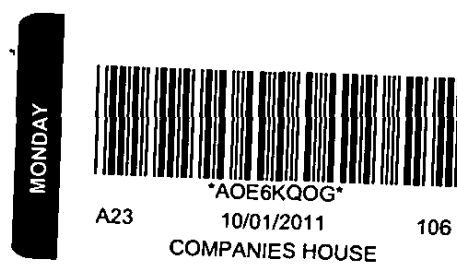


SOLO SERVICE GROUP LIMITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

COMPANY REGISTRATION NUMBER 2626708



WILLIS JONES
CHARTERED ACCOUNTANTS
SWANSEA

SOLO SERVICE GROUP LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

<u>CONTENTS</u>	<u>PAGE</u>
Directors' Report	1
Report of the Independent Auditors to the Company's Shareholders	3
Profit and Loss Account	5
Group Balance Sheet	6
Balance Sheet	7
Group Cashflow Statement	8
Notes to the Financial Statements	10

SOLO SERVICE GROUP LIMITED

DIRECTORS' REPORT

The directors have pleasure in presenting their report and the group's and parent company's financial statements for the year ended 31 July 2010

Principal Activities and Business Review

The group's main activity is the supply of contract cleaning services. The directors have concentrated on maintaining the group's financial position given the current UK economic recession and difficult trading conditions. To that end they have strengthened the management team to ensure that as and when opportunities or threats arise the group will be able to respond quickly to either

Financial Risk Management Objectives and Policies

The group 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 group for the year are set out on page 5

A dividend was voted and paid in the year of 39 pence per share (2009 27 pence per share)

Directors

The directors who served the group and parent company throughout the year were as follows -

S L Hammett
J Rees
C Cooper
C Sypliwtschak

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 group and parent company and of the profit or loss of the group 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,

prepare the financial statements on a going concern basis unless it is inappropriate to assume that the group and parent company will continue in business

SOLO SERVICE GROUP LIMITED

DIRECTORS' REPORT (CONT.)

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 2006. 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 directors are 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.

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.

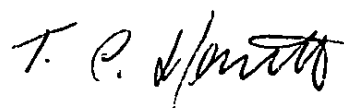
Employees

The company takes a positive role in training and communication 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. Meetings are held regularly between management and employees to allow a free flow of information and ideas.

Auditors

Willis Jones have indicated their willingness to continue in office and in accordance with Section 485 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
Secretary

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

Date 30th November 2010

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF SOLO SERVICE GROUP LIMITED

We have audited the group and parent company financial statements on pages 5 to 20 of Solo Service Group Limited for the year ended 31 July 2010 which comprise the Group Profit and Loss Account, the Group and Parent company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is solely to the group's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the group's members those matters we are required to state to them in an auditor's 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 group's members as a body, for our audit work, for this report or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

The directors' are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). In forming our opinion we are also required to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes assessment of whether accounting policies are appropriate to the groups' and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on Financial Statements

In our opinion the financial statements -

- give a true and fair view of the group's and the parent company's affairs as at 31 July 2010 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
SOLO SERVICE GROUP LIMITED (CONT.)**

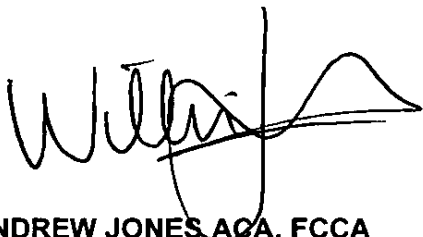
Opinion on other matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements have been prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion -

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**ANDREW JONES ACA, FCCA
SENIOR STATUTORY AUDITOR
WILLIS JONES
CHARTERED ACCOUNTANTS AND STATUTORY AUDITORS
64 WALTER ROAD
SWANSEA
SA1 4PT**

