

**Modern Insulation (Essex) Limited**  
**Report of the Directors and**  
**Financial Statements**  
**For The Year Ended 31st March 2003**

**F Chow & Co**  
**Certified Accountants**  
**225 Hullbridge Road**  
**Chelmsford**  
**Essex**  
**CM3 5LW**



**Modern Insulation (Essex) Limited**

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**For the year ended 31st March 2003**

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**Modern Insulation (Essex) Limited**

**Company Information**  
**For the year ended 31st March 2003**

<b>DIRECTORS:</b>	<b>Mr A P Disley</b> <b>Mr S B Disley</b>
<b>SECRETARY:</b>	<b>Mr A P Disley</b>
<b>REGISTERED OFFICE:</b>	<b>225 Hullbridge Road</b> <b>Chelmsford</b> <b>Essex</b> <b>CM3 5LW</b>
<b>REGISTERED NUMBER:</b>	<b>3716518 (England &amp; Wales)</b>
<b>ACCOUNTANTS:</b>	<b>F. Chow &amp; Co.</b> <b>225 Hullbridge Road</b> <b>Chelmsford</b> <b>Essex</b> <b>CM3 5LW</b>

**Modern Insulation (Essex) Limited**

**Director's Report**  
**For the year ended 31<sup>st</sup> March 2003**

The director presents his report with the financial statements of the company for the year ended 31<sup>st</sup> March 2003.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of thermal insulation engineers and sheet metal fabricators.

**DIRECTOR AND HIS INTEREST**

The directors during the year under review were:

Mr A P Disley  
Mr S B Disley

The beneficial interest of the directors holding office on 31<sup>st</sup> March 2003 in the issued share capital of the company were as follows:

	31.3.03	1.4.02
<b>Ordinary £1 shares</b>		
Mr A P Disley	2	2
Mr S B Disley	4	4

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:**

*A.P. Disley*

Mr A P Disley – Director

Dated: 18 AUGUST 2003.

**Modern Insulation (Essex) Limited**

**Profit and Loss Account**  
**For the year ended 31<sup>st</sup> March 2003**

	2003 £	2002 £
Notes		
<b>TURNOVER</b>	316,993	266,325
Cost of sales	(114,731)	104,757
<b>GROSS PROFIT</b>	<u>202,262</u>	<u>161,568</u>
Administrative expenses	175,244	196,413
<b>OPERATING PROFIT/(LOSS) 2</b>	<u>27,018</u>	<u>(34,845)</u>
Interest payable and Similar charges	7,462	1,938
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	19,556	(36,783)
Tax on (profit)/loss on ordinary Activities 3	<u>(2,270)</u>	<u>(2,243)</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>	17,286	(34,540)
Dividends	Nil	7,500
	<u>17,286</u>	<u>(42,040)</u>
Retained (deficit) profit brought forward	(41,888)	152
<b>DEFICIT CARRIED FORWARD</b>	<u><u>£(24,602)</u></u>	<u><u>£(41,888)</u></u>

These notes form part of the financial statements

**Modern Insulation (Essex) Limited**  
**Balance Sheet**  
**As at 31<sup>st</sup> March 2003**

	Notes	£	2003 £	£	2002 £
<b>FIXED ASSETS</b>					
Tangible assets	4		17,457		14,806
<b>CURRENT ASSETS</b>					
Stocks		16,325		14,889	
Debtors	5	27,016		30,316	
Cash at bank and in hand		-		201	
			<u>43,341</u>	<u>45,406</u>	
<b>CREDITORS: Amounts falling due within one year</b>	6	79,180		96,198	
			<u>          </u>	<u>          </u>	
<b>NET CURRENT LIABILITIES</b>			(35,839)		(50,792)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>(18,382)</u>		<u>(35,986)</u>
<b>CREDITORS: Amounts falling due within one year</b>	7		6,214		5,896
			<u>£(24,596)</u>		<u>£(41,882)</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	8		6		6
Profit and loss account			(24,602)		(41,888)
			<u>          </u>		<u>          </u>
<b>SHAREHOLDERS' FUNDS:</b>			<u>£(24,596)</u>		<u>£(41,882)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31<sup>st</sup> March 2003.

The members have not required the company to obtain an audit of its financial statements for the year ended 31<sup>st</sup> March 2003 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as is applicable to the company.

The notes on pages 5 to 8 form part of these financial statements

**Modern Insulation (Essex) Limited**

**Balance Sheet – 31<sup>st</sup> March 2003**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'A.P. Disley'.

**Mr. A.P. Disley – Director**

Approved by the Board on

These notes form part of these financial statements

**Modern Insulation (Essex) Limited**

**Notes to the Financial Statements**  
**For the Year Ended 31<sup>st</sup> March 2003**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

Turnover represents net invoiced sales of goods and services, excluding value added tax.

**Tangible fixed assets and depreciation**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures & fittings	-	20% on reducing balance
Motor vehicles	-	25% on reducing balance
Computer equipment	-	33% on cost

**Stock**

Stock and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items.

Cost includes all direct expenditure and an approximate proportion of fixed and variable overheads.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.



**Modern Insulation (Essex) Limited**

**Notes to the Financial Statements**  
**For the Year Ended 31<sup>st</sup> March 2003**

**2. OPERATING PROFIT/(LOSS)**

The operating profit is stated after charging:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Depreciation – owned assets	1,860	1,068
Depreciation – assets on hire purchase contracts	4,891	4,172
Pension costs	7,200	6,000
	<u>          </u>	<u>          </u>
Directors' emoluments and other benefits etc.	45,090	58,691
	<u>          </u>	<u>          </u>

**3. TAXATION**

**Analysis of the tax (profit) charge**

The tax (profit) charge on the loss on ordinary activities for the year was as follows:

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	2,270	(2,243)
	<u>          </u>	<u>          </u>
Tax on profit/(loss) on ordinary activities	2,270	(2,243)
	<u>          </u>	<u>          </u>

UK corporation tax was charged at 22.75% in 2003.

