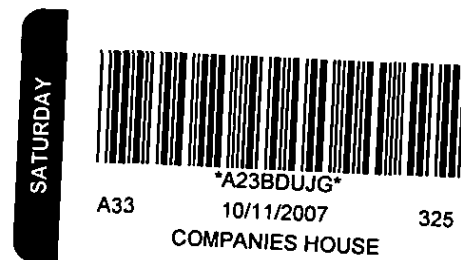


SOLO SERVICE GROUP LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007

COMPANY REGISTRATION NUMBER 2626708



WILLIS JONES
CHARTERED ACCOUNTANTS
SWANSEA

SOLO SERVICE GROUP LIMITED
ABBREVIATED REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007

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SOLO SERVICE GROUP LIMITED

DIRECTORS' REPORT

The directors have pleasure in presenting their report and financial statements for the year ended 31 July 2007

Principal Activities and Business Review

The principal activity of the company throughout the year was that of providing contract cleaning services. Turnover has increased by about 10% on 2006 with margins maintained. This has resulted in an improved operating profit in both value and percentage terms. The directors have used the year to consolidate the company's position and are optimistic that turnover and profitability will increase in 2008.

Financial Risk Management Objectives and Policies

The company has developed a structured approach to risk management which seeks to mitigate financial risks in a cost effective manner. The company performs credit evaluation of its customers financial condition and maintains sufficient cash and open committed credit lines from its bankers and group companies to meet funding requirements.

Results and Dividend

The results of the company for the year are set out on page 5.

A dividend was voted and paid in the year of 0.373 pence per share (2006: £0.058 per share). The whole of the retained profit to be set aside for the year.

Directors and their Interests

The directors who served the company throughout the year together with their interests (including family interests) in the shares of the company, at the beginning and end of the year were as follows -

	Ordinary Shares of £1 each	
	31 July 2007	At 1 August 2006
S L Hammett	254,106	254,106
A C Hammett	264	264
J Rees	-	-
C Cooper	264	264

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 apply them consistently,

make judgements and estimates that are reasonable and prudent,

SOLO SERVICE GROUP LIMITED

DIRECTORS' REPORT (CONT)

prepare the financial statements on a going concern basis unless it is inappropriate to assume 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 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

In the case of each of the persons who are directors at the time when the directors report is approved.-

So far as the director is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information (s 234ZA (2))

Amounts are presented within items in the profit and loss account and balance sheet, the directors have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice

Employees

The company takes a positive role in training and communicates with employees. The company operates an equal opportunities policy and wherever possible gives employment opportunities and training for disabled people. Employment of disabled people is considered on merit with regards only to the ability of any applicant to carry out the function necessary. Arrangements to enable disabled people to carry out the function required will be made if it is reasonable to do so.

Group Accounts

These financial statements present information about the company as an individual entity and not about its group. The directors have taken advantage of the exemption to prepare group accounts contained in S248 of the Companies Act 1985.

Auditors

Willis Jones have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors to the company for the ensuing year.

By Order of the Board

T.C. Hammett

T C Hammett
Secretary

1 Axis Court
Riverside Business Park
Mallard Way, Swansea Vale
Swansea, SA7 0AJ

Date

5th November 2007

AUDITORS REPORT TO THE MEMBERS OF

SOLO SERVICE GROUP LIMITED

We have examined the abbreviated accounts on pages 5 to 18, together with the financial statements of the company for the year ended 31 July 2007 prepared under Section 226 of the Companies Act 1985

Respective Responsibilities of Directors and Auditors

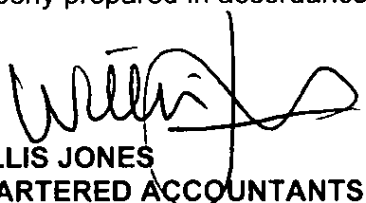
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246(a) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of our 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 accounts and that the abbreviated accounts 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 accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 5 to 18 are properly prepared in accordance with that provision.



