REGISTERED NUMBER: 02139821 (England and Wales)

REGISTRAR
OF COMPANIES

Report of the Directors and

Unaudited Financial Statements

for the year ended 31st March 2004

for

COVERITE AIR CONDITIONING SERVICES LIMITED

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COVERITE AIR CONDITIONING SERVICES LIMITED

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COVERITE AIR CONDITIONING SERVICES LIMITED

Company Information for the year ended 31st March 2004

DIRECTORS:	G J Grima R Goulds
SECRETARY:	Mrs P E Grima
REGISTERED OFFICE:	50 Wakefield Road Greenhithe Kent DA9 9JE
REGISTERED NUMBER:	02139821 (England and Wales)
ACCOUNTANTS:	Simpson Wreford & Partners Chartered Accountants Suffolk House George Street Croydon Surrey CR0 0YN

COVERITE AIR CONDITIONING SERVICES
LIMITED

Report of the Directors
for the year ended 31st March 2004

The directors present their report with the financial statements of the company for the year ended 31st March 2004.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of the provision of a range of services for air conditioning.

DIRECTORS
The directors during the year under review were:

G J Grima
R Goulds

The beneficial interests of the directors holding office on 31st March 2004 in the issued share capital of the company were as follows:

	31.3.04	1.4.03
Ordinary £1 shares		
G J Grima	50	50
R Goulds	50	50

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:

.....
G J Grima - Director

Date: 31-01-2005

COVERITE AIR CONDITIONING SERVICES LIMITED

Profit and Loss Account
for the year ended 31st March 2004

	Notes	2004 £	2004 £	2003 £	2003 £
TURNOVER			290,102		354,429
Cost of sales			175,903		197,519
GROSS PROFIT			114,199		156,910
Distribution costs		19,427		16,980	
Administrative expenses		132,147		146,011	
			151,574		162,991
			(37,375)		(6,081)
Other operating income			15,233		9,782
OPERATING (LOSS)/PROFIT	2		(22,142)		3,701
Interest receivable and similar income			42		41
			(22,100)		3,742
Interest payable and similar charges			573		1,125
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			(22,673)		2,617
Tax on (loss)/profit on ordinary activities	3		(82)		-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			(22,591)		2,617
Retained profit brought forward			22,918		20,301
RETAINED PROFIT CARRIED FORWARD			£327		£22,918

The notes form part of these financial statements

COVERITE AIR CONDITIONING SERVICES LIMITED

Balance Sheet
31st March 2004

	Notes	2004 £	2004 £	2003 £	2003 £
FIXED ASSETS:					
Tangible assets	4		30,209		44,451
CURRENT ASSETS:					
Stocks		3,500		500	
Debtors	5	60,479		82,258	
Cash at bank		4,595		792	
		68,574		83,550	
CREDITORS: Amounts falling due within one year	6	97,800		101,094	
NET CURRENT LIABILITIES:			(29,226)		(17,544)
TOTAL ASSETS LESS CURRENT LIABILITIES:			983		26,907
CREDITORS: Amounts falling due after more than one year	7		556		3,889
			£427		£23,018
CAPITAL AND RESERVES:					
Called up share capital	8		100		100
Profit and loss account			327		22,918
SHAREHOLDERS' FUNDS:			£427		£23,018

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31st March 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2004 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 applicable to the company.

The notes form part of these financial statements

COVERITE AIR CONDITIONING SERVICES
LIMITED

Balance Sheet
31st March 2004

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:



G J Grima - Director

Approved by the Board on 31-01-2005

The notes form part of these financial statements

Notes to the Financial Statements
for the year ended 31st March 2004

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 (effective June 2002).

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

Tangible fixed assets
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.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks
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 appropriate proportion of fixed and variable overheads.

Deferred tax
Deferred taxation arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

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.

