

1675618

CENTRAL PLUMBING & HEATING SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 1991

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Haines Watts (Incorporating  
Bowen-Jones, Humphreys & Co.  
& Westwood & Co.)

Chartered Accountants

6 Tettenhall Road,  
Wolverhampton.  
WV1 4SA.

Tele: (0902) 771125

CENTRAL PLUMBING & HEATING SERVICES LIMITED

OFFICERS AND ADVISERS

DIRECTORS:

M. N. PINCHES  
M. G. PINCHES

SECRETARY:

M. N. PINCHES

REGISTERED OFFICE  
& BUSINESS ADDRESS:

CENTRAL HOUSE  
CENTRAL TRADING ESTATE,  
STALLINGS LANE,  
KINGSWINFORD.  
DY6 7AP

BANKERS:

MIDLAND BANK PLC.,  
P.O. BOX 68  
130 NEW STREET,  
BIRMINGHAM.  
B2 4JU

SOLICITORS:

EDGE & ELLISON,  
RUTLAND HOUSE,  
EDMUND STREET,  
BIRMINGHAM.

AUDITORS:

HAINES WATTS (INCORPORATING  
BOWEN-JONES, HUMPHREYS & CO.  
& WESTWOOD & CO),  
CHARTERED ACCOUNTANTS,  
6 TETTENHALL ROAD,  
WOLVERHAMPTON.  
WV1 4SA

COMPANY NUMBER:

1675615

CENTRAL PLUMBING & HEATING SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1991

CONTENTS

1. Directors' report
2. Auditors' report
3. Profit and loss account
4. Balance sheet
5. Statement of source and application of funds
- 6 - 11. Notes to the financial statements
  - A. Detailed trading and profit and loss account
  - B. Schedule of overhead expenses

DIRECTORS' REPORTTO THE MEMBERS OF CENTRAL PLUMBING & HEATING SERVICES LIMITED

The directors submit their report, together with the audited financial statements of the company for the year ended 31st March 1991.

Principal Activities

The company's principal activities are that of installation & maintenance of heating and plumbing systems.

Review of the financial position

Although turnover increased in comparison with the equivalent prior period, a significant increase in overheads has resulted in the company incurring a smaller profit compared to 1990.

Results and appropriations

The profit after tax and extraordinary items was £1,041 (1990 - profit £50,730).

No payment of any dividend is recommended by the board.

The profit will be carried to reserves.

Directors

The directors of the company during the year and their beneficial interests in shares of the company at the end of the year were as follows:-

|               | <u>Ordinary Shares of £1 each</u> |             |
|---------------|-----------------------------------|-------------|
|               | <u>1991</u>                       | <u>1990</u> |
| M. N. Pinches | 500                               | 500         |
| M. G. Pinches | 500                               | 500         |

Fixed Assets

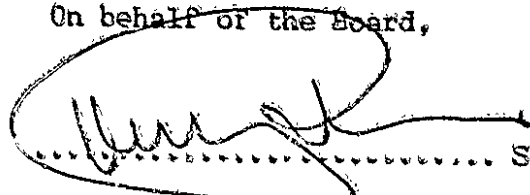
Movements in fixed assets are shown in note 10 to the financial statements.

Elective Resolutions

On 12th August 1991 pursuant to Section 381A of the Companies Act 1985 the following resolutions were passed as Elective Resolutions.

1. THAT, pursuant to Section 366A of the Companies Act 1985 the Company hereby elects to dispense with the holding of Annual General Meetings.
2. THAT, pursuant to Section 386 of the Companies Act 1985 the Company hereby elects to dispense with the obligation to appoint Auditors annually.
3. THAT, pursuant to Section 252 of the Companies Act 1985 the Company hereby elects to dispense with the laying of accounts and reports before the Company in general meeting

On behalf of the Board,



..... Secretary

Date...at...2<sup>nd</sup> 1991....

AUDITORS' REPORT

TO THE MEMBERS OF CENTRAL PLUMBING & HEATING SERVICES LIMITED

FOR THE YEAR ENDED 31ST MARCH 1991

We have audited the financial statements on pages 3 to 11 in accordance with auditing standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 1991 and of its profit and source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Haines Watts*  
HAINES WATTS (INCORPORATING  
BOWEN-JONES, HUMPHREYS & CO.  
& WESTWOOD & CO.)