DATE: 1st December 2010

SOLO SERVICE GROUP LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2010

	Note	2010 £	2009 £
GROUP TURNOVER	2	26587298	25927464
Cost of sales		(20579759)	(20350592)
GROSS PROFIT		<u>6007539</u>	<u>5576872</u>
Net operating expenses		(5547518)	(4845149)
Other operating income		-	8425
OPERATING PROFIT	3	<u>460021</u>	<u>740148</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST AND INVESTMENT INCOME		<u>460021</u>	<u>740148</u>
Interest payable and similar charges	3(a)	(81717)	(118094)
Interest received		-	1326
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>378304</u>	<u>623380</u>
Taxation	5	(146045)	(213107)
PROFIT FOR THE FINANCIAL YEAR		<u>232259</u> =====	<u>410273</u> =====

All the activities of the group are classed as continuing. The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

SOLO SERVICE GROUP LIMITED
(COMPANY REGISTRATION NUMBER 2626708)
GROUP BALANCE SHEET AS AT 31 JULY 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible assets	7	1359781	1372782
Tangible assets	8	3654742	3672659
		<u>5014523</u>	<u>5045441</u>
CURRENT ASSETS			
Stocks	10	129796	167454
Debtors	11	2474603	3107870
Cash in bank and in hand		625567	14307
		<u>3229966</u>	<u>3289631</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	12	(3459387)	(3433937)
NET CURRENT (LIABILITIES)		<u>(229421)</u>	<u>(144306)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4785102</u>	<u>4901135</u>
CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	(1478099)	(1723498)
PROVISIONS FOR LIABILITIES AND CHARGES	14	(34416)	(37309)
NET ASSETS		<u>3272587</u>	<u>3140328</u>
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	16	254634	254634
Profit and loss account	16	3017953	2885694
SHAREHOLDERS' FUNDS		<u>3272587</u>	<u>3140328</u>
		=====	=====

Approved by the Board of Directors on 30th November 2010 and signed on its behalf by -


 S L Hammett


 J Rees (Directors)

SOLO SERVICE GROUP LIMITED

(COMPANY REGISTRATION NUMBER 2626708)

COMPANY BALANCE SHEET AS AT 31 JULY 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible assets	7	399924	500000
Tangible assets	8	979474	1026357
Investments	9	1782494	1544994
		<u>3161892</u>	<u>3071351</u>
CURRENT ASSETS			
Stocks	10	113478	155260
Debtors	11	1993167	2657692
Debtors due after more than one year	11	969693	938148
Cash in bank and in hand		619252	305
		<u>3695590</u>	<u>3751405</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	12	(2681284)	(2422490)
NET CURRENT ASSETS		<u>1014306</u>	<u>1328915</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4176198</u>	<u>4400266</u>
CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13	(905822)	(1121709)
PROVISIONS FOR LIABILITIES AND CHARGES	14	(34091)	(37309)
NET ASSETS		<u>3236285</u> =====	<u>3241248</u> =====
CAPITAL AND RESERVES			
Called up share capital	16	254634	254634
Profit and loss account	16	2981651	2986614
SHAREHOLDERS' FUNDS		<u>3236285</u> =====	<u>3241248</u> =====

Approved by the Board of Directors on 30th November 2010 and signed on its behalf by -


S L Hammett


J Rees (Directors)

SOLO SERVICE GROUP LIMITED
GROUP CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2010

	Note	2010 £	2009 £
NET CASH FLOW FROM OPERATING ACTIVITIES			
(See page 9)		2082379	1932121
RETURNS ON INVESTMENT AND SERVICING OF FINANCE			
Interest paid		(72113)	(118094)
Interest element of finance lease rentals payment		(9604)	-
Dividends paid		(100000)	(70000)
Interest received		-	1326
NET CASH (OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(181717)	(186768)
TAXATION			
Corporation tax paid		(198479)	(146487)
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(271838)	(798389)
Purchase of intangible fixed assets		(689335)	(348977)
Receipts from sale of tangible fixed assets		-	27313
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		(961173)	(1120053)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		741010	478813
FINANCING			
Finance leasing capital received		175933	-
INCREASE IN CASH AND CASH EQUIVALENT	15	916943	478813
		=====	=====

SOLO SERVICE GROUP LIMITED
GROUP CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2010

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

	2010 £	2009 £
OPERATING PROFIT	460021	740148
Depreciation charges	289755	197589
Amortisation of intangible fixed assets	702336	505449
Loss/(Profit) on sale of fixed assets	-	14573
Decrease/(Increase) in stocks	37658	(86159)
Decrease/(Increase) in debtors	633267	775201
(Decrease)/Increase in creditors	(40658)	(214680)
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>2082379</u> =====	<u>1932121</u> =====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

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) *Basis of consolidation*

The consolidated accounts incorporate the accounts of the company and all group undertakings. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over 20 years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of section 408 of the Companies Act 2006.

