

REGISTERED NUMBER: 2737677 (England and Wales)

REGISTRARS COPY

Abbreviated Financial Statements
for the year ended 31 October 2002
for
Prime Clean Limited



Prime Clean Limited

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for the year ended 31 October 2002**

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Prime Clean Limited

**Company Information
for the year ended 31 October 2002**

DIRECTORS: A W E Ellison
S B R Prier

SECRETARY: A W E Ellison

REGISTERED OFFICE: Hamlet House
366 - 368 London Road
Westcliff on Sea
ESSEX SS0 7HZ

REGISTERED NUMBER: 2737677 (England and Wales)

AUDITORS: Hedges Chandler
Chartered Accountants
Registered Auditors
Hamlet House
366-368 London Road
Westcliff-on-Sea
Essex SSO 7HZ

Prime Clean Limited

**Report of the Directors
for the year ended 31 October 2002**

The directors present their report with the financial statements of the company for the year ended 31 October 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of office and general cleaning contractors.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No dividends will be distributed for the year ended 31 October 2002.

DIRECTORS

The directors during the year under review were:

A W E Ellison
S B R Prier

The beneficial interests of the directors holding office on 31 October 2002 in the issued share capital of the company were as follows:

	31.10.02	1.11.01
Ordinary £1 shares		
A W E Ellison	2,100	2,100
S B R Prier	-	-

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

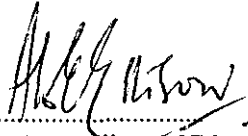
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

AUDITORS

The auditors, Hedges Chandler, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


A W E Ellison - SECRETARY

Dated: 4/11/03

Prime Clean Limited

**Report of the Independent Auditors to
Prime Clean Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages four to sixteen, together with the full financial statements of the company for the year ended 31 October 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages four to sixteen are properly prepared in accordance with that provision.



Hedges Chandler
Chartered Accountants
Registered Auditors
Hamlet House
366-368 London Road
Westcliff-on-Sea
Essex SSO 7HZ

Dated: 4/4/03

Prime Clean Limited

**Abbreviated Profit and Loss Account
for the year ended 31 October 2002**

		<u>2002</u>	<u>2001</u>
	Notes	£	£
GROSS PROFIT		837,005	903,875
Administrative expenses		<u>723,469</u>	<u>758,676</u>
OPERATING PROFIT	3	113,536	145,199
Interest receivable and similar income		<u>1,678</u>	<u>4,639</u>
		115,214	149,838
Interest payable and similar charges	4	<u>7,482</u>	<u>10,795</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		107,732	139,043
Tax on profit on ordinary activities	5	<u>27,801</u>	<u>32,864</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		79,931	106,179
Retained profit brought forward		<u>278,084</u>	<u>171,905</u>
RETAINED PROFIT CARRIED FORWARD		<u>£358,015</u>	<u>£278,084</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

Prime Clean Limited

**Abbreviated Balance Sheet
31 October 2002**

		2002		2001	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		189,394		189,646
CURRENT ASSETS:					
Stocks	7	12,991		19,332	
Debtors	8	537,255		490,461	
Cash at bank and in hand		82,071		106,662	
		632,317		616,455	
CREDITORS: Amounts falling due within one year	9	444,320		502,346	
NET CURRENT ASSETS:			187,997		114,109
TOTAL ASSETS LESS CURRENT LIABILITIES:			377,391		303,755
CREDITORS: Amounts falling due after more than one year	10		(10,172)		(20,671)
PROVISIONS FOR LIABILITIES AND CHARGES:	14		(4,204)		-
			<u>£363,015</u>		<u>£283,084</u>
CAPITAL AND RESERVES:					
Called up share capital	15		5,000		5,000
Profit and loss account			358,015		278,084
SHAREHOLDERS' FUNDS:	18		<u>£363,015</u>		<u>£283,084</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



A W E Ellison - DIRECTOR

Approved by the Board on 4/14/03

The notes form part of these financial statements

Prime Clean Limited

**Cash Flow Statement
for the year ended 31 October 2002**

	Notes	2002		2001	
		£	£	£	£
Net cash inflow from operating activities	1		24,390		238,556
Returns on investments and servicing of finance	2		(5,804)		(6,156)
Taxation			(31,317)		(73,734)
Capital expenditure	2		(75,540)		(124,729)
			<u>(88,271)</u>		<u>33,937</u>
Financing	2		(41,436)		(38,737)
Decrease in cash in the period			<u>£(129,707)</u>		<u>£(4,800)</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Decrease in cash in the period					
Cash outflow from decrease in debt and lease financing		(129,707)		(4,800)	
			18,244		38,735
			<u>18,244</u>		<u>38,735</u>
Change in net funds resulting from cash flows			(111,463)		33,935
Movement in net funds in the period			<u>(111,463)</u>		<u>33,935</u>
Net funds at 1 November			55,154		21,219
			<u>55,154</u>		<u>21,219</u>
Net (debt)/funds at 31 October			<u>£(56,309)</u>		<u>£55,154</u>

