

2570800

Report of the Directors and
Financial Statements for the Year Ended 31 July 1995
for
SYSTEM ELECTRICS (CONTRACTS) LIMITED



SYSTEM ELECTRICS (CONTRACTS) LIMITED

Company Information
for the Year Ended 31 July 1995

DIRECTORS: A T Humberstone Esq
C W Chitty Esq

SECRETARY: C A Chitty

REGISTERED OFFICE: 68-70 Mortlake High Street
London
SW14 8HR

REGISTERED NUMBER: 2570800

AUDITORS: Kay & Company
Chartered Accountants
Registered Auditor
11 Dagden Raod
Shalford
Surrey GU4 8DD

SYSTEM ELECTRICS (CONTRACTS) LIMITED

Report of the Directors
for the Year Ended 31 July 1995

The directors present their report with the financial statements of the company for the year ended 31 July 1995.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of electrical contracting.

DIRECTORS

The directors during the year under review were:

A T Humberstone Esq
C W Chitty Esq

The beneficial interests of the directors holding office on 31 July 1995 in the issued share capital of the company were as follows:

| | 31.7.95 | 1.8.94 |
|---------------------|---------|--------|
| Ordinary £1 shares | | |
| A T Humberstone Esq | 45 | 45 |
| C W Chitty Esq | - | - |

C W Chitty beneficially owns 100% of the issued share capital of System Electrics Limited, a Company which owns 55 shares (55%) of the Company.

STATEMENT OF 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 judgments 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.

AUDITORS

The auditors, Kay & Company, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

In preparing this report, the directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

ON BEHALF OF THE BOARD:

C W Chitty Esq - DIRECTOR

Dated: 30 May 1996



SYSTEM ELECTRICS (CONTRACTS) LIMITED

Report of the Auditors to the Shareholders of
SYSTEM ELECTRICS (CONTRACTS) LIMITED

We have audited the financial statements on pages four to eight which have been prepared under the historical cost convention and the accounting policies set out on page six.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

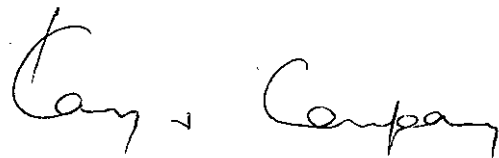
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 July 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Kay & Company
Chartered Accountants
Registered Auditor
11 Dagden Road
Shalford
Surrey GU4 8DD



Dated: 30 May 1996

SYSTEM ELECTRICS (CONTRACTS) LIMITED

Profit and Loss Account
for the Year Ended 31 July 1995

| | | 31.7.95 | 31.7.94 |
|---|-------|---------|---------|
| | Notes | £ | £ |
| TURNOVER | 2 | 501,905 | 368,716 |
| Cost of sales | | 410,155 | 292,472 |
| GROSS PROFIT | | 91,750 | 76,244 |
| Administrative expenses | | 75,272 | 58,288 |
| OPERATING PROFIT | 3 | 16,478 | 17,956 |
| Interest receivable and similar income | 4 | 559 | 175 |
| | | 17,037 | 18,131 |
| Interest payable and similar charges | | 38 | 357 |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 16,999 | 17,774 |
| Tax on profit on ordinary activities | 5 | 5,281 | 4,760 |
| PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION | | 11,718 | 13,014 |
| Retained profit brought forward | | 14,854 | 1,840 |
| RETAINED PROFIT CARRIED FORWARD | | £26,572 | £14,854 |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

SYSTEM ELECTRICS (CONTRACTS) LIMITED

Balance Sheet

31 July 1995

| | | 31.7.95 | 31.7.94 |
|---|-------|----------------|----------------|
| | Notes | £ | £ |
| CURRENT ASSETS: | | | |
| Stocks | 6 | 67,501 | 7,152 |
| Debtors | 7 | 31,698 | 35,521 |
| Cash at bank and in hand | | 35 | 18,611 |
| | | <u>99,234</u> | <u>61,284</u> |
| CREDITORS: Amounts falling due within one year | 8 | 72,562 | 46,330 |
| NET CURRENT ASSETS: | | <u>26,672</u> | <u>14,954</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES: | | <u>£26,672</u> | <u>£14,954</u> |
| CAPITAL AND RESERVES: | | | |
| Called up share capital | 10 | 100 | 100 |
| Profit & loss account | | 26,572 | 14,854 |
| Shareholders' funds | 12 | <u>£26,672</u> | <u>£14,954</u> |

