

EPS Page Limited

**Directors' report and financial
statements**

Registered number 1620827

31 March 2006



Directors

D J Anderson
D J Hamilton
J J Haythorpe
G R Rajendra

Secretary

G R Rajendra

Auditors

KPMG LLP
1 Waterloo Way
Leicester
LE1 6LP

Registered office

Riverside House
1 New Mill Road
Orpington
Kent
BR5 3QA

Contents

Directors' report	1
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	2
Independent auditors' report to the members of EPS Page Limited	3
Profit and loss account	4
Balance sheet	5
Reconciliation of movements in shareholders' funds	6
Notes	7

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2006.

Principal activities

The principal activities of the company are the installation and maintenance of building services.

Business review

The directors consider the results for the year to be satisfactory.

The profit for the period after taxation amounted to £ 128,503 (2005: £91,173).

Directors and directors' interests

The directors who held office during the year were as follows:

D J Anderson
D J Hamilton
J J Haythorpe
G R Rajendra
S J Jones –Appointed 01-11-05

None of the directors had any interest in the shares of the company.

DJ Anderson, DJ Hamilton and GR Rajendra are directors of the ultimate parent undertaking, Environmental Property Services Plc, and their share interests are shown in the report and financial statements of that company.

Of the other directors, the following had interest in the shares of the ultimate parent undertaking.

	Interest at end of year	Interest at start of year or date of subsequent appointment
J J Haythorpe - 'B' ordinary shares of 0.1p each	50,000	50,000
S J Jones - 'B' ordinary shares of 0.1p each	12,500	12,500

Political and charitable contributions

The company made no political contributions during the year. Donations to UK charities amounted to £Nil.

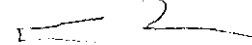
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board


G R Rajendra
Secretary

Riverside House
1 New Mill Road
Orpington
Kent
BR5 3QA

25 May 2006

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 these 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 Waterloo Way
Leicester
LE1 6LP
United Kingdom

Independent auditors' report to the members of EPS Page Limited

We have audited the financial statements of EPS Page Limited for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

Chartered Accountants
Registered Auditor

22 Jun 2006

Profit and loss account
for the year ended 31 March 2006

	<i>Note</i>	Year ended 31 March 2006 £	15 months ended 31 March 2005 £
Turnover		7,152,923	10,559,730
Cost of sales		(6,306,152)	(9,441,562)
Gross profit		846,771	1,118,168
Administrative expenses		(732,362)	(962,571)
Operating profit		114,409	155,597
Interest receivable	5	36,663	10,724
Interest payable	6	-	(20,148)
Profit on ordinary activities before taxation	2	151,072	146,173
Tax on profit on ordinary activities	7	(22,569)	(55,000)
Profit on ordinary activities for the financial period	15	128,503	91,173

There are no recognised gains and losses other than those included in the profit and loss account.

The above results are all from continuing activities.

Balance sheet
at 31 March 2006

	Note	£	2006 £	£	2005 £
Fixed assets					
Tangible assets	8		9,494		12,074
			<u>9,494</u>		<u>12,074</u>
Current assets					
Stocks and work in progress	9	15,142		31,946	
Debtors	10	2,528,529		2,844,125	
Cash at bank and in hand		951,838		759,325	
			<u>3,495,509</u>	<u>3,635,396</u>	
Creditors: amounts falling due within one year	11	(2,206,129)		(2,477,099)	
Net current assets			<u>1,289,380</u>		<u>1,158,297</u>
Total assets less current liabilities			<u>1,298,874</u>		<u>1,170,371</u>
Capital and reserves					
Called up share capital	13		477,931		477,931
Share premium account	14		103,000		103,000
Profit and loss account	14		717,943		589,440
			<u>1,298,874</u>		<u>1,170,371</u>
Shareholders' funds					
Equity		927,343		798,840	
Non-equity		371,531		371,531	
			<u>1,298,874</u>		<u>1,170,371</u>