**4. TANGIBLE FIXED ASSETS**

	Plant & Equipment £	Motor Vehicles £	Computer Equipment £	Totals £
<b>COST:</b>				
At 1 <sup>st</sup> April 2002	951	16,687	3,180	20,818
Additions	1,056	7,049	1,297	9,402
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 <sup>st</sup> March 2003	<u>2,007</u>	<u>23,736</u>	<u>4,477</u>	<u>30,220</u>
<b>DEPRECIATION:</b>				
At 1 <sup>st</sup> April 2002	475	4,172	1,365	6,012
Charge for the year	383	4,891	1,477	6,751
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 <sup>st</sup> March 2003	<u>858</u>	<u>9,063</u>	<u>2,842</u>	<u>12,763</u>
<b>NET BOOK VALUE</b>				
At 31 <sup>st</sup> March 2003	<u>1,149</u>	<u>14,673</u>	<u>1,635</u>	<u>17,457</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 <sup>st</sup> March 2002	<u>476</u>	<u>12,515</u>	<u>1,815</u>	<u>14,806</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Modern Insulation (Essex) Limited**

**Notes to the Financial Statements**  
**For the Year Ended 31<sup>st</sup> March 2003**

**5. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade Debtors	27,016	30,316
	<hr/>	<hr/>
	27,016	30,316
	<hr/>	<hr/>

**6. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	27,016	30,316
Hire purchase contracts	3,646	5,054
Trade Creditors	45,998	31,434
Other Creditors	6,004	18,201
Directors' current accounts	397	397
V.A.T.	12,264	6,420
PAYE Tax and NIC	7,150	28,953
Corporation Tax	2,270	(2,243)
	<hr/>	<hr/>
	79,180	96,198
	<hr/>	<hr/>

**7. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Hire purchase contracts	6,214	5,896
	<hr/>	<hr/>

**8. CALLED UP SHARE CAPITAL**

Authorised Number	Class	Nominal Value	<b>2003</b>	<b>2002</b>
			<b>£</b>	<b>£</b>
1,000	Ordinary	£1	1,000	1,000
			<hr/>	<hr/>
<b>Allotted, issued and full paid:</b>				
Number:	Class	Nominal Value	<b>2003</b>	<b>2002</b>
			<b>£</b>	<b>£</b>
6	Ordinary	£1	6	6
			<hr/>	<hr/>

**Modern Insulation (Essex) Limited**

**Trading and Profit & Loss Account**  
**For the Year Ended 31<sup>st</sup> March 2003**

	<b>2003</b>		<b>2002</b>	
	£	£	£	£
<b>Sales</b>		316,993		266,325
<b>Cost of Sales:</b>				
Opening Stock	3,476		8,990	
Opening Work in Progress	11,413		4,574	
Materials	74,524		59,864	
Plant Hire	14,641		912	
Sub-Contractors	<u>27,002</u>		<u>45,306</u>	
	131,056		119,646	
Closing Stock	(4,153)		(3,476)	
Closing Work in Progress	<u>(12,172)</u>		<u>(11,413)</u>	
		<u>(114,731)</u>		<u>104,757</u>
<b>GROSS PROFIT</b>		202,262		161,568
<b>Expenditure:</b>				
Directors' remuneration	45,090		58,691	
Social Security	5,321		5,740	
Pension Contributions	5,200		4,000	
Wages	34,142		69,946	
Social Security	6,811		6,167	
Pensions	2,000		2,000	
Staff Health Scheme	2,594		2,766	
Telephone	6,304		5,246	
Postage & Stationery	1,109		1,010	
Advertising	2,626		2,499	
Travelling Expenses	1,639		1,312	
Motor Expenses	14,196		12,399	
Business Insurance	5,684		3,656	
Computer Software + Maintenance	2,875		1,201	
Loose Tool Replacements	1,104		386	
Repairs to Plant & Equipment	301		215	
Protective Clothing	1,299		719	
Cleaning & Laundry	300		220	
Staff Welfare	2,116		1,883	
Trade Expenses	-		494	
Accountancy Fees	1,800		1,750	
Clerical Fees	3,592		2,615	
Professional Fees	936		300	
Entertainment	250		3,958	
Repairs to Premises	2,564		1,453	
Rent & Rates	14,562		-	
		<u>(164,415)</u>		<u>190,626</u>
Carried Forward		37,847		(29,058)

**This page does not form part of the statutory financial statements**

**Modern Insulation (Essex) Limited**

**Trading and Profit & Loss Account**  
**For the Year Ended 31<sup>st</sup> March 2003**

	£	2003 £	£	2002 £
Brought Forward		37,847		(29,058)
<b><u>Finance Costs:</u></b>				
Bank Overdraft Interest	225		3	
VAT Surcharge	3,853		767	
Hire Purchase Interest	1,646		1,168	
Bank Charges	1,119		547	
Loan Interests	4,697	11,540	-	2,485
		<u>26,307</u>		<u>(31,543)</u>
<b><u>Depreciation:</u></b>				
Plant & Equipment	383		160	
Motor Vehicle	4,891		4,172	
Computer Equipment	1,477	6,751	908	5,240
		<u>        </u>	<u>        </u>	<u>        </u>
Net Profit/(Loss)		<u>£19,556</u>		<u>£(36,783)</u>