DATE: 2nd October 1991

CHARTERED ACCOUNTANTS

WOLVERHAMPTON

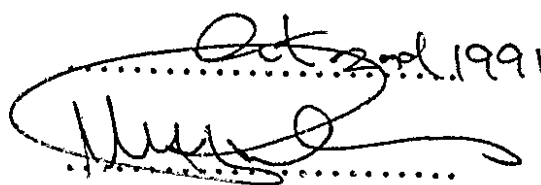
CENTRAL PLUMBING & HEATING SERVICES LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST MARCH 1991

|  | <u>Notes</u> | <u>Year ended</u><br><u>31.3.91</u><br><u>£</u> | <u>15 months ended</u><br><u>31.3.90</u><br><u>£</u> |
|--|--------------|---|--|
| <u>TURNOVER</u>  | 1            | 1,739,781                                       | 1,852,299  |
| Cost of sales  |              | (1,393,342)                                     | (1,477,977)  |
| <u>GROSS PROFIT</u>  |              | 346,439   | 374,322  |
| Net operating expenses   | 2            | (339,217)                                       | (322,029)  |
| <u>OPERATING PROFIT</u>  |              | 7,222   | 52,293   |
| Interest payable   | 6            | (6,508)   | (2,864)  |
| Interest receivable & similar income                           | 7            | 7,012   | 34,404   |
| <u>PROFIT ON ORDINARY ACTIVITIES</u><br><u>BEFORE TAXATION</u> |              | 7,726   | 83,833   |
| Tax on Profit on ordinary activities                           | 8            | (6,685)   | (34,343)   |
| <u>PROFIT AFTER TAXATION</u>                                   |              | 1,041   | 49,490   |
| Extraordinary Items  | 9            | -   | 1,240  |
| <u>RETAINED PROFIT FOR THE YEAR</u>                            |              | 1,041   | 50,730   |
| Retained Profit Brought Forward                                |              | 104,203   | 53,473   |
| Retained Profit Carried Forward                                |              | <u>£ 105,244</u>                                | <u>£ 104,203</u>                                     |

CENTRAL PLUMBING & HEATING SERVICES LIMITEDBALANCE SHEETAS AT 31ST MARCH 1991

|  | <u>Notes</u> | <u>£</u>  | <u>1991</u> | <u>£</u>  | <u>1990</u> | <u>£</u> |
|--|--------------|-----------|-------------|-----------|-------------|----------|
| <b>FIXED ASSETS</b>                            |              |           |             |           |             |          |
| Tangible Assets                                | 10           |           | 91,113      |           | 96,893      |          |
| <b>CURRENT ASSETS</b>                          |              |           |             |           |             |          |
| Stock and Work in Progress                     | 11           | 2,773     |             | 3,652     |             |          |
| Debtors  | 12           | 277,788   |             | 325,549   |             |          |
| Cash at Bank and in hand                       |              | 324       |             | 3,576     |             |          |
|  |              | 280,885   |             | 332,777   |             |          |
| CREDITORS, amounts falling due within one year | 13           | (265,754) |             | (324,467) |             |          |
| <b>NET CURRENT ASSETS</b>                      |              |           | 15,131      |           | 8,310       |          |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>   |              |           | £ 106,244   |           | £ 105,203   |          |
| <b>CAPITAL AND RESERVES</b>                    |              |           |             |           |             |          |
| Share Capital                                  | 14           | 1,000     |             | 1,000     |             |          |
| Profit & Loss Account                          |              | 105,244   |             | 104,203   |             |          |
|  |              | £ 106,244 |             | £ 105,203 |             |          |

