



**BDO Stoy Hayward**  
Chartered Accountants



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# **Utilicom Limited**

## **Annual report and financial statements for the year ended 31 August 2001**

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### **Contents**

#### **Page:**

2	Report of the directors
4	Report of the independent auditors
6	Profit and loss account
7	Balance sheet
8	Notes forming part of the financial statements

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### **Directors**

A J M Planchot  
C J Maillard  
P C Bono  
Baroness Maddock

### **Secretary and registered office**

D Pennington, Garrett House, Manor Royal, Crawley, West Sussex, RH10 2PY

### **Company number**

1506399

### **Auditors**

BDO Stoy Hayward, Nile House, PO Box 1034  
Nile Street, Brighton, BN1 1JB

## **Utilicom Limited**

### **Report of the directors for the year ended 31 August 2001**

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The directors present their report together with the audited financial statements for the year ended 31 August 2001.

#### **Results**

The profit and loss account is set out on page 6 and shows the profit for the year.

#### **Principal activities**

The principal activity of the company continued to be that of the provision of heating and energy services.

#### **Charitable contributions**

During the year the company made charitable contributions of £25 (2000: £321).

#### **Directors**

The directors of the company during the year were:

A J M Planchot  
C J Maillard  
P C Bono  
Baroness Maddock

No director had any beneficial interest in the share capital of the company. Interests in the share capital of the parents, Idex SA and Strec SA, are shown in the financial statements of those companies. No rights to subscribe for any shares or debentures of the group were granted or exercised during the year.

#### **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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

**Utilicom Limited**

**Report of the directors for the year ended 31 August 2001 (Continued)**

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**Auditors**

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, BDO Stoy Hayward, will be deemed to be reappointed for each succeeding financial year.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**On behalf of the board**



**Director**

7 December 2001

## Utilicom Limited

### Report of the independent auditors

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#### To the shareholders of Utilicom Limited

We have audited the financial statements of Utilicom Limited for the year ended 31 August 2001 on pages 6 to 16 which have been prepared under the accounting policies set out therein.

#### *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 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.

Utilicom Limited

Report of the independent auditors (*Continued*)

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*Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*BDO Stoy Hayward*  
**BDO STOY HAYWARD**

*Chartered Accountants  
and Registered Auditors*  
Brighton

*7 December 2001*

**Utilicom Limited**

**Profit and loss account for the year ended 31 August 2001**

	Note	Year ended 31 August 2001 £	14 months ended 31 August 2000 £
<b>Turnover</b>	2	2,748,042	2,757,272
Cost of sales		1,878,557	2,007,583
		<hr/>	<hr/>
<b>Gross profit</b>		869,485	749,689
Administrative expenses		682,333	663,196
		<hr/>	<hr/>
		187,152	86,493
Other operating income		241,629	89,222
		<hr/>	<hr/>
<b>Operating profit</b>	3	428,781	175,715
Other interest receivable and similar income	5	14,652	9,070
Interest payable and similar charges		(1,719)	(11,409)
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		441,714	173,376
Taxation on profit on ordinary activities	6	(5,995)	-
		<hr/>	<hr/>
<b>Profit on ordinary activities after taxation retained for the year/period</b>		447,709	173,376
Accumulated loss brought forward		(739,220)	(912,596)
		<hr/>	<hr/>
<b>Accumulated loss carried forward</b>		(291,511)	(739,220)
		<hr/>	<hr/>

All amounts relate to continuing activities.

All recognised gains and losses in the current year and prior period are included in the profit and loss account. There are no movements in shareholders' funds in the current year and prior period apart from the profit for the year/period.

The notes on pages 8 to 16 form part of these financial statements.

**Utilicom Limited**

**Balance sheet at 31 August 2001**

	Note	31 August 2001 £	31 August 2001 £	31 August 2000 £	31 August 2000 £
<b>Fixed assets</b>					
Tangible assets	7		109,789		123,028
Investments	8		92		92
			<hr/>		<hr/>
			109,881		123,120
<b>Current assets</b>					
Stocks	9	35,292		35,292	
Debtors	10	2,040,962		2,162,124	
Cash at bank and in hand		428,032		437,685	
		<hr/>		<hr/>	
		2,504,286		2,635,101	
<b>Creditors: amounts falling due within one year</b>	11	828,952		1,390,362	
		<hr/>		<hr/>	
<b>Net current assets</b>			1,675,334		1,244,739
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			1,785,215		1,367,859
<b>Provision for liabilities and charges</b>	12		18,021		48,374
			<hr/>		<hr/>
			1,767,194		1,319,485
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	13		550,000		550,000
Other reserves	14		1,508,705		1,508,705
Profit and loss account	14		(291,511)		(739,220)
			<hr/>		<hr/>
<b>Equity shareholders' funds</b>			1,767,194		1,319,485
			<hr/>		<hr/>

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

The financial statements were approved by the Board on . 7 December 2001

Director



The notes on pages 8 to 16 form part of these financial statements.



