

**MITIE AIR CONDITIONING (WALES) LIMITED**

**Report and Financial Statements**

**31 March 2002**



**Deloitte & Touche  
Queen Anne House  
69-71 Queen Square  
Bristol  
BS1 4JP**

**REPORT AND FINANCIAL STATEMENTS 2002**

**CONTENTS**

	<b>Page</b>
Officers and professional advisers	1
Directors' report	2
Independent auditors' report	5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the accounts	9

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

D M Telling  
C S Acheson  
B R Edwards  
I R Stewart  
C J Williams

**SECRETARIES**

C K Ross  
A F Waters (resigned 31 March 2002)

**REGISTERED OFFICE**

The Stable Block  
Barley Wood  
Wroughton  
Bristol  
BS40 5SA

**BANKERS**

HSBC Bank plc  
49 Corn Street  
Bristol  
BS99 7PP

**AUDITORS**

Deloitte & Touche  
Queen Anne House  
69-71 Queen Square  
Bristol  
BS1 4JP

## **DIRECTORS' REPORT**

The directors present their annual report and audited financial statements for the year ended 31 March 2002.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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.

### **PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS**

The company's principal activity is the installation and maintenance of air conditioning systems in commercial industrial and domestic premises.

The company's business has developed satisfactorily and the directors consider that the company is in a good position to continue that development.

### **RESULTS AND DIVIDENDS**

The profit for the year after taxation amounted to £34,036 (2001: £2,191). The directors do not propose the payment of a dividend (2001: nil) and recommend that £34,036 be transferred to reserves (2001: £2,191).

### **DIRECTORS AND THEIR INTERESTS**

The directors during the year were as follows:

D M Telling  
C S Acheson  
B R Edwards  
C J Williams  
I R Stewart (appointed 31 October 2001)

No director had an interest in the share capital and loan stock of the company.

**DIRECTORS' REPORT (continued)****DIRECTORS AND THEIR INTERESTS (continued)**

Messrs D M Telling, C S Acheson and I R Stewart are directors of MITIE Group PLC, the parent undertaking, and their interests in and options on the share capital of that company are shown in the financial statements of MITIE Group PLC.

Other directors' interests in the share capital of MITIE Group PLC are as follows:

	At 31 March 2002 2.5p Ordinary shares No.	At 1 April 2001 5p Ordinary shares No.
B R Edwards	453,800	276,900
C J Williams	195,152	97,576

On 2 April 2001 each MITIE Group PLC 5p ordinary share was sub-divided into two ordinary shares of 2.5p each.

**Share Options**

	At 1 April 2001	Granted during the period Options	Price	Exercise period From	To	Exercised during the period Options	Price	At 31 March 2002
C J Williams (i)	27,380	-	-	2001	-	-	-	54,760

(i) Options under the Savings Related Option Scheme

Further details of the MITIE Group PLC Share Schemes are given in the accounts of that company.

**PAYMENT POLICY**

The company's policy is to comply with the terms of payment agreed with a supplier. Where terms are not negotiated, the company endeavours to adhere with the supplier's standard terms. As at 31 March 2002 trade creditors, as a proportion of amounts invoiced from suppliers for the year, represented 151 days (2001: 65 days).

In the industry in which the company operates credit periods are frequently extended by agreement. The company's creditor days are a reflection of this custom.

**EMPLOYEES**

The company offers equal opportunities to all applicants for employment whatever their sex, race or religion. Disabled persons are considered for employment, training, career development and promotion on the basis of their attitudes and abilities in common with all employees, providing the disability does not make the particular employment impractical or the employee unable to conform to the stringent regulations which apply to the operations of the company.

The company recognises the importance of good communications and employee relationships. In each company there is a relationship between the Chief Executive of MITIE Group PLC and individual employees in the company. In these conditions, complex consultative procedures are seldom required to ensure that there is an understanding of the purpose of the business and the commercial realities of success. Employees are encouraged to become shareholders through the Savings Related Share Option Scheme.