WILLIS JONES
CHARTERED ACCOUNTANTS
64 WALTER ROAD
SWANSEA
SA1 4PT

DATE: 5th November 2007

AUDITORS' REPORT TO THE DIRECTORS OF
SOLO SERVICE GROUP LIMITED
PURSUANT TO SECTION 248(3) OF THE COMPANIES ACT 1985

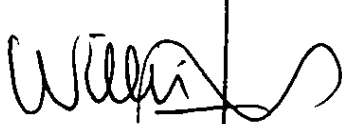
We have examined the financial statements of the company and its subsidiaries for the year ended 31 July 2007

Basis of Opinion

The scope of our work for the purpose of this report was limited to confirming that the company is entitled to the exemption from preparing group financial statements

Opinion

In our opinion the company is entitled to the exemption from preparing group financial statements conferred by Section 248 of the Companies Act 1985


WILLIS JONES
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS
64 WALTER ROAD
SWANSEA
SA1 4PT

DATE. 5th November 2007

SOLO SERVICE GROUP LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2007

	Note	2007 £	2006 £
GROSS PROFIT		3529959	3234850
Net operating expenses		(3038344)	(2968987)
Other operating income		-	418
OPERATING PROFIT	2	<u>491615</u>	<u>266281</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND INVESTMENT INCOME		491615	266281
Interest payable and similar charges	2(a)	(117895)	(67253)
Dividends received		250000	230000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>623720</u>	<u>429028</u>
Taxation	4	(129720)	(69290)
PROFIT FOR THE FINANCIAL YEAR		<u>494000</u> =====	<u>359738</u> =====

SOLO SERVICE GROUP LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 JULY 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Intangible assets	5	-	-
Tangible assets	6	1151590	1034714
Investments	7	310002	310002
		<u>1461592</u>	<u>1344716</u>
CURRENT ASSETS			
Stocks	8	64787	43393
Debtors	9	2628288	2472335
Debtors due after more than one year	9	841754	676157
Cash in bank and in hand		305	305
		<u>3535134</u>	<u>3192190</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	10	(2562018)	(1836299)
NET CURRENT ASSETS		<u>973116</u>	<u>1355891</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2434708</u>	<u>2700607</u>
CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	-	(668165)
PROVISIONS FOR LIABILITIES AND CHARGES	12	(33318)	(30052)
NET ASSETS		<u>2401390</u> =====	<u>2002390</u> =====
CAPITAL AND RESERVES			
Called up share capital	14	254634	254634
Profit and loss account	14	2146756	1747756
SHAREHOLDERS' FUNDS		<u>2401390</u> =====	<u>2002390</u> =====

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium companies

Approved by the Board of Directors on 5th November 2007 and signed on its behalf by -


S L Hammett


J Rees (Directors)

SOLO SERVICE GROUP LIMITED
ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2007

	Note	2007 £	2006 £
NET CASH FLOW FROM OPERATING ACTIVITIES			
(See page 8)		566820	172888
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest paid		(113844)	(59537)
Interest element of finance lease rentals payment		(4051)	(7716)
Dividends paid		(95000)	(15000)
Dividends received		250000	230000
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		37105	147747
TAXATION			
Corporation tax paid		(77940)	(150119)
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(299099)	(382492)
Purchase of intangible fixed assets		(318892)	(315941)
Receipts from sale of tangible fixed assets		4562	3500
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		(613429)	(694933)
NET CASH OUTFLOW BEFORE FINANCING		(87444)	(524417)
FINANCING			
Finance leasing capital repaid		(31608)	(67961)
(DECREASE) IN CASH AND CASH EQUIVALENT	13	(119052)	(592378)
		=====	=====

SOLO SERVICE GROUP LIMITED
ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2007

