

Company Registration No. 03480902 (England and Wales)

KENTEX BUILDING SERVICES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2002



KENTEX BUILDING SERVICES LIMITED

COMPANY INFORMATION

Directors

G. Marinaro
C. Coles
T. Rees
T. Marinaro

Secretary

C. Coles

Company number

03480902

Registered office

Melbury House
34 Southborough Road
Bickley, Bromley
Kent, BR1 2EB.

Auditors

Harrison Hill Castle & Co.
Melbury House
34 Southborough Road
Bickley, Bromley
Kent, BR1 2EB.

Business address

Tamchester House
Pretoria Road
Chertsey
Surrey
KT16 9LW

KENTEX BUILDING SERVICES LIMITED

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KENTEX BUILDING SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2002

The directors present their report and financial statements for the year ended 31 March 2002.

Principal activities

The principal activity of the company in the year under review was that of building services.

Directors

The following directors have held office since 1 April 2001:

G. Marinaro
C. Coles
T. Rees
T. Marinaro

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2002	1 April 2001
G. Marinaro	42	42
C. Coles	-	-
T. Rees	16	16
T. Marinaro	42	42

Charitable donations

2002	2001
£	£

During the year the company made the following payments:

Charitable donations	425	-
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Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Harrison Hill Castle & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

KENTEX BUILDING SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2002

Directors' responsibilities

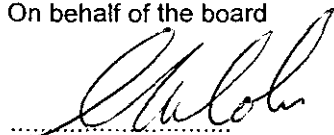
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

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



C. Coles

Director

9.7.02

KENTEX BUILDING SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KENTEX BUILDING SERVICES LIMITED

We have audited the financial statements of Kentex Building Services Limited on pages 4 to 9 for the year ended 31 March 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Harrison Hill Castle & Co.

Chartered Accountants
Registered Auditor

Harrison Hill Castle & Co.

Melbury House
34 Southborough Road
Bickley, Bromley
Kent, BR1 2EB.

9.7.02

KENTEX BUILDING SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

	Notes	2002 £	2001 £
Turnover		3,688,923	3,356,149
Cost of sales		(3,167,189)	(2,650,660)
Gross profit		521,734	705,489
Administrative expenses		(519,173)	(679,896)
Operating profit	2	2,561	25,593
Other interest receivable and similar income		1,289	1,676
Profit on ordinary activities before taxation		3,850	27,269
Tax on profit on ordinary activities	3	(3,125)	(5,894)
Profit on ordinary activities after taxation	10	725	21,375

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

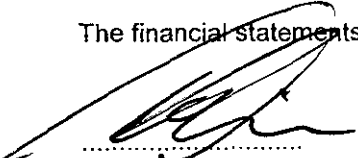
KENTEX BUILDING SERVICES LIMITED

BALANCE SHEET AS AT 31 MARCH 2002

	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	4		32,272		56,551
Current assets					
Stocks		142,375		53,206	
Debtors	5	551,569		911,960	
Cash at bank and in hand		30,747		13,343	
		<u>724,690</u>		<u>978,509</u>	
Creditors: amounts falling due within one year	6	<u>(658,280)</u>		<u>(929,677)</u>	
Net current assets			66,411		48,832
Total assets less current liabilities			98,683		105,383
Creditors: amounts falling due after more than one year	7		-		(7,425)
			<u>98,683</u>		<u>97,958</u>
Capital and reserves					
Called up share capital	9		125		125
Profit and loss account	10		98,558		97,833
Shareholders' funds - equity interests	11		<u>98,683</u>		<u>97,958</u>

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

The financial statements were approved by the Board on 9.7.02


G. Marinaro
Director

KENTEX BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Motor vehicles	25% on cost
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1.4 Leasing

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

1.5 Stock and work in progress

Stocks 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 portion of variable and fixed overheads.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating profit	2002 £	2001 £
Operating profit is stated after charging:		
Depreciation of tangible assets	17,900	10,050
Loss on disposal of tangible assets	1,250	10,082
Operating lease rentals		
- Plant and machinery	4,378	-
- Other assets	21,245	279
Auditors' remuneration	4,188	2,500
Directors' emoluments	101,329	76,642

KENTEX BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

3	Taxation	2002	2001
		£	£
	Domestic current year tax		
	U.K. corporation tax	3,125	5,894
	Current tax charge	3,125	5,894
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	3,850	27,269
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2001 : 20.00%)	770	5,454
	Effects of:		
	Non deductible expenses	1,129	953
	Depreciation	3,830	4,026
	Capital allowances	(2,604)	(4,539)
		2,355	440
	Current tax charge	3,125	5,894
4	Tangible fixed assets		
			Motor vehicles etc
			£
	Cost		
	At 1 April 2001		72,265
	Additions		8,550
	Disposals		(28,660)
	At 31 March 2002		52,155
	Depreciation		
	At 1 April 2001		15,714
	On disposals		(13,731)
	Charge for the year		17,900
	At 31 March 2002		19,883
	Net book value		
	At 31 March 2002		32,272
	At 31 March 2001		56,551

KENTEX BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

5 Debtors	2002	2001
	£	£
Trade debtors	486,616	896,729
Amounts owed by group undertakings and undertakings in which the company has a participating interest	51,430	-
Other debtors	13,523	15,231
	<u>551,569</u>	<u>911,960</u>
6 Creditors: amounts falling due within one year	2002	2001
	£	£
Bank loans and overdrafts	-	56,238
Net obligations under finance leases	7,424	5,493
Trade creditors	440,490	508,091
Amounts owed to group undertakings and undertakings in which the company has a participating interest	28,941	83,235
Taxation and social security	67,652	58,216
Other creditors	113,773	218,404
	<u>658,280</u>	<u>929,677</u>
7 Creditors: amounts falling due after more than one year	2002	2001
	£	£
Net obligations under finance leases	-	7,425
Net obligations under finance leases		
Included in liabilities falling due within one year	(7,424)	(5,493)
	<u>(7,424)</u>	<u>(5,493)</u>
8 Pension costs		
Defined contribution		
	2002	2001
	£	£
Contributions payable by the company for the year	6,099	4,787

KENTEX BUILDING SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

9	Share capital	2002	2001
		£	£
	Authorised		
	10,000 Ordinary shares of £ 1 each	10,000	10,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	125 Ordinary shares of £ 1 each	125	125
		<u> </u>	<u> </u>
10	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 1 April 2001		97,833
	Retained profit for the year		725
			<u> </u>
	Balance at 31 March 2002		98,558
			<u> </u>
11	Reconciliation of movements in shareholders' funds	2002	2001
		£	£
	Profit for the financial year	725	21,375
	Opening shareholders' funds	97,958	76,583
		<u> </u>	<u> </u>
	Closing shareholders' funds	98,683	97,958
		<u> </u>	<u> </u>

12 Control

The ultimate parent company is Kentex Group Limited , a company incorporated in Great Britain, which is controlled by G and T Marinaro.

13 Related party transactions

As at 31 March 2002 Kentex Electric (Southern) Limited and Kentex Group Limited owed the company £51,332 and £98 respectively. Kentex Networks Limited and Kentex Holdings Limited were owed £28,353 and £588 respectively. During the year the company made sales to Kentex Electric (Southern) Limited, Kentex Networks Limited and Kentex Holdings Limited of £474,360, £441 and £9,400 respectively. During the year the company purchased services from Kentex Electric (Southern) Limited and Kentex Networks Limited for £1,106,246 and £1,024 respectively.