**DIRECTORS' REPORT (continued)**

**AUDITORS**

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'C K Ross', with a horizontal line extending from the end of the signature.

C K Ross  
Secretary

12 August 2002

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
MITIE AIR CONDITIONING (WALES) LIMITED**

We have audited the financial statements of MITIE Air Conditioning (Wales) Limited for the year ended 31 March 2002 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

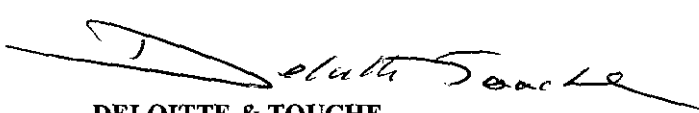
**Basis of audit opinion**

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.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**DELOITTE & TOUCHE**  
Chartered Accountants and  
Registered Auditors

12 August 2002

**PROFIT AND LOSS ACCOUNT**  
Year ended 31 March 2002

	Notes	Continuing operations	
		2002	2001
		£	£
<b>TURNOVER</b>	1	361,335	415,664
Cost of sales		(233,014)	(328,009)
<b>GROSS PROFIT</b>		128,321	87,655
Administrative expenses		(79,948)	(86,207)
<b>OPERATING PROFIT</b>	2	48,373	1,448
Interest receivable	3	679	1,623
Interest payable	3	-	(164)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		49,052	2,907
Tax on profit on ordinary activities	4	(15,016)	(716)
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>	11	34,036	2,191

There are no recognised gains and losses for the current financial year or preceding financial year other than as stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses is presented.




BALANCE SHEET  
At 31 March 2002

	Notes	2002		2001	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		17,127		17,449
<b>CURRENT ASSETS</b>					
Work in progress	6	17,251		13,307	
Debtors	7	52,607		53,633	
Cash at bank and in hand		42,991		7,432	
		<u>112,849</u>		<u>74,372</u>	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (including convertible redeemable unsecured loan stock)</b>	8	<u>(118,046)</u>		<u>(105,827)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(5,197)</u>		<u>(31,455)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,930		(14,006)
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>					
Convertible redeemable unsecured loan stock	9		-		(8,100)
<b>NET ASSETS/(LIABILITIES)</b>			<u>11,930</u>		<u>(22,106)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		21,900		21,900
Profit and loss account	11		(9,970)		(44,006)
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>	12		<u>11,930</u>		<u>(22,106)</u>

These financial statements were approved by the Board of Directors on 12 August 2002.

Signed on behalf of the Board of Directors



D M Telling  
Director

**CASH FLOW STATEMENT**  
**Year ended 31 March 2002**

	Notes	2002		2001	
		£	£	£	£
<b>Net cash inflow from operating activities</b>	13		35,843		12,487
<b>Returns on investments and servicing of finance</b>					
Interest received		625		1,579	
Interest paid		-		(169)	
		<u>        </u>		<u>        </u>	
<b>Net cash inflow from returns on investments and servicing of finance</b>			625		1,410
<b>Taxation</b>					
UK corporation tax received			6,528		10,028
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(7,437)		(12,434)	
Receipts from disposal of tangible fixed assets		-		11,541	
		<u>        </u>		<u>        </u>	
<b>Net cash outflow from capital expenditure</b>			(7,437)		(893)
<b>Increase in cash in the year</b>	15		<u>35,559</u>		<u>23,032</u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002****1. ACCOUNTING POLICIES****Accounting convention**

The financial statements are prepared under the historical cost convention and are prepared in accordance with applicable accounting standards.

**Turnover**

Turnover represents the total, excluding sales taxes, receivable in respect of goods and services supplied and contract work completed in the period. All turnover arises within the United Kingdom, from the company's principal activity.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and office equipment	4 to 10 years
Motor vehicles	4 years

**Leasing commitments**

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

**Work in progress**

Work in progress is stated at the lower of cost (including appropriate overheads) and net realisable value. Provision is made for foreseeable losses.