## 1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

### *Consolidated financial statements*

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a medium-sized group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

### *Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 1985.

### *Turnover*

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

### *Depreciation*

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Plant and machinery	- 15% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance
Office equipment	- 33.3% reducing balance and straight line

### *Valuation of investments*

Investments held as fixed assets are stated at cost less any provision for impairment.

### *Stocks*

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

### *Foreign currency*

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the profit and loss account.

**1 Accounting policies (*continued*)**

*Deferred taxation*

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability or asset will crystallise.

*Leased assets*

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

*Pensions*

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

**2 Turnover**

None of the company's turnover is attributable to markets outside the United Kingdom.

**3 Operating profit**

This is arrived at after charging:

	Year ended 31 August 2001 £	14 months ended 31 August 2000 £
Depreciation of tangible fixed assets	33,301	39,626
Hire of plant and machinery - operating leases	91,638	84,395
Hire of other assets - operating leases	60,777	27,596
Auditors' remuneration - audit services	4,500	16,145
	<hr/>	<hr/>

**4 Directors' remuneration**

	Year ended 31 August 2001 £	14 months ended 31 August 2000 £
Aggregate emoluments, pension contributions and amounts receivable under long term incentive schemes	10,000	-

**5 Other interest receivable and similar income**

	Year ended 31 August 2001 £	14 months ended 31 August 2000 £
Bank deposits	5,417	9,070
Exchange gains	9,235	-
	<u>14,652</u>	<u>9,070</u>

I dex SA (see note 18) has declared that all balances owed by the company are to be repaid in French Francs thus transferring the exchange rate risk to the company. The year end intercompany balance with I dex SA has therefore been translated at the balance sheet closing rate, in accordance with SSAP 20, resulting in an exchange gain of £9,235 being recognised in the year and included within other interest receivable and similar income (2000: £28,823 exchange loss included within administrative expenses).

**6 Taxation on profit on ordinary activities**

	Year ended 31 August 2001 £	14 months ended 31 August 2000 £
<i>UK Corporation tax</i>		
<i>Prior periods</i>		
UK Corporation tax	(5,995)	-

No provision has been made for UK corporation tax due to the availability of losses.

Utilicom Limited

Notes forming part of the financial statements for the year ended 31 August 2001 (*Continued*)

**7 Tangible fixed assets**

	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Total £</b>
<i>Cost</i>					
At 1 September 2000	105,086	10,742	108,546	131,205	355,579
Additions	-	-	4,515	15,547	20,062
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2001	<b>105,086</b>	<b>10,742</b>	<b>113,061</b>	<b>146,752</b>	<b>375,641</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>					
At 1 September 2000	49,037	8,849	65,760	108,905	232,551
Provided for the year	8,407	473	7,095	17,326	33,301
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2001	<b>57,444</b>	<b>9,322</b>	<b>72,855</b>	<b>126,231</b>	<b>265,852</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Net book value</i>					
At 31 August 2001	<b>47,642</b>	<b>1,420</b>	<b>40,206</b>	<b>20,521</b>	<b>109,789</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2000	<b>56,049</b>	<b>1,893</b>	<b>42,786</b>	<b>22,300</b>	<b>123,028</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Utilicom Limited.**

**Notes forming part of the financial statements for the year ended 31 August 2001 (Continued)**

**8 Fixed asset investments**

	Shares in group undertakings £
<i>Cost</i>	
At 1 September 2000 and 31 August 2001	92
<i>Net book value</i>	—
At 31 August 2000 and 31 August 2001	92
	==

*Subsidiary undertakings*

The principal undertakings in which the company's interest at the year end is 20% or more are as follows:

	Class of share capital held	%
Industrielle de Chauffage Enterprise United Kingdom Limited	Ordinary	90
North Channel Energy Services Limited	Ordinary	100

**9 Stocks**

	31 August 2001 £	31 August 2000 £
Stock of fuel and parts	35,292	35,292
	==	==

**Utilicom Limited**

**Notes forming part of the financial statements for the year ended 31 August 2001 (Continued)**

**10 Debtors**

	31 August 2001 £	31 August 2000 £
Trade debtors	472,527	545,748
Amounts owed by group undertakings	1,400,511	1,382,028
Other debtors	167,924	234,348
	<hr/>	<hr/>
	2,040,962	2,162,124
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