(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
Goodwill on consolidation	5% straight line

(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.

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

(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.

(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 TURNOVER

The company has derived the whole of its turnover from supplying markets inside the U K.

3 GROUP OPERATING PROFIT

	2010 £	2009 £
The operating profit is stated after charging -		
Auditor's remuneration	12500	8500
Depreciation -		
Owned tangible fixed assets	289755	197589
Amortisation of goodwill	702336	505449
Loss/(Profit) on disposal of fixed assets	-	14573
Hire of equipment	143574	111111
Leasing costs	525579	430784
	=====	=====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

3(a) INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £	2009 £
Bank loans and overdrafts	72113	118094
Finance leases and hire purchase contracts	9604	-
	<u>81717</u>	<u>118094</u>
	=====	=====

4 (a) EMPLOYEE INFORMATION

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

	2010 Number	2009 Number
Cleaning	3451	3376
Administration	92	89
	<u>3543</u>	<u>3465</u>
	=====	=====

	2010 £	2009 £
Their total remuneration was -		
Wages and salaries	20428005	17994205
Social security costs	899024	618150
Other pension costs	48110	42511
	<u>21375139</u>	<u>18654866</u>
	=====	=====

4 (b) DIRECTORS' EMOLUMENTS

	2010 £	2009 £
Directors emoluments (including Employers NI)	<u>469976</u>	<u>343144</u>
	=====	=====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

	2010 £	2009 £
Highest paid director (including Employers NI)	296086	158316
Value of company pension contributions to a money purchase scheme	9559	9559
	<u>305645</u> =====	<u>167875</u> =====

The number of directors who accrued benefits under the company pension scheme was 3 (2009 3)

5 TAXATION

(a) Analysis of charge for the year

	2010 £	2009 £
Current tax -		
UK corporation tax -		
Current tax on income for the year	148940	198912
Deferred tax -		
Origination and reversal of timing differences	(2893)	14211
Over provision from previous year	(2)	(16)
Tax on profit on ordinary activities	<u>146045</u> =====	<u>213107</u> =====

(b) Factors affecting the tax charge for the years

	2010 £	2009 £
The tax assessed for the year is lower than the company's standard rate of corporation tax in the UK of 27.9% (2009 27.6%) The differences are explained below -		
Profit on ordinary activities (excluding dividends received) before tax	378304 =====	623380 =====
Profit on ordinary activities multiplied by the company's standard rate of corporation tax in the UK of 27.9% (2009 27.6%)	105547	172053
Effects of -		
Expenses not deductible for tax purposes	42653	26951
(Capital allowances)/Depreciation in excess of (depreciation)/capital allowances for year	740	(92)
Current tax charge for the year (note 5(a))	<u>148940</u> =====	<u>198912</u> =====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

6 PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit after taxation dealt with in the financial statements of the parent company was £95037 (2009 £158621)

7 INTANGIBLE ASSETS - GROUP

	Goodwill £	Total £
<i>Cost</i>		
At 1 August 2009 - as restated	3657998	3657998
Additions	689335	689335
Disposals	-	-
At 31 July 2010	<u>4347333</u>	<u>4347333</u>
<i>Depreciation</i>		
At 1 August 2009	2285216	2285216
Charge for the year	702336	702336
Eliminated on disposal	-	-
At 31 July 2010	<u>2987552</u>	<u>2987552</u>
<i>Net Book Value</i>		
At 31 July 2010	<u>1359781</u> =====	<u>1359781</u> =====
At 31 July 2009	<u>1372782</u> =====	<u>1372782</u> =====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