**Deferred taxation**

This is the first year of adoption of FRS 19 (Deferred Tax). FRS 19 requires full provision to be made for deferred tax, as stated below. It replaces the "partial provision" rules previously allowed under Statement of Standard Accounting Practice No. 15. This change had no material impact on the company and hence there is no restatement of the opening reserves.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Pension costs**

Pension costs represent amounts paid to one of the group's pension schemes. Details of the schemes are given in the financial statements of MITIE Group PLC.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002**

<b>2. OPERATING PROFIT is stated after charging:</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Depreciation	7,759	5,423
Auditors' remuneration - audit services	2,100	1,750
Loss on disposal of tangible fixed assets	-	737
	<u>          </u>	<u>          </u>

<b>3. INTEREST</b>	<b>2002</b>	<b>2001</b>
<b>Interest receivable</b>	<b>£</b>	<b>£</b>
Bank interest	679	1,623
	<u>          </u>	<u>          </u>
<b>Interest payable</b>	<b>£</b>	<b>£</b>
Bank interest	-	164
	<u>          </u>	<u>          </u>

**4. TAX ON PROFIT ON ORDINARY ACTIVITIES**

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 30% (2001: 30%). The current tax charge for the year exceeds 30% (2001: is less than 30%) for the reasons set out in the following reconciliation:

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	49,052	2,907
	<u>          </u>	<u>          </u>
	<b>£</b>	<b>£</b>
Tax on profit on ordinary activities at standard rate	14,716	872
Factors affecting the charge:		
- capital allowances for period in deficit of depreciation	503	203
- other	(203)	(359)
	<u>          </u>	<u>          </u>
<b>Tax on profit on ordinary activities</b>	<b>15,016</b>	<b>716</b>
	<u>          </u>	<u>          </u>

The company is not aware of any factors that may materially affect the future tax charge.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002****5. TANGIBLE FIXED ASSETS**

<b>Summary</b>	<b>Plant and office equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2001	5,929	19,243	25,172
Additions	1,170	6,267	7,437
At 31 March 2002	7,099	25,510	32,609
<b>Depreciation</b>			
At 1 April 2001	2,104	5,619	7,723
Charge for the year	1,382	6,377	7,759
At 31 March 2002	3,486	11,996	15,482
<b>Net book value</b>			
At 31 March 2002	3,613	13,514	17,127
At 31 March 2001	3,825	13,624	17,449

**Capital commitments**

At 31 March 2002 the directors had authorised capital expenditure of nil (2001: nil).

**6. WORK IN PROGRESS**

	<b>2002 £</b>	<b>2001 £</b>
Work in progress	18,092	29,989
Payments on account	(841)	(16,682)
	17,251	13,307

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002**

<b>7. DEBTORS</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Trade debtors	30,713	28,905
Amounts owed by group undertakings	21,796	14,704
Group relief receivable	-	9,169
Other taxes	-	791
Other debtors	98	44
Prepayments and accrued income	-	20
	<u>52,607</u>	<u>53,633</u>
 <b>8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
Convertible redeemable loan stock (see note 9)	8,100	-
Payments on account	3,539	2,318
Trade creditors	70,983	75,319
Amounts owed to group undertakings	15,965	19,512
Other taxes and social security costs	4,137	2,294
Other creditors	72	-
Corporation tax	12,375	-
Accruals and deferred income	2,875	6,384
	<u>118,046</u>	<u>105,827</u>
 <b>9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	 <b>2002</b>	 <b>2001</b>
	<b>£</b>	<b>£</b>
Convertible redeemable unsecured loan stock 2008	-	8,100

The convertible redeemable unsecured loan stock may be converted at the holder's option into fully paid ordinary shares of £1 each at any time to 31 August 2008.

