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TECHNICOOL AIR CONDITIONING LIMITED

Company No: 03664607

FINANCIAL STATEMENTS

- for the year ended -

31ST MARCH 2004



Registered by the Institute of Chartered
Accountants in England & Wales to carry out
company audit work

VAT No. 395 1200 64
MJ Palmer MBE FCA
CMJ Palmer BA(Hons) ACA

TECHNICOOL AIR CONDITIONING LIMITED

DIRECTOR

Mr C.P. Constable

SECRETARY

Mrs K. Constable

REGISTERED OFFICE

330 Chipstead Valley Road
Coulsdon
Surrey, CR5 3BE

TECHNICOOL AIR CONDITIONING LIMITED

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TECHNICOOOL AIR CONDITIONING LIMITED

REPORT OF THE DIRECTOR

The director presents his report and financial statements for the year ended 31st March 2004.

PRINCIPAL ACTIVITIES

The company's principal activities, during the year, were those of air conditioning sales, services and supplies.

During the year, the company acquired the trade of City Cool Limited. The acquisition has had an immediate impact on the company's turnover for the year.

DIRECTOR AND HIS INTERESTS

The director at the balance sheet date and his interests in the company at that date and at the beginning of the year (or on appointment if later), were as follows:

	<u>Class of shares</u>	<u>2004</u>	<u>2003</u>
Mr C.P. Constable	Ordinary shares	1	1

DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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 director is 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 director is 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.

CLOSE COMPANY

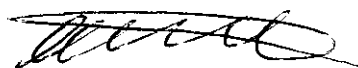
The company is a close company as defined by the Income and Corporation Taxes Act 1988.

This report has been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

By Order of the Board

Date: 16.03.05

Mrs K. Constable
Secretary



TECHNICOL AIR CONDITIONING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2004

	Notes	2004 £	2003 £
TURNOVER		459,817	217,722
Cost of sales		(285,842)	(126,571)
GROSS PROFIT		173,975	91,151
Administrative expenses		(105,857)	(77,004)
OPERATING PROFIT	2	68,118	14,147
Interest receivable		34	-
Interest payable		(1,929)	(1,205)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		66,223	12,942
Tax on profit on ordinary activities	4	(13,169)	(881)
PROFIT FOR THE FINANCIAL YEAR		53,054	12,061
Dividends		(25,000)	(30,000)
RETAINED PROFIT FOR THE YEAR	12	28,054	(17,939)

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 5 to 10 form part of these financial statements.

TECHNICOOOL AIR CONDITIONING LIMITED**BALANCE SHEET AT 31ST MARCH 2004**

	Notes	2004 £	2003 £
FIXED ASSETS			
Intangible assets	5	199,482	7,000
Tangible assets	6	17,371	7,518
		<u>216,853</u>	<u>14,518</u>
CURRENT ASSETS			
Stocks		23,430	21,108
Debtors	7	78,763	14,283
Cash at bank and in hand		12,671	149
		<u>114,864</u>	<u>35,540</u>
CREDITORS: Amounts falling due within one year	8	<u>(177,400)</u>	<u>(39,705)</u>
NET CURRENT LIABILITIES		<u>(62,536)</u>	<u>(4,165)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		154,317	10,353
CREDITORS: Amounts falling due after more than one year	9	(134,332)	(19,315)
PROVISIONS FOR LIABILITIES AND CHARGES	10	(893)	-
		<u>19,092</u>	<u>(8,962)</u>
CAPITAL AND RESERVES			
Called up share capital	11	2	2
Profit and loss account	12	19,090	(8,964)
SHAREHOLDERS FUNDS		<u>19,092</u>	<u>(8,962)</u>

TECHNICOOL AIR CONDITIONING LIMITED

BALANCE SHEET AT 31ST MARCH 2004 (Continued)

The director has taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirms that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The director acknowledges his responsibilities for ensuring that:-

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 31st March 2004 and of its profit for the year then ended 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 is applicable to the company.

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

The financial statements were approved
by the board on 31.3.2005
and signed on its behalf by



Mr C.P. Constable

Director

The notes on pages 5 to 10 form part of these financial statements.

TECHNICOOOL AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and are in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 TURNOVER

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

1.3 GOODWILL

The company's policy is to write-off goodwill evenly over its estimated useful life or 20 years whichever is the shorter from the date of acquisition.

1.4 DEPRECIATION

Depreciation is provided using the rates to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Office Equipment	20% Reducing balance
Plant & machinery	20% Reducing balance
Motor vehicles	25% Reducing balance

1.5 STOCKS

Stocks are valued at the lower of cost and net realisable value. Cost is calculated as follows:

Net realisable value is based on estimated selling price less further costs to completion and disposal.

1.6 DEFERRED TAXATION

Deferred tax 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.

1.7 LEASING AND HIRE PURCHASE

Assets acquired under finance leases or hire purchase contracts are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Finance charges and interest are taken to the profit and loss account in constant proportion to the remaining balance of capital repayments or net obligations outstanding.