The board of directors approved these financial statements on:-

 1991 Date

Director

..... Director

CENTRAL PLUMBING & HEATING SERVICES LIMITED  
STATEMENT OF SOURCE AND APPLICATION OF FUNDS  
FOR THE YEAR ENDED 31ST MARCH 1991

| <u>SOURCE OF FUNDS</u>                                       | <u>Year ended</u><br><u>31.3.91</u><br>£                  £ | <u>15 months ended</u><br><u>31.3.90</u><br>£                  £ |
|--|---|--|
| Profit before taxation                                       | 7,726   | 83,833   |
| Adjustment for items not involving<br>the movement of funds: |   |  |
| Depreciation   | 27,731  | 27,174   |
| Loss/(Profit) on sale of assets                              | 1,559   | (1,042)  |
|  | <u>29,290</u>   | <u>26,132</u>  |
| <u>TOTAL GENERATED FROM OPERATIONS</u>                       | 37,016  | 109,965  |
| <u>OTHER SOURCES OF FUNDS</u>                                |   |  |
| Sales of Fixed Assets  | 4,950   | 4,550  |
|  | <u>41,966</u>   | <u>114,515</u>   |
| <u>APPLICATION OF FUNDS</u>                                  |   |  |
| Tax paid   | 26,585  | 25,601   |
| Purchase of Fixed Assets                                     | 28,460  | 57,854   |
|  | <u>(55,045)</u>   | <u>(83,455)</u>  |
| <u>(DECREASE)/INCREASE IN WORKING CAPITAL</u>                | <u>£ (13,079)</u>   | <u>£ 31,060</u>  |
| <u>Arising from movements in:-</u>                           |   |  |
| Stock and work in progress                                   | (879)   | (1,348)  |
| Debtors  | (47,761)  | 108,222  |
| Creditors  | 8,330   | (12,442)   |
| Net liquid funds:  |   |  |
| Bank and cash balances                                       | 27,231  | (63,372)   |
|  | <u>£ (13,079)</u>   | <u>£ 31,060</u>  |



CENTRAL PLUMBING & HEATING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1991

1. ACCOUNTING POLICIES

Accounting convention.

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover comprises the net invoiced value of goods and services supplied, by the company, excluding value added tax.

Fixed Assets

The cost of fixed assets is written off over their anticipated useful lives at the following rates:-

On written down values

|                       |               |
|-----------------------|---------------|
| Plant and Equipment   | 15% per annum |
| Fixtures and Fittings | 15% per annum |

On cost

|                |               |
|----------------|---------------|
| Motor Vehicles | 25% per annum |
|----------------|---------------|

Deferred Taxation

Deferred tax is provided on the liability basis at the current rate of Corporation Tax on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Stocks and work in progress

Raw materials and work in progress are valued by the directors at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving stock.

CENTRAL PLUMBING & HEATING SERVICES LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31ST MARCH 1991

|   | <u>Year ended</u><br><u>31.3.91</u><br><u>£</u> | <u>15 Months ended</u><br><u>31.3.90</u><br><u>£</u> |
|---|---|--|
| 2. <u>NET OPERATING EXPENSES</u>                            |   |  |
| Administrative expenses                                     | £ 339,217                                       | £ 322,029  |
|   | <u>                    </u>                     | <u>                    </u>                          |
| 3. <u>OPERATING PROFIT</u>                                  | <u>Year ended</u><br><u>31.3.91</u><br><u>£</u> | <u>15 Months ended</u><br><u>31.3.90</u><br><u>£</u> |
| The Operating Profit is stated after charging/(crediting):- |   |  |
| Depreciation  | 27,731  | 27,174   |
| Loss/(Profit) on Sale of Fixed Assets                       | 1,559   | (1,042)  |
| Auditors' Remuneration                                      | 4,000   | 3,750  |
|   | <u>                    </u>                     | <u>                    </u>                          |
| 4. <u>STAFF COSTS</u>                                       | <u>Year ended</u><br><u>31.3.91</u><br><u>£</u> | <u>15 Months ended</u><br><u>31.3.90</u><br><u>£</u> |
| Salaries and Wages  | 267,426   | 233,424  |
| National Insurance Costs                                    | 23,664  | 43,914   |
| Pension Scheme  | 4,745   | 21,263   |
| Private Patients Plan                                       | 330   | 2,266  |
|   | <u>                    </u>                     | <u>                    </u>                          |
|   | £ 296,165                                       | £ 300,867  |
|   | <u>                    </u>                     | <u>                    </u>                          |

The average weekly number of employees during the year was 17 (1990 - 17). Due to the limited number of employees the directors do not consider categorisation to be appropriate.