2. OPERATING (LOSS)/PROFIT

The operating loss (2003 - operating profit) is stated after charging:

	2004	2003
	£	£
Depreciation - owned assets	5,516	7,625
Depreciation - assets on hire purchase contracts	3,965	6,499
Loss on disposal of fixed assets	4,919	2,701
Pension costs	12,637	10,297
Directors' emoluments and other benefits etc	60,100	56,010

3. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2004	2003
	£	£
Current tax:		
Prior year underprovision	(82)	-
Tax on (loss)/profit on ordinary activities	(82)	-

4. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST:				
At 1st April 2003	18,126	5,060	95,331	118,517
Additions	-	158	-	158
Disposals	-	-	(19,298)	(19,298)
At 31st March 2004	18,126	5,218	76,033	99,377
DEPRECIATION:				
At 1st April 2003	13,717	2,773	57,576	74,066
Charge for year	661	611	8,209	9,481
Eliminated on disposals	-	-	(14,379)	(14,379)
At 31st March 2004	14,378	3,384	51,406	69,168
NET BOOK VALUE:				
At 31st March 2004	3,748	1,834	24,627	30,209
At 31st March 2003	4,409	2,286	37,756	44,451

4. **TANGIBLE FIXED ASSETS - continued**

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

	Motor vehicles
	£
COST:	
At 1st April 2003	29,771
Transferred to ownership	(8,626)
At 31st March 2004	21,145
DEPRECIATION:	
At 1st April 2003	10,273
Charge for year	3,965
Transferred to ownership	(4,987)
At 31st March 2004	9,251
NET BOOK VALUE:	
At 31st March 2004	11,894
At 31st March 2003	19,498

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

	2004	2003
	£	£
Trade debtors	54,547	63,600
Other debtors	2,917	5,191
Prepayments & accrued income	3,015	11,569
Taxation	-	1,898
	60,479	82,258

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

	2004	2003
	£	£
Bank loans and overdrafts	9,901	4,105
Hire purchase contracts	3,333	4,423
Trade creditors	24,560	22,462
Directors current accounts	8,749	3,478
Other creditors	10,521	19,821
V.A.T.	11,607	12,934
Social security & other taxes	4,174	4,394
Accrued expenses	24,955	29,477
	97,800	101,094

**Notes to the Financial Statements
for the year ended 31st March 2004**

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

	2004	2003
	£	£
Hire purchase contracts	556	3,889

8. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2004 £	2003 £
1,000	Ordinary	£1	1,000	1,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004 £	2003 £
100	Ordinary	£1	100	100

9. ULTIMATE PARENT COMPANY

The company is ultimately controlled by Mr & Mrs G J Grima and Mr & Mrs R Goulds.

10. TRANSACTIONS WITH DIRECTORS

G J Grima & R Goulds have made loans of £5,942 and £2,807 respectively to the company, the amounts outstanding at the year end being disclosed in note 6.

No interest is payable on the amounts outstanding, which are repayable on demand.

11. RELATED PARTY DISCLOSURES

During the year, the company made purchases to the value of £30,475 (2003 - £12,277) from Coverite Air Conditioning Contracts Limited, a company in which G J Grima and Mrs P E Grima are materially interested as shareholders.

A balance of £3,290 (2003 - £2,168) was outstanding on these transactions as at the year end and is classified within trade creditors in the notes to the accounts.

The company made management charges of £6,300 (2003 - £6,000) to Coverite Air Conditioning Contracts Limited for the provision of various costs and overheads during the year.

A balance of £7,050 (2003 - £nil) was outstanding in respect of the management charges relating to the previous period, which is included within trade debtors in the notes to these accounts.

These transactions were made on a normal trading basis.

The company owes an additional amount of £10,521 (2003 - £19,821) to Coverite Air Conditioning Contracts Limited at the year end, classified within other creditors in the notes to the accounts.

The company rents its premises from G J Grima. The rental for the year was £3,789 (2003 - £619).

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
COVERITE AIR CONDITIONING SERVICES
LIMITED

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company for the year ended 31st March 2004 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet for the year ended 31st March 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information or explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Simpson Wreford & Partners

Simpson Wreford & Partners
Chartered Accountants
Suffolk House
George Street
Croydon
Surrey
CR0 0YN

Date: 31st January 2005