The notes form part of these financial statements

Prime Clean Limited

**Notes to the Cash Flow Statement
for the year ended 31 October 2002**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002 £	2001 £
Operating profit	113,536	145,199
Depreciation charges	76,868	90,643
Loss on sale of fixed assets	-	12,329
Profit on sale of fixed assets	(1,077)	(6,000)
Decrease in stocks	6,341	1,908
Increase in debtors	(46,794)	(133,861)
(Decrease)/Increase in creditors	(124,484)	128,338
Net cash inflow from operating activities	<u>24,390</u>	<u>238,556</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	1,678	4,639
Interest paid	-	(37)
Interest element of hire purchase payments	(7,482)	(10,758)
Net cash outflow for returns on investments and servicing of finance	<u>(5,804)</u>	<u>(6,156)</u>
Capital expenditure		
Purchase of tangible fixed assets	(98,040)	(153,229)
Sale of tangible fixed assets	22,500	28,500
Net cash outflow for capital expenditure	<u>(75,540)</u>	<u>(124,729)</u>
Financing		
New hire purchase funds	21,482	-
Capital element of hire purchase repayments	(39,725)	(38,737)
Amount withdrawn by directors	(23,193)	-
Net cash outflow from financing	<u>(41,436)</u>	<u>(38,737)</u>

The notes form part of these financial statements

Prime Clean Limited

**Notes to the Cash Flow Statement
for the year ended 31 October 2002**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.01 £	Cash flow £	At 31.10.02 £
Net cash:			
Cash at bank and in hand	106,662	(24,591)	82,071
Bank overdraft	-	(105,116)	(105,116)
	<u>106,662</u>	<u>(129,707)</u>	<u>(23,045)</u>
Debt:			
Hire purchase	(51,508)	18,244	(33,264)
	<u>(51,508)</u>	<u>18,244</u>	<u>(33,264)</u>
Total	<u>55,154</u>	<u>(111,463)</u>	<u>(56,309)</u>
Analysed in Balance Sheet			
Cash at bank and in hand	106,662		82,071
Bank overdraft	-		(105,116)
Hire purchase			
within one year	(30,837)		(23,092)
after one year	(20,671)		(10,172)
	<u>55,154</u>		<u>(56,309)</u>

The notes form part of these financial statements

Prime Clean Limited

Notes to the Abbreviated Financial Statements for the year ended 31 October 2002

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts, all of which relate to the company's principal activities carried out wholly in the U.K.

Tangible fixed assets

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives. Any impairment in value is charged to the profit and loss account.

Leasehold improvements	-	10% on cost
Plant and machinery	-	20% on cost
Fixtures and fittings	-	20% on cost
Office equipment	-	20% on cost
Motor vehicles	-	25% on cost

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred tax

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes, except to the extent that a liability to taxation is unlikely to crystallise.

Hire purchase and leasing commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding and is charged to the profit and loss account over the period of the lease.

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

Pensions

The company operates a defined contribution pension scheme, the assets of which held separately from those of the company.

The pension costs charged against profits represent the amount of the contributions payable to the personal pension schemes of certain employees, in respect of the accounting period.

2. STAFF COSTS

	2002	2001
	£	£
Wages and salaries	2,600,885	2,371,674
Other pension costs	32,787	30,358
	<u>2,633,672</u>	<u>2,402,032</u>

Prime Clean Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2002**

2. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2002	2001
Directors	2	2
Administrative staff and managers	13	12
Cleaning staff	495	486
	<u>510</u>	<u>500</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2002	2001
	£	£
Depreciation - owned assets	52,633	63,262
Depreciation - assets on hire purchase contracts	24,235	27,381
(Profit)/Loss on disposal of fixed assets	(1,077)	6,329
Auditors' remuneration	5,750	5,000
	<u>99,464</u>	<u>164,878</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Bank interest	-	37
Hire purchase	7,482	10,758
	<u>7,482</u>	<u>10,795</u>

5. TAXATION

Analysis of the tax charge

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

	2002	2001
	£	£
Current tax:		
UK corporation tax	23,597	32,864
Deferred tax:		
Deferred taxation	4,204	-
	<u>27,801</u>	<u>32,864</u>