**11 Creditors: amounts falling due within one year**

	31 August 2001 £	31 August 2000 £
Trade creditors	210,197	454,450
Amounts owed to group undertakings	83,112	264,911
Taxation and social security	84,441	132,168
Other creditors	451,202	538,833
	<hr/>	<hr/>
	828,952	1,390,362
	<hr/>	<hr/>

**12 Provision for liabilities and charges**

	Long term heat supply contracts £
At 31 August 2000	48,374
Utilised in year	(30,353)
	<hr/>
At 31 August 2001	18,021
	<hr/>

### 13 Share capital

	31 August 2001 £	Authorised 31 August 2000 £	Allotted, called up and fully paid 31 August 2001 £	31 August 2000 £
<i>Equity share capital</i>				
550,000 Ordinary shares of £ 1 each	<b>1,650,000</b>	1,650,000	<b>550,000</b>	550,000

### 14 Reserves

	Other reserves £	Profit and loss account £
At 1 September 2000	1,508,705	(739,220)
Profit for the year	-	447,709
<b>At 31 August 2001</b>	<b>1,508,705</b>	<b>(291,511)</b>

### 15 Contingent liabilities

The company has given security to the Bank of Scotland in relation to its fellow subsidiary undertaking, Bloomsbury Heat & Power Limited. At the balance sheet date the bank loan secured amounted to £533,336 (2000: £600,000).

### 16 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £32,494 (2000: £27,470).

**Utilicom Limited.**

**Notes forming part of the financial statements for the year ended 31 August 2001 (Continued)**

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**17 Commitments under operating leases**

As at 31 August 2001, the company had annual commitments under non-cancellable operating leases as set out below:

	<b>31 August 2001</b>		<b>31 August 2000</b>	
	<b>Land and buildings</b>	<b>Other</b>	<b>Land and buildings</b>	<b>Other</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Operating leases which expire:				
Within one year	-	39,885	-	21,260
In two to five years	42,664	40,162	-	52,780
After five years	-	-	38,000	-
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	42,664	80,047	38,000	74,040
	<hr/>	<hr/>	<hr/>	<hr/>



## 18 Related party disclosures

### *Controlling parties*

The company is ultimately jointly owned and controlled by Idex SA and Strec SA, both of whom are registered in France. Copies of the Idex SA group accounts can be obtained from 8 Bis Rue Escudier, 92513 Boulogne - Bilancourt Cedex, France. The group accounts of Strec SA are available at 2 Place Des Moulins, 67000 Strasbourg, France.

### *Related party transactions and balances*

During the year the company recharged £113,784 (2000: £75,068) of central management time spent on the affairs of The Southampton Geothermal Heating Company Limited, a fellow subsidiary undertaking. In addition the company supplied draughtsmen and engineers' services to The Southampton Geothermal Heating Company Limited for £142,128 (2000: £83,934). At the balance sheet date Utilicom Limited was owed £242,208 (2000: £310,274) by The Southampton Geothermal Heating Company Limited.

During the year the company was supplied with design engineers' consultancy services totalling £11,138 (2000: £41,988) by Industrielle de Chauffage Enterprise United Kingdom Limited, a subsidiary. The company also charged this subsidiary £31,068 (2000: £8,092) for central management time. At the year end the subsidiary owed the company £256,322 (2000: £22,593).

The company purchased engineers' services totalling £5,604 (2000: £nil) from North Channel Energy Services Limited, a subsidiary. Management charges of £24,876 (2000: £29,022) were paid by Utilicom Limited to North Channel Energy Services Limited, and management charges of £20,316 (2000: £nil) were paid by North Channel Energy Services Limited to Utilicom Limited. At the year end North Channel Energy Services owed £4,899 to the company (2000: £181,799 was owed to North Channel Energy Services Limited).

Management charges of £21,637 (2000: £nil) were paid by Bloomsbury Heat and Power Limited, a fellow subsidiary. At the year end the company was owed £385,168 (2000: £658,019) by this fellow subsidiary.

Gower Street Heat and Power Limited, a fellow subsidiary, was charged management fees of £54,740 (2000: £nil) and owed £88,695 (2000: £nil) to the company at the year end.

At the year end the company was owed £19,971 (2000: £19,721) by Millbrook Community Heating Limited, a fellow subsidiary.

At the balance sheet date the company owed £83,112 (2000: £83,112) to Idex Energy UK Limited, its immediate parent, and was owed £380,412 (2000: £371,177) by Idex SA, and £22,838 (2000: £244) by Strec SA, the ultimate parent companies.