**RECONCILIATION OF OPERATING PROFIT TO NET
CASH FLOW FROM OPERATING ACTIVITIES**

	2007 £	2006 £
OPERATING PROFIT	491615	266281
Depreciation charges	179962	154942
Amortisation of intangible fixed assets	318892	315941
Profit on sale of fixed assets	(2301)	(918)
(Increase) in stocks	(21394)	(2566)
(Increase) in debtors	(321550)	(727910)
(Decrease)/Increase in creditors	(78404)	167118
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>566820</u> =====	<u>172888</u> =====

SOLO SERVICE GROUP LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007

1 ACCOUNTING POLICIES

(a) *Accounting basis and standards*

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards

(b) *Consolidation*

The financial statements contain information about Solo Service Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a medium sized group

(c) *Depreciation*

Depreciation on fixed assets is provided at rates estimated to write off the cost or revalued amounts, less estimated residual value, of each asset over its expected useful life as follows -

Plant and machinery	20% straight line
Furniture and equipment	20% straight line
Motor vehicles	20% straight line
Computer equipment	20% straight line
Goodwill	estimated economic life

(d) *Investments*

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities

(e) *Stocks*

Stocks are stated at the lower of cost and net realisable value

(f) *Turnover*

Turnover represents the invoiced value of goods sold/services provided net of value added tax

(g) *Deferred taxation*

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date

SOLO SERVICE GROUP LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

(h) *Goodwill*

Goodwill is determined by comparing the amount paid on the acquisition of a business and the aggregate fair value of its separable net assets, and is written off over its estimated economic life

(i) *Leasing and hire purchase commitments*

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives

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

Rentals under operating and finance leases have been charged to profit and loss account on a straight-line basis

2 OPERATING PROFIT

	2007 £	2006 £
The operating profit is stated after charging -		
Auditor's remuneration	6000	6000
Depreciation -		
Owned tangible fixed assets	163914	91404
Assets held under hire purchase	16048	63538
Amortisation of goodwill	318892	315941
(Profit) on disposal of fixed assets	(2301)	(918)
Hire of equipment	74383	76902
Leasing costs	316178	316085
	=====	=====

2(a) INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Bank loans and overdrafts	113844	59537
Finance leases and hire purchase contracts	4051	7716
	117895	67253
	=====	=====

SOLO SERVICE GROUP LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007 (CONT)

3(a) EMPLOYEE INFORMATION

The average number of persons employed by the company (including directors) during the year was -

	2007 Number	2006 Number
Cleaning	2417	2247
Administration	42	61
	<u>2459</u>	<u>2308</u>
	=====	=====

	2007 £	2006 £
Their total remuneration was -		
Wages and salaries	11533008	10708027
Social security costs	428472	299533
Other pension costs	39538	38561
	<u>12001018</u>	<u>11046121</u>
	=====	=====

3(b) DIRECTORS' EMOLUMENTS

	2007 £	2006 £
Directors emoluments (include fees)	<u>320464</u>	<u>316547</u>
	=====	=====

	2007 £	2006 £
Highest paid director	<u>109874</u>	<u>164269</u>
	=====	=====

The above pension scheme contributions include those on behalf of three directors

SOLO SERVICE GROUP LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

4 TAXATION

(a) *Analysis of charge for the year*

	2007 £	2006 £
Current tax -		
UK corporation tax -		
Current tax on income for the year	126454	77940
Deferred tax -		
Origination and reversal of timing differences	3266	(8650)
Tax on profit on ordinary activities	<u>129720</u> =====	<u>69290</u> =====

(b) *Factors affecting the tax charge for the years*

	2007 £	2006 £
The tax assessed for the year is lower than the company's standard rate of corporation tax in the UK of 30% (2006 30%) The differences are explained below -		
Profit on ordinary activities before tax	373720 =====	199028 =====
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2006 30%)	112116	59708
Effects of -		
Expenses not deductible for tax purposes (primarily goodwill amortisation and dividend income)	17780	14643
(Capital allowances)/Depreciation in excess of (depreciation)/capital allowances for year	(1520)	9640
Marginal corporation tax relief	(1922)	(6051)
Current tax charge for the year (note 4(a))	<u>126454</u> =====	<u>77940</u> =====