CENTRAL PLUMBING & HEATING SERVICES LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31ST MARCH 1991

| <u>5. DIRECTORS' REMUNERATION</u>                    | <u>Year ended</u><br><u>31.3.91</u><br><u>£</u>     | <u>15 Months ended</u><br><u>31.3.90</u><br><u>£</u>     |
|--|---|--|
| <u>Directors' Emoluments</u>                         |   |  |
| Directors' Remuneration                              | 113,883   | 72,355   |
| Directors' Pension Scheme                            | 10,600  | 16,500   |
| Directors' Medical Scheme                            | -   | 1,127  |
|  | <u>£ 124,483</u>                                    | <u>£ 89,982</u>  |
| Chairman & Highest Paid Director                     | <u>£ 88,491</u>                                     | <u>£ 50,012</u>  |
|  | <u>Number</u>                                       | <u>Number</u>  |
| Other directors: £20,001 - £25,000                   | -   | 1  |
| £25,001 - £30,000                                    | 1   | -  |
|  | <u>1</u>  | <u>1</u>   |
| <br><u>6. INTEREST PAYABLE</u>                       | <br><u>Year ended</u><br><u>31.3.91</u><br><u>£</u> | <br><u>15 Months ended</u><br><u>31.3.90</u><br><u>£</u> |
| Bank Interest  | <u>£ 6,508</u>                                      | <u>£ 2,864</u>   |
| <br><u>7. INTEREST RECEIVABLE AND SIMILAR INCOME</u> | <br><u>Year ended</u><br><u>31.3.91</u><br><u>£</u> | <br><u>15 Months ended</u><br><u>31.3.90</u><br><u>£</u> |
| Bank Interest Received                               | 47  | 7,555  |
| Discounts Received                                   | 6,965   | 1,849  |
| Management Charge Received                           | -   | 25,000   |
|  | <u>£ 7,012</u>                                      | <u>£ 34,404</u>  |

CENTRAL PLUMBING & HEATING SERVICES LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31ST MARCH 1991

8. TAXATION

Year ended  
31.3.91  
£

15 Months ended  
31.3.90  
£

The tax charge on the Profit on Ordinary Activities  
was as follows :

Corporation Tax at 25% based on  
the adjusted results for the year  
(Over)/Under provision re prior years

7,100  
(415)  


---

£ 6,685  


---

31,340  
3,003  


---

£ 34,343  


---

9. EXTRAORDINARY ITEMS

Year ended  
31.3.91  
£

15 Months ended  
31.3.90  
£

Extraordinary profit  
Tax on extraordinary profit

-  
-  


---

£ -  


---

1,900  
(660)  


---

£ 1,240  


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CENTRAL PLUMBING & HEATING SERVICES LIMITEDNOTES TO THE FINANCIAL STATEMENTS (CONTINUED)FOR THE YEAR ENDED 31ST MARCH 199110. FIXED ASSETS