These financial statements were approved by the board of directors on 25 May 2006 and were signed on its behalf by:

D J Anderson
Director



Reconciliation of movements in shareholders' funds
for the year ended 31 March 2006

	Year ended 31 March 2006 £	15 months ended 31 March 2005 £
Profit for the financial period	128,503	91,173
Opening shareholders' funds	1,170,371	1,079,198
	<hr/>	<hr/>
Closing shareholders' funds	1,298,874	1,170,371
	<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Fixtures and fittings and equipment - 25% to 33% per annum straight line

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Post-retirement benefits

The company makes payments to a group personal pension plan. Contributions are charged to the profit and loss account as they become due.

Taxation

The charge for taxation is based on the profit for the period/year and takes into account deferred tax, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Turnover

Turnover represents the value of work done during the year/period excluding value added tax and is wholly undertaken in the United Kingdom.

Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

Notes (continued)

2 Profit on ordinary activities before taxation

	Year ended 31 March 2006 £	15 months ended 31 March 2005 £
<i>Profit on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditors' remuneration:		
Audit	8,000	4,000
Other services	2,000	1,000
Depreciation and other amounts written off tangible fixed assets	21,182	53,584
Hire of land and buildings – rentals payable under operating leases	77,558	65,475
Hire of plant and machinery - rentals payable under operating leases	3,054	2,719
	<u> </u>	<u> </u>

3 Remuneration of directors

	Year ended 31 March 2006 £	15 months ended 31 March 2005 £
Directors' emoluments	164,910	163,638
Company pension contributions to personal pension plans	15,114	18,174
	<u> </u>	<u> </u>
	180,024	181,812
	<u> </u>	<u> </u>

Retirement benefits are accruing to the following number of directors under:

	Number of directors	
Personal pension plans	3	2
	<u> </u>	<u> </u>

Notes (continued)

4 Staff numbers and costs

The average monthly number of persons employed by the company (including directors) during the period/year, analysed by category, was as follows:

	Number of employees	
	Year ended 31 March 2006	15 months ended 31 March 2005
Administration	13	17
Operatives	7	8
	<u>20</u>	<u>25</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	950,103	1,283,718
Social security costs	101,330	139,167
Other pension costs	27,506	32,481
	<u>1,078,939</u>	<u>1,455,366</u>

5 Interest receivable

	Year ended 31 March 2006 £	15 months ended 31 March 2005 £
Bank interest	<u>36,663</u>	<u>10,724</u>

6 Interest payable

	Year ended 31 March 2006 £	15 months ended 31 March 2005 £
On bank loans and overdrafts	<u>-</u>	<u>20,148</u>

Analysis of charge in year/period

Factors affecting the tax charge for the current year/period

	Year ended 31 March 2006 £	15 months ended 31 March 2005 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	151,072	146,173
	<hr/>	<hr/>
Current tax at 30% (2005: 30%)	45,322	43,852
<i>Effects of:</i>		
Expenses not deductible for tax purposes	2,533	6,162
Depreciation for year/period in excess of/less than capital allowances	(1,996)	4,366
Short term timing differences	(900)	150
Group relief claimed	(44,959)	(54,530)
Payment for group relief	45,000	55,000
	<hr/>	<hr/>
Total current tax charge (see above)	45,000	55,000

Deferred taxation provided in the financial statements and the amounts not provided are as follows:

	Provided		Not provided	
	2006	2005	2006	2005
	£	£	£	£
Depreciation in excess of capital allowances	22,201	-	-	24,196
Short term timing differences	230	-	-	1,130
	<hr/>	<hr/>	<hr/>	<hr/>
Deferred tax asset	22,431	-	-	25,326

Notes (continued)