Prime Clean Limited

Notes to the Abbreviated Financial Statements
for the year ended 31 October 2002

6. TANGIBLE FIXED ASSETS

	Leasehold property	Plant and machinery	Fixtures and fittings
	£	£	£
COST:			
At 1 November 2001	17,354	114,992	17,396
Additions	-	25,483	265
At 31 October 2002	17,354	140,475	17,661
DEPRECIATION:			
At 1 November 2001	1,735	75,042	5,460
Charge for year	1,735	14,511	3,525
At 31 October 2002	3,470	89,553	8,985
NET BOOK VALUE:			
At 31 October 2002	13,884	50,922	8,676
At 31 October 2001	15,619	39,950	11,936
	Motor vehicles	Office equipment	Totals
	£	£	£
COST:			
At 1 November 2001	207,378	19,726	376,846
Additions	67,764	4,528	98,040
Disposals	(34,278)	-	(34,278)
At 31 October 2002	240,864	24,254	440,608
DEPRECIATION:			
At 1 November 2001	90,708	14,256	187,201
Charge for year	55,223	1,874	76,868
Eliminated on disposals	(12,855)	-	(12,855)
At 31 October 2002	133,076	16,130	251,214
NET BOOK VALUE:			
At 31 October 2002	107,788	8,124	189,394
At 31 October 2001	116,671	5,470	189,646

Prime Clean Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2002**

6. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles
	£
COST:	
At 1 November 2001	109,526
Additions	20,171
Transferred to ownership	(26,512)
	<u>103,185</u>
At 31 October 2002	103,185
DEPRECIATION:	
At 1 November 2001	54,985
Charge for year	24,235
Transferred to ownership	(15,465)
	<u>63,755</u>
At 31 October 2002	63,755
NET BOOK VALUE:	
At 31 October 2002	<u>39,430</u>
At 31 October 2001	<u>54,541</u>

7. STOCKS

	2002	2001
	£	£
Stock	<u>12,991</u>	<u>19,332</u>

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

	2002	2001
	£	£
Trade debtors	440,829	415,276
Other debtors	8,031	94
Accrued income	57,483	55,823
Prepayments	30,912	19,268
	<u>537,255</u>	<u>490,461</u>

Prime Clean Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2002**

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

	2002	2001
	£	£
Bank loans and overdrafts (see note 11)	105,116	-
Hire purchase contracts (see note 12)	23,092	30,837
Trade creditors	37,318	51,958
Directors current accounts	-	23,193
Other creditors	22,382	41,049
Social security & other taxes	196,186	169,846
Taxation	25,185	32,905
Accrued expenses	35,041	152,558
	<u>444,320</u>	<u>502,346</u>

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

	2002	2001
	£	£
Hire purchase contracts (see note 12)	<u>10,172</u>	<u>20,671</u>

11. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2002	2001
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>105,116</u>	<u>-</u>

Prime Clean Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2002**

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2002	2001
	£	£
Gross obligations repayable:		
Within one year	24,828	32,687
Between one and five years	10,812	21,321
	<u>35,640</u>	<u>54,008</u>
Finance charges repayable:		
Within one year	1,736	1,850
Between one and five years	640	650
	<u>2,376</u>	<u>2,500</u>
Net obligations repayable:		
Within one year	23,092	30,837
Between one and five years	10,172	20,671
	<u>33,264</u>	<u>51,508</u>

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	2002	2001	2002	2001
	£	£	£	£
Expiring:				
Between one and five years	<u>13,050</u>	<u>11,850</u>	<u>25,102</u>	<u>21,019</u>

Prime Clean Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2002**

13. SECURED DEBTS

The following secured debts are included within creditors:

	2002 £	2001 £
Bank overdrafts	105,116	-
Hire purchase contracts	33,264	51,508
	<u>138,380</u>	<u>51,508</u>

The bank overdraft is secured by a charge over cash dated 8 May 2000.

Hire purchase liabilities are secured against the tangible fixed assets to which they relate.

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2002 £	2001 £
Deferred taxation	4,204	-
	<u>4,204</u>	<u>-</u>
	Deferred tax	
	£	
Accelerated capital allowances	4,204	
Balance at 31 October 2002	<u>4,204</u>	

15. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002 £	2001 £
5,000	Ordinary	£1	<u>5,000</u>	<u>5,000</u>

16. CONTINGENT LIABILITIES

A Performance Bond in respect of customer contracts was held at the year end totalling £30,000. This liability would crystallise should the company fail to meet various contractual obligations during the course of the contract's term.

17. TRANSACTIONS WITH DIRECTORS

The following loan to a director subsisted during the year ended 31 October 2002:

	£
A W E Ellison	
Balance outstanding at start of year	-
Balance outstanding at end of year	6,350
Maximum balance outstanding during year	<u>6,350</u>

Prime Clean Limited

**Notes to the Abbreviated Financial Statements
for the year ended 31 October 2002**

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit for the financial year	79,931	106,179
Net addition to shareholders' funds	<u>79,931</u>	<u>106,179</u>
Opening shareholders' funds	283,084	176,905
Closing shareholders' funds	<u><u>363,015</u></u>	<u><u>283,084</u></u>
Equity interests	<u><u>363,015</u></u>	<u><u>283,084</u></u>

19. ULTIMATE CONTROLLING PARTY

The company is controlled by T.S. Louis who owns 58% of the company's issued share capital in both the current and preceding financial year ends.