SOLO SERVICE GROUP LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

5 INTANGIBLE ASSETS

	Goodwill £	Total £
<i>Cost</i>		
At 1 August 2006	974364	974364
Additions	318892	318892
Disposals	-	-
At 31 July 2007	<u>1293256</u>	<u>1293256</u>
<i>Depreciation</i>		
At 1 August 2006	974364	974364
Charge for the year	318892	318892
Eliminated on disposal	-	-
At 31 July 2007	<u>1293256</u>	<u>1293256</u>
<i>Net Book Value</i>		
At 31 July 2007	- =====	- =====
At 31 July 2006	- =====	- =====

6 TANGIBLE ASSETS

	Freehold buildings £	Office equipment £	Plant and machinery £	Motor vehicles £	Total £
<i>Cost or valuation</i>					
At 1 August 2006	643133	215280	825951	27561	1711925
Additions	-	167994	104885	26220	299099
Disposals	-	-	(18081)	(4886)	(22967)
At 31 July 2007	<u>643133</u>	<u>383274</u>	<u>912755</u>	<u>48895</u>	<u>1988057</u>
<i>Depreciation</i>					
At 1 August 2006	3374	132024	528109	13704	677211
Charge for the year	1190	37809	133613	7350	179962
Disposals	-	-	(16906)	(3800)	(20706)
At 31 July 2007	<u>4564</u>	<u>169833</u>	<u>644816</u>	<u>17254</u>	<u>836467</u>
<i>Net Book Value</i>					
At 31 July 2007	<u>638569</u> =====	<u>213441</u> =====	<u>267939</u> =====	<u>31641</u> =====	<u>1151590</u> =====
At 31 July 2006	<u>639759</u> =====	<u>83256</u> =====	<u>297842</u> =====	<u>13857</u> =====	<u>1034714</u> =====

SOLO SERVICE GROUP LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

The net book value of fixed assets of £1151590 (2006 £1034714) includes an amount of £35429 (2006 £128180) in respect of assets held under hire purchase

7 INVESTMENTS

	2007 £	2006 £
Solo Janitorial Services Limited	2	2
Solo Property Services Limited	310000	310000
As at 31 July	<u>310002</u> =====	<u>310002</u> =====

Representing -

	<i>Country of incorporation</i>	<i>Class of shares held</i>	<i>Proportion of voting rights held</i>	<i>Nature of business</i>
Solo Janitorial Supplies Limited	UK	Ordinary	100%	Wholesale supplier
Solo Property Services Limited	UK	Ordinary	100%	Property rental

The capital and reserves and profit or loss for the subsidiaries as at the financial year of the holding company were as follows -

	Profit for the year £	Capital and reserves £
Solo Janitorial Supplies Limited	58523	54433
Solo Property Services Limited	79793	39254
	<u>=====</u>	<u>=====</u>

8 STOCKS

	2007 £	2006 £
Consumables	64787	43393
	<u>=====</u>	<u>=====</u>

SOLO SERVICE GROUP LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

9 DEBTORS

	2007 £	2006 £
Debtors due after more than one year		
Amounts owed by group undertakings -		
- attributable to dealings with subsidiary undertakings of the company	841754	676157
	<u>841754</u>	<u>676157</u>
	=====	=====
Trade debtors	2508663	2265916
Other debtors	25164	8973
Prepayments and accrued income	94461	197446
	<u>2628288</u>	<u>2472335</u>
	=====	=====

10 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Bank loans and overdrafts (secured)	983958	196741
Trade creditors	307285	304349
Other creditors	59787	70803
Corporation tax	126454	77940
Other tax and social security	570094	678767
Accruals and deferred income	500027	463633
Finance leases and hire purchase contracts	11954	43562
Directors current account	2459	504
	<u>2562018</u>	<u>1836299</u>
	=====	=====