8 Tangible fixed assets

	Fixtures, fittings and equipment £	Total £
Cost		
At beginning of year	582,303	582,303
Additions	18,602	18,602
Disposals	(508,344)	(508,344)
	<hr/>	<hr/>
At end of year	92,561	92,561
	<hr/>	<hr/>
Depreciation		
At beginning of year	570,229	570,229
Charge for year	21,182	21,182
Eliminated on disposals	(508,344)	(508,344)
	<hr/>	<hr/>
At end of year	83,067	83,067
	<hr/>	<hr/>
Net book value		
At 31 March 2006	9,494	9,494
	<hr/>	<hr/>
At 31 December 2005	12,074	12,074
	<hr/>	<hr/>

9 Stocks

	2006 £	2005 £
Work in progress	15,142	31,946
	<hr/>	<hr/>
	15,142	31,946
	<hr/>	<hr/>

Notes (continued)

10 Debtors

	2006 £	2005 £
Trade debtors	1,118,620	1,904,970
Amounts recoverable on long term contracts	460,857	93,325
Amounts owed by group undertakings	907,071	699,562
Other debtors	3,322	19,155
Prepayments and accrued income	16,228	127,113
Deferred tax asset (see note 7)	22,431	-
	<u>2,528,529</u>	<u>2,844,125</u>

11 Creditors: amounts falling due within one year

	2006 £	2005 £
Trade creditors	1,862,645	2,146,291
Payments on account	87,475	65,573
Other taxation and social security	105,636	178,212
Other creditors	10,773	10,237
Accruals and deferred income	44,600	21,786
Group relief payable	45,000	55,000
Amounts payable to group undertakings	50,000	-
	<u>2,206,129</u>	<u>2,477,099</u>

12 Pension costs

The pension cost charge represents contributions payable by the company into various group and personal pension schemes and amounted to £27,506 (15 months ended 31 March 2005: £32,481). Contributions totalling £6,465 (2005: £3,768) were payable at the period end and are included in creditors.

Notes (continued)

13 Called up share capital

	2006 £	2005 £
Authorised		
Equity: 600,000 ordinary shares of £1 each	600,000	600,000
Non equity: 400,000 9% cumulative preference shares of £1 each	400,000	400,000
	<hr/>	<hr/>
	1,000,000	1,000,000
	<hr/>	<hr/>
Allotted, called up and fully paid		
Equity: 106,400 ordinary shares of £1 each	106,400	106,400
Non equity: 371,531 9% cumulative preference shares of £1 each	371,531	371,531
	<hr/>	<hr/>
	477,931	477,931
	<hr/>	<hr/>

The preference shareholders are entitled to one vote on a show of hands or one vote per share on a poll.

On a winding up of the company, the preference shareholders had a right to receive, in preference to any payments to the ordinary shareholders, £1 per share plus any accrued dividend. The holding company has waived its right to all unpaid dividends on the preference shares.

14 Share premium and reserves

	Share premium account £	Profit and loss account £	Total £
At beginning of year	103,000	589,440	692,440
Retained profit for the year	-	128,503	128,503
	<hr/>	<hr/>	<hr/>
At end of year	103,000	717,943	820,943
	<hr/>	<hr/>	<hr/>

15 Commitments

Annual commitments under non-cancellable operating leases are as follows:

	2006		2005	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Between two and five years	-	2,851	-	2,851
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

16 Related party disclosures

The company has taken advantage of the exemption under FRS 8 (paragraph 3c) from disclosure of transactions with group undertakings.

17 Ultimate parent undertaking

The immediate parent undertaking is Environmental Property Services Holdings Limited. In the directors' opinion, the company's ultimate parent undertaking and controlling party is Environmental Property Services Plc.

Environmental Property Services Plc is the parent undertaking of the smallest and largest group of which the company is a member and for which group financial statements are prepared. Copies of its group financial statements are available from the registered office.

18 Contingent liabilities

The company is party to a debenture and cross-guarantee from all group companies to secure the bank loans and overdrafts of the group. At the end of the year, net group borrowings amounted to £3,157,000 (2005: £7,285,000).