

Registration Number 1888801

London Property Maintenance (Cleaning) Limited
Director's Report and Financial Statements
for the year ended 31 December 1995



Pritchard Fellows & Co
Registered Auditor & Accountants
245 Main Road
Sidcup
Kent
DA14 6QS

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Company Information

Director	Mr M Baldwin
Secretary	City Road Registrars Ltd
Company Number	1888801
Registered Office	245 Main Road Sidcup Kent DA14 6QS
Auditors	Pritchard Fellows & Co 245 Main Road Sidcup Kent DA14 6QS
Business Address	67/69 Ennersdale Road Hither Green London SE13 6JE
Bankers	Bank of Ireland Finchley High Road Finchley London N12
Solicitors	Royds Treadwell 2 Crane Court London ECA 2BL

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Contents

	Page
Director's Report	1
Auditors' Report	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5 - 9

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Director's Report for the year ended 31 December 1995

The director presents his report and the financial statements for the year ended 31 December 1995.

Principal Activity and Review of the Business

The principal activity of the company is that of commercial cleaning and supply of cleaning materials.

During the year the company's turnover increased by 6.3%. The company incurred a loss of £209038 as a result of exceptional bad debts (£130511). The director reports that for the forthcoming period, the turnover is likely to exceed previous period's figures and return to profitability.

Director and his Interest

The director who served during the year and his interest in the company are as stated below:

		Ordinary shares	
		1995	1994
Mr M Baldwin	Appointed 9.1.95	-	-
Miss D A Wells	Resigned 9.1.95	-	5

Director's Responsibilities

Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the director is required to:

- select suitable accounting policies and 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Pritchard Fellows & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

In the preparation of this report the director has taken advantage of the exemptions applicable to small companies as conferred by Part II of Schedule 8 of the Companies Act 1985.

This report was approved by the Board on and signed on its behalf by



Mr M Baldwin
Chairman

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED
Auditors' Report to the Shareholders of London Property Maintenance (Cleaning) Limited

We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of director and auditors

As described on page 1 the company's director is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 director in the preparation of the financial statements, and 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.

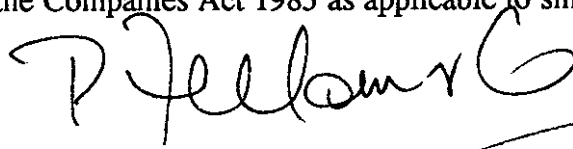

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at the 31 December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985 as applicable to small companies.

Pritchard Fellows & Co

Registered Auditor & Accountants

245 Main Road
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DA14 6QS

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Profit and Loss Account for the year ended 31 December 1995

Continuing operations

		1995	1994
	Notes	£	£
Turnover	2	1,581,696	1,487,163
Cost of sales		(1,106,115)	(924,484)
Gross profit		<u>475,581</u>	<u>562,679</u>
Administrative expenses		(673,772)	(475,232)
Operating (loss)/profit	3	<u>(198,191)</u>	<u>87,447</u>
Interest receivable and similar income		111	922
Interest payable and similar charges	4	<u>(10,958)</u>	<u>(3,047)</u>
(Loss)/profit on ordinary activities before taxation		(209,038)	85,322
Tax on (loss)/profit on ordinary activities	6	<u>-</u>	<u>(22,451)</u>
(Loss)/retained profit for the year		(209,038)	62,871
Retained profit brought forward		<u>447,846</u>	<u>384,975</u>
Retained profit carried forward		<u><u>238,808</u></u>	<u><u>447,846</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 5 to 9 form an integral part of these financial statements.

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Balance Sheet as at 31 December 1995

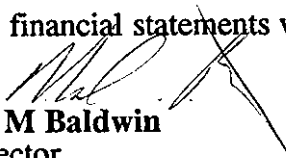
	Notes	£	1995 £	£	1994 £
Fixed Assets					
Tangible assets	7		128,318		129,882
Investments	8		35,000		35,000
			<u>163,318</u>		<u>164,882</u>
Current Assets					
Debtors	9	433,687		517,629	
Cash at bank and in hand		9,788		29,646	
		<u>443,475</u>		<u>547,275</u>	
Creditors: amounts falling due within one year	10	(345,117)		(233,825)	
Net Current Assets			<u>98,358</u>		<u>313,450</u>
Total Assets Less Current Liabilities			261,676		478,332
Creditors: amounts falling due after more than one year	11		(22,768)		(30,386)
Net Assets			<u>238,908</u>		<u>447,946</u>
Capital and Reserves					
Called up share capital	12		100		100
Profit and loss account			238,808		447,846
Equity Shareholders' Funds	13		<u>238,908</u>		<u>447,946</u>

In preparing these financial statements:

- Advantage has been taken, in the preparation of the financial statements, of special exemptions applicable to small companies.