The loan stock was converted to £1 'B' ordinary shares on 17 May 2002.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002**

<b>10. CALLED UP SHARE CAPITAL</b>	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
55,900 £1 'A' ordinary shares (2001: 58,000)	55,900	58,000
44,100 £1 'B' ordinary shares (2001: 42,000)	44,100	42,000
	<u>100,000</u>	<u>100,000</u>
	<b>£</b>	<b>£</b>
<b>Allotted and fully paid</b>		
15,300 £1 'A' ordinary shares (2001: 17,400)	15,300	17,400
6,600 £1 'B' ordinary shares (2001: 4,500)	6,600	4,500
	<u>21,900</u>	<u>21,900</u>

On 8 October 2001 an ordinary resolution was passed to reclassify 2,100 authorised and allotted £1 'A' ordinary shares into 2,100 £1 'B' ordinary shares.

**Rights attached to shares**

The holders of the £1 'A' ordinary shares and the £1 'B' ordinary shares are entitled to a dividend as decided by the Board. Thereafter, MITIE Group PLC, the holder of the £1 'A' ordinary shares, is entitled to one half of the company's annual profits available for distribution less the above amount already paid, together with any arrears of such cumulative dividends unpaid from any previous financial year.

Thereafter, the balance of profits available for distribution may be distributed amongst the holders of each class of share pari passu.

Both classes of shareholder have equal voting rights.

**11. PROFIT AND LOSS ACCOUNT**

	<b>£</b>
At 1 April 2001	(44,006)
Retained profit for the financial year	34,036
	<u>(9,970)</u>
<b>At 31 March 2002</b>	

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002**

12.	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2002 £	2001 £
	Profit for the financial year	34,036	2,191
	Net addition to shareholders' funds	34,036	2,191
	Opening shareholders' funds	(22,106)	(24,297)
	Closing shareholders' funds	11,930	(22,106)

13.	RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2002 £	2001 £
	Operating profit	48,373	1,448
	Depreciation charges	7,759	5,423
	Loss on disposal of tangible fixed assets	-	737
	Increase in work in progress	(3,944)	(8,816)
	Increase in debtors	(8,089)	(6,278)
	(Decrease)/increase in creditors	(8,256)	19,973
	Net cash inflow from operating activities	35,843	12,487

14.	ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)				
	At 1 April 2001 £	Cash flow £	Non-cash changes £	At 31 March 2002 £	
	Cash at bank and in hand	7,432	35,559	-	42,991
	Debt due within one year	-	-	(8,100)	(8,100)
	Debt due after more than one year	(8,100)	-	8,100	-
		(668)	35,559	-	34,891



NOTES TO THE ACCOUNTS  
Year ended 31 March 200215. RECONCILIATION OF NET CASH FLOW TO MOVEMENT  
IN NET FUNDS/(DEBT)

	2002 £	2001 £
Net debt at beginning of year	(668)	(23,700)
Increase in cash in the year	35,559	23,032
Net funds/(debt) at end of year	<u>34,891</u>	<u>(668)</u>

## 16. FINANCIAL COMMITMENTS

## Operating leases

At 31 March 2002 the company had no annual commitments under non-cancellable operating leases.

## Commitments on behalf of group undertakings

The company is party with other group undertakings to cross-guarantees of each other's bank overdrafts. As at 31 March 2002 the overall commitment was nil (2001: nil).

## 17. DIRECTORS

The emoluments of directors of the company were:

Fees and other emoluments (excluding pension contributions but including benefits-in-kind)

2002 £	2001 £
-	-

Messrs D M Telling, C S Acheson and I R Stewart are remunerated by MITIE Group PLC and Messrs B Edwards and C J Williams are remunerated by MITIE Engineering Services Limited for their services to the group as a whole. It is not practicable to allocate their remuneration between their services as directors of MITIE Air Conditioning (Wales) Limited and their services as directors of other group companies.

Messrs D M Telling, C S Acheson and I R Stewart are directors of MITIE Group PLC and their emoluments and pension details are disclosed in the group accounts.