In preparing these financial statements, the directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985. The directors have done so on the grounds that, in their opinion, the company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

A T Humberstone Esq - DIRECTOR

A. T. Humberstone

Approved by the Board on 30 May 1996

SYSTEM ELECTRICS (CONTRACTS) LIMITED

Notes to the Financial Statements
for the Year Ended 31 July 1995

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

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

Stocks

Work in progress is valued at the lower of cost and net realisable value.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

3. OPERATING PROFIT

The operating profit is stated after charging:

| | 31.7.95 | 31.7.94 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Auditors' remuneration | 1,350 | 1,250 |
| | <u> </u> | <u> </u> |
| Directors' emoluments | 28,905 | 22,350 |
| | <u> </u> | <u> </u> |

4. INTEREST RECEIVABLE AND SIMILAR INCOME

| | 31.7.95 | 31.7.94 |
|--------------------------|-------------------|-------------------|
| | £ | £ |
| Deposit Account Interest | 559 | 175 |
| | <u> </u> | <u> </u> |

SYSTEM ELECTRICS (CONTRACTS) LIMITED

Notes to the Financial Statements
for the Year Ended 31 July 1995

5. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

| | 31.7.95 | 31.7.94 |
|--|--------------|--------------|
| | £ | £ |
| Based on the adjusted results of the year: | | |
| UK Corporation Tax | 5,025 | 4,760 |
| Over/Under Provision | 242 | - |
| Disallowable Interest | 14 | - |
| | <u>5,281</u> | <u>4,760</u> |

UK Corporation Tax has been charged at 25% (1994 - 25%).

6. STOCKS

| | 31.7.95 | 31.7.94 |
|------------------|---------------|--------------|
| | £ | £ |
| Work in Progress | <u>67,501</u> | <u>7,152</u> |

7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

| | 31.7.95 | 31.7.94 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade Debtors | 29,151 | 24,929 |
| Other Debtors | 1,300 | 9,345 |
| Amount Owed by Group Company | 1,247 | 1,247 |
| | <u>31,698</u> | <u>35,521</u> |

8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

| | 31.7.95 | 31.7.94 |
|---|---------------|---------------|
| | £ | £ |
| Bank loans and overdrafts (see note 9) | 5,995 | - |
| Trade Creditors | 47,479 | 36,251 |
| Directors Current Accounts | 3,679 | - |
| Social Security & Other Taxes | 8,118 | 3,719 |
| Taxation | 5,291 | 4,760 |
| Accrued Expenses | 2,000 | 1,600 |
| | <u>72,562</u> | <u>46,330</u> |

SYSTEM ELECTRICS (CONTRACTS) LIMITED

Notes to the Financial Statements
for the Year Ended 31 July 1995

9. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

| | 31.7.95 | 31.7.94 |
|---|---------|---------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | 5,995 | - |

10. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 31.7.95 | 31.7.94 |
|---------|----------|----------------|---------|---------|
| | | | £ | £ |
| 100 | Ordinary | £1 | 100 | 100 |

11. TRANSACTIONS WITH DIRECTORS

Both Directors are also Directors and shareholders in System Mechanical Services Limited and C W Chitty is a Director and shareholder in System Electrics Limited. This Company paid management fees totalling £22,500 (1994 £22,500) and from time to time enters into transactions with both these companies on normal commercial terms.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 31.7.95 | 31.7.94 |
|-------------------------------------|---------|---------|
| | £ | £ |
| Profit for the financial year | 11,718 | 13,014 |
| NET ADDITION TO SHAREHOLDERS' FUNDS | 11,718 | 13,014 |
| Opening shareholders' funds | 14,954 | 1,940 |
| CLOSING SHAREHOLDERS' FUNDS | 26,672 | 14,954 |
| Equity interests | 26,672 | 14,954 |