SOLO SERVICE GROUP LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

11 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007 £	2006 £
Bank loans (secured)	-	668165
Finance leases and hire purchase contracts	-	-
	<u>-</u>	<u>668165</u>
	=====	=====
Repayable between one and two years	-	501123
Repayable between two and five years	-	167042
	<u>-</u>	<u>668165</u>
	=====	=====

Bank loans and overdrafts are secured by a debenture dated 31 March 1998 and a first legal charge over commercial property dated 14 December 2005

12 PROVISIONS FOR LIABILITIES AND CHARGES

	2007 £	2006 £
Deferred tax - Accelerated capital allowances	33318	30052
	=====	=====
Provision at start of year	30052	38702
Deferred tax charge/(credit)/ in profit and loss accounts for year (note 4)	3266	(8650)
Provision at end of year	<u>33318</u>	<u>30052</u>
	=====	=====

13 CASH AND CASH EQUIVALENTS

	Cash in hand £	Bank balance/ (overdraft) £	Loans £	Total £
Balance at 31 July 2005	-	(272223)	-	(272223)
Net cash outflow	-	75787	(668165)	(592378)
Balance at 31 July 2006	<u>-</u>	<u>(196436)</u>	<u>(668165)</u>	<u>(864601)</u>
Net cash outflow	-	(428403)	309351	(119052)
Balance at 31 July 2007	<u>-</u>	<u>(624839)</u>	<u>(358814)</u>	<u>(983653)</u>
	=====	=====	=====	=====

SOLO SERVICE GROUP LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

14 SHAREHOLDERS' FUNDS

	Called up share capital £	Profit and loss account £	Total £
As at 1 August 2006	254634	1747756	2002390
Retained profit for the year	-	494000	494000
Dividends paid during the year	-	(95000)	(95000)
As at 31 July 2007	<u>254634</u> =====	<u>2146756</u> =====	<u>2401390</u> =====
		2007 £	2006 £
The authorised share capital comprises -			
Authorised			
300000 ordinary shares of £1 each		300000 =====	300000 =====
Called up, allotted and fully paid			
254634 ordinary shares of £1 each		254634 =====	256434 =====

The movements in shareholders' funds in the previous year are set out below -

	Called up share capital £	Profit and loss account £	Total £
As at 1 August 2005	254634	1403018	1657652
Retained profit for the year	-	359738	359738
Dividends paid during the year	-	(15000)	(15000)
As at 31 July 2006	<u>254634</u> =====	<u>1747756</u> =====	<u>2002390</u> =====

15 CAPITAL COMMITMENTS

There were no capital commitments contracted for but not provided in the financial statements

SOLO SERVICE GROUP LIMITED
NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007 (CONT.)

16 FUTURE FINANCIAL COMMITMENTS

Operating leases

At 31 July 2007 the company had annual commitments under operating leases as set out below -

	2007 £	2006 £
Operating leases which expire -		
(i) within one year	17071	246192
(ii) after one year before 5 years	648470	164128
	=====	=====
Land and buildings	53000	23742
	=====	=====

17 TRANSACTIONS WITH GROUP COMPANIES

In the year the company purchased cleaning materials from Solo Janitorial Services amounting to £Nil (2006 £25000), with £10436 (2006 £24864 owed by) being owed by Solo Janitorial Supplies Limited to Solo Service Group Limited at the year end

In the year the company rented premises from Solo Property Services Limited amounting to £26500 (2006 £20932) for the year. The amount outstanding from Solo Property as at the year end amounted to £831318 (2006 £651293)

18 CONTROLLING INTEREST

The controlling party is Mr Steven Hammett who owns 99.8% of the ordinary share capital of the company, and as the controlling party has the power to amend the financial statements after issue