Rentals payable under operating leases are taken to the profit and loss account on a straight line basis over the lease term.

TECHNICOOOL AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

2. OPERATING PROFIT

	2004 £	2003 £
The operating profit is stated after charging:		
Depreciation	5,544	2,329
Amortisation of goodwill	3,262	-
	<u> </u>	<u> </u>

3. DIRECTOR

	2004 £	2003 £
Director's emoluments	<u>20,000</u>	<u>4,500</u>

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £	2003 £
The taxation charge comprises:		
U.K. corporation tax @ 19%	12,276	881
Transfer to deferred taxation	893	-
	<u>13,169</u>	<u>881</u>

5. INTANGIBLE ASSETS

	Goodwill £
<u>Cost</u>	
At 1st April 2003	7,000
Additions	195,744
At 31st March 2004	<u>202,744</u>
<u>Amortisation</u>	
Charge for year	3,262
At 31st March 2004	<u>3,262</u>
<u>Net book value at 31st March 2004</u>	<u>199,482</u>
<u>Net book value at 31st March 2003</u>	<u>7,000</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.

TECHNICOOL AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

6. TANGIBLE ASSETS

	Plant & Office Equipment £	Motor Vehicles £	Total £
<u>Cost</u>			
At 1st April 2003	3,914	13,400	17,714
Additions	1,555	17,201	18,756
Disposals	-	(9,800)	(9,800)
At 31st March 2004	5,469	20,801	26,670
<u>Depreciation</u>			
At 1st April 2003	1,954	8,016	10,196
Charge for year	703	4,806	5,544
On disposals	-	(6,441)	(6,441)
At 31st March 2004	2,657	6,381	9,299
<u>Net book value at 31st March 2004</u>	2,812	14,420	17,371
<u>Net book value at 31st March 2003</u>	1,960	5,384	7,518

Included above are assets held under finance leases or hire purchase contracts as follows:

	2004 £	2003 £
Net book value	6,000	-
Depreciation charge for the year	2,000	-

Net obligations under finance leases and hire purchase contracts are secured on the assets acquired.

7. DEBTORS

	2004 £	2003 £
Trade debtors	75,938	9,542
Prepayments and accrued income	2,825	4,741
	78,763	14,283

TECHNICOOL AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Bank loans	1,567	13,838
Trade creditors	53,919	15,294
Corporation tax payable	12,276	3,867
Amounts due under hire purchase and finance lease contracts	1,728	-
Other taxes and social security costs	20,258	4,771
Other creditors	84,641	435
Accruals and deferred income	3,011	1,500
	<u>177,400</u>	<u>39,705</u>

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

	2004	2003
	£	£
Bank loans and overdrafts	16,225	19,315
Other loans	116,667	-
Amounts due under hire purchase and finance leases	1,440	-
	<u>134,332</u>	<u>19,315</u>
Amounts due after 5 years:		
Repayable by instalments	8,867	10,959
	<u>8,867</u>	<u>10,959</u>
Secured creditors	<u>17,665</u>	<u>19,315</u>

10. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is analysed over the following timing differences:

	2004	2003
	£	£
On the excess of capital allowances over depreciation	893	-
	<u>893</u>	<u>-</u>

Movements on the provision for deferred taxation are:

	£
At 1st April 2003	-
Transferred from profit and loss account	893
At 31st March 2004	<u>893</u>

TECHNICOOL AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

11. SHARE CAPITAL

	2004	2003
	£	£
<u>Authorised</u>		
Equity interests:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<u>Allotted, called up and fully paid</u>		
Equity interests:		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

12. PROFIT AND LOSS ACCOUNT

	2004	2003
	£	£
Accumulated losses at 1st April 2003	(8,964)	8,975
Retained profit for the year	28,054	(17,939)
Retained profits at 31st March 2004	<u>19,090</u>	<u>(8,964)</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004	2003
	£	£
Profit for the financial year	53,054	12,061
Dividends	(25,000)	(30,000)
Shareholders' funds at 1st April 2003	<u>28,054</u>	<u>(17,939)</u>
	(8,962)	8,977
Shareholders' funds at 31st March 2004	<u>19,092</u>	<u>(8,962)</u>
Represented by:-		
Equity interests	19,092	(8,962)
	<u>19,092</u>	<u>(8,962)</u>

14. TRANSACTIONS WITH DIRECTORS

The freehold premises occupied by the company are owned by Mr C.P. Constable, for which rent is charged. During the year, rent totalling £4,250 (2003: £4,714) was paid by the company.

The bank loan is secured by way of a fixed charge over certain freehold land and property, personally owned by Mr C.P. Constable.

During the year, the company sold a motor vehicle to Mr C.P. Constable, at a market value price of £3,000.

TECHNICOOL AIR CONDITIONING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2004

15. CONTROL

There is no overall controlling nor ultimate controlling party of the company.