7 INTANGIBLE ASSETS - COMPANY

	Goodwill £	Total £
<i>Cost</i>		
At 1 August 2009	2306267	2306267
Additions	451835	451835
Disposals	-	-
At 31 July 2010	<u>2758102</u>	<u>2758102</u>
<i>Depreciation</i>		
At 1 August 2009	1806267	1806267
Charge for the year	551911	551911
Eliminated on disposal	-	-
At 31 July 2010	<u>2358178</u>	<u>2358178</u>
<i>Net Book Value</i>		
At 31 July 2010	399924 =====	399924 =====
At 31 July 2009	500000 =====	500000 =====

8 TANGIBLE ASSETS - GROUP

	Freehold Buildings	Office equipment	Plant and machinery	Motor vehicles	Total
	£	£	£	£	£
<i>Cost or valuation</i>					
At 1 August 2009	2776353	494243	1323996	100675	4695267
Additions	-	140650	131188	-	271838
Disposals	(5954)	(63174)	(384787)	(900)	(454815)
At 31 July 2010	<u>2770399</u>	<u>571719</u>	<u>1070397</u>	<u>99775</u>	<u>4512290</u>
<i>Depreciation</i>					
At 1 August 2009	5954	293912	656294	66448	1022608
Charge for the year	2800	90599	178416	17940	289755
Disposals	(5954)	(63174)	(384787)	(900)	(454815)
At 31 July 2010	<u>2800</u>	<u>321337</u>	<u>449923</u>	<u>83488</u>	<u>857548</u>
<i>Net Book Value</i>					
At 31 July 2010	2767599 =====	250382 =====	620474 =====	16287 =====	3654742 =====
At 31 July 2009	2770399 =====	200331 =====	667702 =====	34227 =====	3672659 =====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

8 TANGIBLE ASSETS - COMPANY

	Freehold Buildings	Office equipment	Plant and machinery	Motor vehicles	Total
	£	£	£	£	£
<i>Cost or valuation</i>					
At 1 August 2009	145954	418103	1319425	47014	1930496
Additions	-	97381	131188	-	228569
Disposals	(5954)	(62674)	(384787)	(900)	(454315)
At 31 July 2010	140000	452810	1065826	46114	1704750
<i>Depreciation</i>					
At 1 August 2009	5954	221125	651723	25337	904139
Charge for the year	2800	80311	178416	13925	275452
Disposals	(5954)	(62674)	(384787)	(900)	(454315)
At 31 July 2010	2800	238762	445352	38362	725276
<i>Net Book Value</i>					
At 31 July 2010	137200	214048	620474	7752	979474
At 31 July 2009	140000	196978	667702	21677	1026357

The net book value of fixed assets of the group £3654742 (2009 £3672659) includes an amount of £175933 (2009 £Nil) in respect of assets held under hire purchase

9 INVESTMENTS - COMPANY

	2010 £	2009 £
Solo Janitorial Services Limited	2	2
Solo Property Services Limited	310000	310000
Whites Cleaning Company Limited	1472492	1234992
As at 31 July	1782494	1544994

Representing -

	Country of incorporation	Class of shares held	Proportion of voting rights held	Nature of business
Solo Janitorial Supplies Limited	UK	Ordinary	100%	Wholesale supplier
Solo Property Services Limited	UK	Ordinary	100%	Property rental
Whites Cleaning Company Limited	UK	Ordinary	100%	Cleaning company

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

10 STOCKS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Consumables	129796	167454	113478	155260
	=====	=====	=====	=====

11 DEBTORS

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	2361194	2800936	1919954	2426281
Prepayments and accrued income	113409	306934	73213	231411
	<u>2474603</u>	<u>3107870</u>	<u>1993167</u>	<u>2657692</u>
	=====	=====	=====	=====

Debtors due after more than one year

Amounts owed by group

undertakings -

- attributable to dealings with subsidiary undertakings of the company

-	-	969693	938148
<u>-</u>	<u>-</u>	<u>969693</u>	<u>938148</u>
=====	=====	=====	=====