## Tangible Assets

|                       | <u>Motor<br/>Vehicles</u><br>£ | <u>Plant &amp;<br/>Equipment</u><br>£ | <u>Fixtures &amp;<br/>Fittings</u><br>£ | <u>Freehold Land<br/>&amp; Buildings</u><br>£ | <u>TOTAL</u><br>£ |
|-----------------------|--------------------------------|---------------------------------------|---|---|-------------------|
| <u>COST</u>           |                                |                                       |   |   |                   |
| At 1st April 1990     | 94,480                         | 7,831                                 | 21,840                                  | 29,385  | 153,536           |
| Additions in year     | 21,950                         | 2,215                                 | 4,295                                   | -   | 28,460            |
| Disposals in year     | (18,430)                       | -                                     | -                                       | -   | (18,430)          |
| At 31st March 1991    | <u>£ 98,000</u>                | <u>£ 10,046</u>                       | <u>£ 26,135</u>                         | <u>£ 29,385</u>                               | <u>£ 163,566</u>  |
| <u>DEPRECIATION</u>   |                                |                                       |   |   |                   |
| At 1st April 1990     | 44,217                         | 4,792                                 | 4,971                                   | 2,663   | 56,643            |
| Write Off On Disposal | (11,921)                       | -                                     | -                                       | -   | (11,921)          |
| Charge for year       | 23,181                         | 788                                   | 3,174                                   | 588   | 27,731            |
| At 31st March 1991    | <u>£ 55,477</u>                | <u>£ 5,580</u>                        | <u>£ 8,145</u>                          | <u>£ 3,251</u>                                | <u>£ 72,453</u>   |
| <u>NET BOOK VALUE</u> |                                |                                       |   |   |                   |
| At 31st March 1991    | <u>£ 42,523</u>                | <u>£ 4,466</u>                        | <u>£ 17,990</u>                         | <u>£ 26,134</u>                               | <u>£ 91,113</u>   |
| At 31st March 1990    | <u>£ 50,263</u>                | <u>£ 3,039</u>                        | <u>£ 16,869</u>                         | <u>£ 26,722</u>                               | <u>£ 96,893</u>   |

11. STOCKS AND WORK IN PROGRESS

|                                   | <u>1991</u><br>£ | <u>1990</u><br>£ |
|-----------------------------------|------------------|------------------|
| Total Stocks and Work in Progress | <u>£ 2,773</u>   | <u>£ 3,652</u>   |

12. DEBTORS

|                                     | <u>1991</u><br>£ | <u>1990</u><br>£ |
|-------------------------------------|------------------|------------------|
| Trade Debtors                       | 124,062          | 170,283          |
| Amounts Owed by Connected Companies | 91,461           | 112,646          |
| Directors' Current Accounts         | 30,114           | -                |
| ACT Recoverable                     | 3,667            | 3,667            |
| Prepayments                         | 12,902           | 22,633           |
| VAT Debtor                          | 9,582            | 10,320           |
| Dividends Receivable                | 6,000            | 6,000            |
|                                     | <u>£ 277,788</u> | <u>£ 325,549</u> |

The maximum amount of the director's overdrawn current account during the year was £30,114 in respect of M.N. Finches.

CENTRAL PLUMBING & HEATING SERVICES LIMITED  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31ST MARCH 1991

| 13. <u>CREDITORS</u> , amounts falling due<br>within one year:- | <u>1991</u><br>£ | <u>1990</u><br>£ |
|---|------------------|------------------|
| Bank Overdrafts   | 2,192            | 32,675           |
| Trade Creditors   | 176,562          | 180,291          |
| Amounts Due To Connected Company                                | 35,954           | -                |
| Corporation Tax   | 8,767            | 28,667           |
| Other Taxation & Social Security                                | 7,776            | 9,241            |
| Accruals  | 2,500            | 18,667           |
| Directors' Current Accounts                                     | 6,183            | 17,841           |
| Other Creditors   | 25,820           | 37,085           |
|   | <u>£ 265,754</u> | <u>£ 324,467</u> |

The bank loans and overdrafts are secured by a fixed and floating charge over the freehold property and assets of the company. Also there is a multilateral guarantee dated 1st December 1989 in respect of the companies Positive Electrical Contractors Limited and Second Central Properties (West Midlands) Limited.

| 14. <u>SHARE CAPITAL</u>                                      | <u>1991</u><br>£ | <u>1990</u><br>£ |
|---|------------------|------------------|
| Authorised<br>Ordinary Shares of £1 each                      | <u>£ 1,000</u>   | <u>£ 1,000</u>   |
| Allotted, Issued and Fully Paid<br>Ordinary Shares of £1 each | <u>£ 1,000</u>   | <u>£ 1,000</u>   |

15. CONTINGENT LIABILITIES

There were no contingent liabilities at 31st March 1991 (1990 - Nil).

16. CAPITAL COMMITMENTS

There were no capital commitments at 31st March 1991 (1990 - Nil).

17. CONNECTED COMPANIES

The company has two connected companies due to common directors and shareholders, Positive Electrical Contractors Limited and Second Central Properties (West Midlands) Limited.