None of the directors exercised options in the shares of the ultimate group company, MITIE Group PLC, during the year (2001: one director).

NOTES TO THE ACCOUNTS  
Year ended 31 March 2002

## 18. EMPLOYEES

## Number of employees

The average number of persons (including directors) employed by the company during the year was:

	2002 No.	2001 No.
Administration and management	2	2
Site	2	-
	<u>4</u>	<u>2</u>
<b>Employment costs</b>	<b>£</b>	<b>£</b>
Wages and salaries	85,913	43,290
Social security costs	8,396	4,652
Other pension costs	4,860	1,125
	<u>99,169</u>	<u>49,067</u>

## 19. RELATED PARTY TRANSACTIONS

At 1 April 2001 MITIE Group PLC was a 95% shareholder in MITIE Air Conditioning (Wales) Limited. During the year, MITIE Group PLC sold 26% of the issued share capital of MITIE Air Conditioning (Wales) Limited. At 31 March 2002 MITIE Group PLC is a 69% shareholder in MITIE Air Conditioning (Wales) Limited.

During the year, MITIE Air Conditioning (Wales) Limited paid management charges of £23,637 (2001: £16,700) to companies within MITIE Group PLC. At the year end an amount of £12,338 (2001: £12,925) was included in creditors in respect of these transactions. An amount of £7,455 (2001: nil) was included in debtors in respect of these transactions.

During the year MITIE Air Conditioning (Wales) Limited purchased goods and services amounting to £2,709 (2001: £6,991) on normal commercial terms from companies within MITIE Group PLC. An amount of £3,627 (2001: £6,587) remained outstanding at the year end in respect of these transactions and those of prior years.

During the year MITIE Air Conditioning (Wales) Limited provided goods and services amounting to £160,268 (2001: £334,558) on normal commercial terms to companies within MITIE Group PLC. At the year end an amount of £14,341 (2001: £14,704) was included in debtors in respect of these transactions.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 March 2002**

**20. PENSION ARRANGEMENTS**

For the purposes of FRS 17, the company has been unable to identify its share of the underlying assets and liabilities in the main group scheme, the MITIE Group Pension Scheme, on a consistent and reasonable basis. Therefore, following full implementation of FRS 17, the company will account for contributions to the scheme as if it were a defined contribution scheme. At 31 March 2002, the valuation of the scheme for the purposes of FRS 17 showed a net liability as set out in note 25 to the report and accounts of MITIE Group PLC.

**21. PARENT UNDERTAKING AND CONTROLLING PARTY**

The directors regard MITIE Group PLC, a company registered in Scotland, as the company's ultimate parent undertaking and controlling party. MITIE Group PLC is both the smallest and largest group for which group accounts are prepared. Copies of the group financial statements can be obtained from the Company Secretary at the registered office.

**DETAILED PROFIT AND LOSS ACCOUNT**  
Year ended 31 March 2002

	2002 £	2001 £
<b>TURNOVER</b>	361,335	415,664
Cost of sales	(233,014)	(328,009)
<b>GROSS PROFIT</b>	<u>128,321</u>	<u>87,655</u>
<b>ADMINISTRATIVE EXPENSES</b>		
Management charges payable	23,637	16,700
Salaries, including directors' salaries	33,825	49,067
Insurance	1,563	2,423
Telephone	1,013	769
Postage, stationery and advertising	(133)	2,598
Entertaining	-	-
Motor expenses	8,353	6,217
Computer services	725	-
Trade subscriptions	265	-
Bank charges	300	404
Audit fee	2,100	1,750
Legal and professional	408	384
Car hire	-	(472)
Sundry expenses	133	207
Depreciation	7,759	5,423
Loss on disposal of tangible fixed assets	-	737
	<u>(79,948)</u>	<u>(86,207)</u>
<b>OPERATING PROFIT</b>	<u>48,373</u>	<u>1,448</u>