12 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts (secured)	869938	904631	603938	486383
Trade creditors	273144	710071	215981	684258
Corporation tax	148938	198481	100218	83842
Other tax and social security	1090231	858812	893750	691614
Accruals and deferred income	803018	636012	690037	472810
Directors current account	1427	3583	1427	3583
Bank mortgage	96758	122347	-	-
HP creditor	175933	-	175933	-
	<u>3459387</u>	<u>3433937</u>	<u>2681284</u>	<u>2422490</u>
	=====	=====	=====	=====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

13 CREDITORS . AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Amounts owed to subsidiary	-	-	905822	1121709
Bank mortgage	1478099	1723498	-	-
	<u>1478099</u>	<u>1723498</u>	<u>905822</u>	<u>1121709</u>
	=====	=====	=====	=====

There are no set repayment dates on the loan from the subsidiary

Bank loans and overdrafts are secured by a debenture dated 29 March 2010 and group cross guarantees dated 28 April 2008 and 19 April 2010

14 PROVISIONS FOR LIABILITIES AND CHARGES

	2010	2009
	£	£
Deferred tax - Accelerated capital allowances	34418	37309
	=====	=====
Provision at start of year	37309	23098
Deferred tax (credit)/charge in profit and loss accounts for year (note 5)	(2893)	14211
Provision at end of year	<u>34416</u>	<u>37309</u>
	=====	=====

15 CASH AND CASH EQUIVALENTS

	Bank and cash in hand £	Bank balance/ (overdraft) £	Bank loans £	Total £
Balance at 31 July 2008	32329	(1176788)	(2070523)	(3214982)
Net cash inflow	(18022)	272157	224678	478813
Balance at 31 July 2009	<u>14307</u>	<u>(904631)</u>	<u>(1845845)</u>	<u>(2736169)</u>
Net cash inflow	611260	34693	270990	916943
Balance at 31 July 2010	<u>625567</u>	<u>(869938)</u>	<u>(1574855)</u>	<u>(1819226)</u>
	=====	=====	=====	=====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

16 SHAREHOLDERS' FUNDS

	Called up share capital £	Profit and loss account £	Total £
Group			
As at 1 August 2009	254634	2885694	3140328
Retained profit for the year	-	232259	232259
Dividends paid during the year	-	(100000)	(100000)
As at 31 July 2010	<u>254634</u> =====	<u>3017953</u> =====	<u>3272587</u> =====

	Called up share capital £	Profit and loss account £	Total £
Company			
As at 1 August 2009	254634	2986614	3241248
Retained profit for the year	-	95037	95037
Dividends paid during the year	-	(100000)	(100000)
As at 31 July 2010	<u>254634</u> =====	<u>2981651</u> =====	<u>3236285</u> =====

	2010 £	2009 £
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 =====	254634 =====

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

	Called up share capital £	Profit and loss account £	Total £
Group			
As at 1 August 2008	254634	2545421	2800055
Retained profit for the year	-	410273	410273
Dividends paid during the year	-	(70000)	(70000)
As at 31 July 2009	<u>254634</u> =====	<u>2885694</u> =====	<u>3140328</u> =====

SOLO SERVICE GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010 (CONT.)

	Called up share capital £	Profit and loss account £	Total £
Company			
As at 1 August 2008	254634	2897993	3152627
Retained profit for the year	-	158621	158621
Dividends paid during the year	-	(70000)	(70000)
As at 31 July 2009	<u>254634</u> =====	<u>2986614</u> =====	<u>3241248</u> =====

17 CAPITAL COMMITMENTS

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

18 FUTURE FINANCIAL COMMITMENTS

Operating leases

At 31 July 2010 the company had annual commitments under operating leases as set out below -

	2010 £	2009 £
Operating leases which expire -		
(i) within one year	14156	28497
(ii) after one year before 5 years	396112	418393
	<u>=====</u>	<u>=====</u>
Land and buildings	105000	156000
	<u>=====</u>	<u>=====</u>

19 CONTROLLING INTEREST

During the two years ended 31 July 2010 the controlling party was Mr Stephen Hammett who owns 99.8% of the ordinary share capital of the company

20 TRANSACTIONS WITH DIRECTORS

During the year the following directors received the following as dividends -

	2010 £	2009 £
S Hammett	99896	69927
C Cooper	104	73
	<u>100000</u> =====	<u>70000</u> =====