

**WATLING HOPE (SERVICE) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**31ST JULY 2002**



**Company Registration Number 2837339**

**THE GRAHAM FULFORD PARTNERSHIP**

Chartered Accountants  
61 Bedford Street  
Leamington Spa  
Warwickshire  
CV32 5DN

# **WATLING HOPE (SERVICE) LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST JULY 2002**

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# WATLING HOPE (SERVICE) LIMITED

## THE DIRECTOR'S REPORT

YEAR ENDED 31ST JULY 2002

The director has pleasure in presenting his report and the unaudited financial statements of the company for the year ended 31st July 2002.

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of servicing waste water and environmental equipment. The company ceased to trade on 1st August 2002, the business being transferred to Watling Hope (Installations) Limited on that date.

### THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 July 2002	At 1 August 2001
Mr M J Palin	76	76
Mr G Mansell	<u>12</u>	<u>12</u>

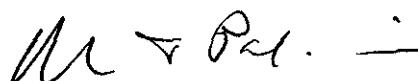
Mr G Mansell retired as a director on 1st August 2002.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
The Chantry  
Wroxton  
Banbury  
Oxon  
OX15 6QS

Signed by order of the director



MRS M PALIN  
Company Secretary

Approved by the director on 24-2-03

**WATLING HOPE (SERVICE) LIMITED****PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST JULY 2002**

	Note	2002 £	2001 £
<b>TURNOVER</b>		<b>963,010</b>	<b>1,016,905</b>
Cost of sales		<b>645,568</b>	<b>691,692</b>
<b>GROSS PROFIT</b>		<b>317,442</b>	<b>325,213</b>
Distribution Costs		<b>81</b>	<b>89</b>
Administrative expenses		<b>305,343</b>	<b>275,292</b>
<b>OPERATING PROFIT</b>	<b>2</b>	<b>12,018</b>	<b>49,832</b>
Interest receivable		<b>409</b>	<b>921</b>
Interest payable		<b>(63)</b>	<b>(315)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>12,364</b>	<b>50,438</b>
Tax on profit on ordinary activities	<b>3</b>	<b>(2,258)</b>	<b>(10,838)</b>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>10,106</b>	<b>39,600</b>
Equity dividends paid		<b>19,000</b>	<b>35,000</b>
<b>(LOSS)/RETAINED PROFIT FOR THE FINANCIAL YEAR</b>		<b>(8,894)</b>	<b>4,600</b>
Balance brought forward		<b>9,039</b>	<b>4,439</b>
Balance carried forward		<b>145</b>	<b>9,039</b>

The notes on pages 4 to 6 form part of these financial statements.

# WATLING HOPE (SERVICE) LIMITED

## BALANCE SHEET

31ST JULY 2002

	Note	2002 £	£	2001 £	£
<b>CURRENT ASSETS</b>					
Stocks		11,183		15,102	
Debtors	4	147,357		188,778	
Cash at bank		48		32,225	
		<u>158,588</u>		<u>236,105</u>	
<b>CREDITORS: Amounts falling due within one year</b>	5	<u>(158,355)</u>		<u>(226,978)</u>	
<b>NET CURRENT ASSETS</b>			<u>233</u>		<u>9,127</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>233</u>		<u>9,127</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	7		88		88
Profit and Loss Account			145		9,039
<b>SHAREHOLDERS' FUNDS</b>			<u>233</u>		<u>9,127</u>

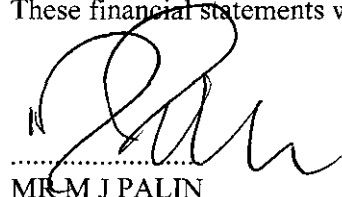
The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved and signed by the director on 24.2.03.

  
 M J PALIN

# WATLING HOPE (SERVICE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2002

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

#### Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

### 2. OPERATING PROFIT

Operating profit is stated after charging:

	2002 £	2001 £
Director's emoluments	-	-
Directors compensation for loss of office	<u>5,000</u>	<u>-</u>

### 3. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002 £	2001 £
In respect of the year:		
Corporation Tax based on the results for the year at 18.80% (2001 - 20%)	2,321	10,171
Adjustment in respect of previous years:		
Corporation Tax	<u>(63)</u>	<u>667</u>
	<u>2,258</u>	<u>10,838</u>

# WATLING HOPE (SERVICE) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2002

### 4. DEBTORS

	2002	2001
	£	£
Trade debtors	140,452	169,817
Amounts owed by undertakings in which the company has a participating interest	6,905	12,298
VAT recoverable	-	6,663
	<u>147,357</u>	<u>188,778</u>

### 5. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Trade creditors	88,725	135,899
Other creditors including taxation:		
Corporation Tax	2,321	10,171
VAT	20,308	-
Other creditors	-	1,000
	<u>22,629</u>	<u>11,171</u>
Accruals and deferred income	47,001	79,908
	<u>158,355</u>	<u>226,978</u>

### 6. RELATED PARTY TRANSACTIONS

The company was under the control of Mr M J Palin throughout the current year and previous year. Mr M J Palin is the managing director and controlling shareholder.

During the year the company incurred management charges amounting to £290,000 (2001 £270,000) from Watling Hope (Installations) Limited, and it sold goods and services amounting to £nil (2001 £87,974) to Watling Hope (Products) Limited. At 31st July 2002 the company was owed £1,535 (2001 £4,928) and £5,370 (2001 £7,370) by Watling Hope (Installations) Limited and Watling Hope (Products) Limited respectively.

Mr M J Palin is a director of both companies and is the controlling shareholder.

During the year the company purchased goods and services amounting to £68,548 (2001 £230,836) from WPL Limited, a company of which Mr M J Palin is a director. At 31st July 2002 the company owed WPL Limited £822 (2001 £37,180).

A composite guarantee dated 30 April 1998 was given by Watling Hope (Installations) Limited as security on the company's overdraft facility.

All the above transactions were made at arms length.

**WATLING HOPE (SERVICE) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST JULY 2002**

**7. SHARE CAPITAL**

**Authorised share capital:**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
10,000 Ordinary shares of £1.00 each	<b><u>10,000</u></b>	<b><u>10,000</u></b>

**Allotted, called up and fully paid:**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Ordinary share capital	<b><u>88</u></b>	<b><u>88</u></b>