

SURREY COMBINED UTILITIES AND POWER LIMITED

Directors' report and financial statements

Year ended 31 July 1996

Registered number : 2825034



Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 July 1996.

Principal activity

The principal activity of the company is the supply of electricity and gas to the University of Surrey.

Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend. The loss for the year retained in the company is £1,203 (1995 : loss £255).

Directors and directors' interests

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

H W B Davies
D Caleb
A J Knapp

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

According to the register of directors' interests, no rights to subscribe for shares in the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Political and charitable contributions

The company made no political contributions during the year (1995 : £ nil). Donations to UK charities amounted to £167,393 (covenanted to the University of Surrey) (1995: £175,204).

Liability insurance

During the year liability insurance for the company's officers was maintained by the principal shareholder.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Small companies exemptions

Advantage has been taken in the preparation of the directors' report of the special exemptions applicable to small companies conferred by Part II of schedule 8 to the Companies Act 1985.

By order of the board



S MacGregor
Company Secretary

University of Surrey
Guildford
Surrey GU2 5XH

Date: 12 November 1996

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 judgments 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 have a 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.

Auditors' report to the members of Surrey Combined Utilities and Power Limited

We have audited the financial statements on pages 4 to 8.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are 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.

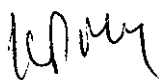
Basis of opinion

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 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 of the state of the company's affairs as at 31 July 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



KPMG
Chartered Accountants
Registered Auditors
1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

Date:

12 November 1996

Profit and loss account
for the year ended 31 July 1996

	<i>Note</i>	1996 £	1995 £
Turnover	1	1,090,607	1,050,412
Cost of sales		(1,069,033)	(1,029,903)
Gross profit		<u>21,574</u>	<u>20,509</u>
Administrative expenses		<u>2,439</u>	<u>(6,945)</u>
Operating profit		24,013	13,564
Other interest receivable and similar income	5	143,380	161,640
Profit on ordinary activities before covenant and taxation	2	<u>167,393</u>	<u>175,204</u>
Gross covenant payment		(167,393)	(175,204)
Profit on ordinary activities before taxation		<u>-</u>	<u>-</u>
Tax on profit on ordinary activities		(1,203)	(255)
Profit/(Loss) on ordinary activities after taxation and retained for the financial year		<u>(1,203)</u>	<u>(255)</u>
Accumulated reserves brought forward		29,087	29,342
Accumulated reserves carried forward		<u>27,884</u>	<u>29,087</u>

The results of the current and previous periods are derived wholly from continuing operations.

There were no recognised gains and losses either in the current year or the preceding year other than those included in the profit and loss account. There was no movement in shareholders' funds other than the retained loss shown above.

The notes on pages 6 to 8 form part of these financial statements.

Balance sheet
at 31 July 1996

	Notes	1996	1995
		£	£
Current assets			
Debtors	7	2,196,291	2,865,163
Cash at bank and in hand		-	19,644
		<u>2,196,291</u>	<u>2,884,807</u>
Creditors: amounts falling due within one year	8	<u>(700,302)</u>	<u>(1,035,072)</u>
Net current assets		1,495,989	1,849,735
Creditors: amounts falling due after more than one year	9	(1,468,055)	(1,820,598)
Net assets		<u>27,934</u>	<u>29,137</u>
Capital and reserves			
Called up share capital	10	50	50
Profit and loss account		27,884	29,087
Shareholders' funds		<u>27,934</u>	<u>29,137</u>

Advantage has been taken in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

These financial statements were approved by the board of directors on *12 November 1996* and were signed on its behalf by :


H W B Davies
Director

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.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under sections 246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover and the profit on ordinary activities are attributable to the supply of electricity and gas to the parent entity.

2 Profit on ordinary activities before taxation

	1996	1995
	£	£
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Auditors' remuneration (audit)	<u>950</u>	<u>1,000</u>

3 Remuneration of directors

None of the directors received any emoluments during the year.

4 Staff numbers and costs

The company had no employees during the year (1995 : nil).

5 Interest receivable

	1996	1995
	£	£
Interest on loan to parent undertaking	<u>143,380</u>	<u>161,640</u>

Notes *(continued)*

6 Taxation

	1996 £	1995 £
UK Corporation tax at 24.67% (1995 : 25%) on the results for the year on ordinary activities	<u>1,203</u>	<u>255</u>

7 Debtors: amounts falling due within one year

	1996 £	1995 £
Trade debtors	55,867	1,428
Amounts owed by parent undertaking	<u>1,650,928</u>	<u>2,362,122</u>
	1,706,795	2,363,550
Other debtors	53,700	4,703
Prepayments and accrued income	435,796	496,910
	<u>2,196,291</u>	<u>2,865,163</u>

8 Creditors: amounts falling due within one year

	1996 £	1995 £
Bank loans and overdraft	15,368	-
Trade creditors	499	11,225
Other creditors including taxation :		
Corporation tax	1,203	255
Other taxes	<u>43,509</u>	<u>55,296</u>
Taxation	44,712	55,551
Accruals and deferred income	639,723	968,296
	<u>700,302</u>	<u>1,035,072</u>

9 Creditors: amounts falling due after more than one year

	1996 £	1995 £
Accruals and deferred income	<u>1,468,055</u>	<u>1,820,598</u>

Notes *(continued)*

10 Called up share capital

	1996 £	1995 £
<i>Authorised</i>		
1000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
50 ordinary shares of £1 each	<u>50</u>	<u>50</u>

11 Ultimate parent undertaking

The company is a subsidiary undertaking of the University of Surrey, England.

The largest group in which the results of the company are consolidated is that headed by the University of Surrey. The consolidated accounts of the group are available to the public and may be obtained from the Finance Department, University of Surrey, Guildford, Surrey GU2 5XH. No other group accounts include the results of the company.