- In the opinion of the director the company is entitled to those exemptions on the basis that it qualifies as a small company under Section 247 of the Companies Act 1985.

The financial statements were approved by the Board on and signed on its behalf by


Mr M Baldwin
Director

The notes on pages 5 to 9 form an integral part of these financial statements.

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Notes to the Financial Statements for the year ended 31 December 1995

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales during the year.

1.3 Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 15% Reducing Balance
Motor vehicles	- 25% Reducing Balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating (loss)/profit

Operating (loss)/profit is stated after charging:

Depreciation of tangible assets	36,192	25,842
Hire of plant and machinery	2,085	241
Auditors' remuneration	8,300	6,000

and after crediting:

Profit on disposal of tangible fixed assets	1,614	-
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LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Notes to the Financial Statements for the year ended 31 December 1995

4.	Interest payable and similar charges	1995 £	1994 £
	Included in this category is the following:		
	On bank loans and overdrafts	2,514	1,666
	Hire purchase interest	4,863	1,381
	On overdue tax	3,581	-
		<u>10,958</u>	<u>3,047</u>
5.	Director's emoluments	1995 £	1994 £
	Remuneration		
	Director's emoluments	-	31,742
	Compensation for loss of office	-	15,099
		<u>-</u>	<u>46,841</u>
6.	Taxation	1995 £	1994 £
	UK current year taxation		
	UK Corporation Tax at 25% (1994 - 25%)	-	22,451
	Nil provision for the year due to available loss relief.		

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Notes to the Financial Statements for the year ended 31 December 1995

7. Tangible assets

	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 January 1995	44,598	177,817	222,415
Additions	4,617	41,825	46,442
Disposals	-	(33,926)	(33,926)
	<hr/>	<hr/>	<hr/>
At 31 December 1995	49,215	185,716	234,931
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 1995	16,318	76,215	92,533
On disposals	-	(22,112)	(22,112)
Charge for the year	4,700	31,492	36,192
	<hr/>	<hr/>	<hr/>
At 31 December 1995	21,018	85,595	106,613
	<hr/>	<hr/>	<hr/>
Net book values			
At 31 December 1995	28,197	100,121	128,318
	<hr/>	<hr/>	<hr/>
At 31 December 1994	28,280	101,602	129,882
	<hr/>	<hr/>	<hr/>

Included above are assets held under finance leases or hire purchase contracts as follows:

Asset description	1995		1994	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	<u>74,112</u>	<u>19,719</u>	<u>41,830</u>	<u>4,430</u>

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Notes to the Financial Statements for the year ended 31 December 1995

8. Investments

	Other Unlisted Investments	Total
	£	£
Cost		
At 1 January 1995 & At 31 December 1995	35,000	35,000
Net book values		
At 31 December 1995	35,000	35,000
At 31 December 1994	35,000	35,000

The investment is stated at cost and the current professional valuation is £15,000.

9. Debtors

	1995 £	1994 £
Trade debtors	245,273	351,792
Amount owed by connected companies	135,193	132,190
Other debtors	17,855	4,559
Prepayments and accrued income	35,366	29,088
	<u>433,687</u>	<u>517,629</u>

10. Creditors: amounts falling due within one year

	1995 £	1994 £
Bank overdraft	17,628	-
Net obligations under finance leases and hire purchase contracts	31,633	19,092
Trade creditors	95,334	63,341
Corporation tax	22,451	22,451
Other taxes and social security costs	138,945	53,595
Accruals and deferred income	39,126	75,346
	<u>345,117</u>	<u>233,825</u>

LONDON PROPERTY MAINTENANCE (CLEANING) LIMITED

Notes to the Financial Statements for the year ended 31 December 1995

11. Creditors: amounts falling due after more than one year	1995 £	1994 £
Net obligations under finance leases and hire purchase contracts	<u>22,768</u>	<u>30,386</u>
 Net obligations under finance leases and hire purchase contracts		
Repayable within one year (Note 10)	31,633	19,092
Repayable between one and five years	<u>22,768</u>	<u>30,386</u>
	<u>54,401</u>	<u>49,478</u>
 12. Share capital	1995 £	1994 £
Authorised equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
 Allotted, called up and fully paid equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
 13. Reconciliation of movements in shareholders' funds	1995 £	1994 £
(Loss)/profit for the year	(209,038)	62,871
Opening shareholders' funds	<u>447,946</u>	<u>385,075</u>
	<u>238,908</u>	<u>447,946</u>
 14. Ultimate parent undertaking		
The company regards Meredith Corporation Limited, incorporated in England as its ultimate holding company.		