

Company Number 2570800

SYSTEM ELECTRICS (CONTRACTS) LIMITED

REPORT AND ACCOUNTS

YEAR TO 31ST JULY 1994

KAY & COMPANY

Registered Auditor
Chartered Accountants



SYSTEM ELECTRICS (CONTRACTS) LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR TO 31ST JULY 1994

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The Directors present their report and financial statements for the year to 31st July 1994.

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 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.

PRINCIPAL ACTIVITY

The principal activities of the Company continued to be electrical contracting.

DIRECTORS

The Directors who served during the year and their beneficial interests in the Company's issued ordinary share capital were:

Ordinary Shares of £1 each
31.7.1994 31.7.1993

A T Humberstone	45	45
C W Chitty	-	-

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

AUDITORS

The Auditors, Messrs Kay & Company, Chartered Accountants and Registered Auditor, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

This report which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the Board on 2nd May 1995 and signed on its behalf.


C W Chitty Esq

REPORT OF THE AUDITORS TO THE MEMBERS OF
SYSTEM ELECTRICS (CONTRACTS) LIMITED

We have audited the financial statements on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 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 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 31st July 1994 and of its result 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

Kay & Company
Chartered Accountants
Registered Auditor

11 Dagden Road
Shalford
Guildford
Surrey GU4 8DD

5th May 1995

SYSTEM ELECTRICS (CONTRACTS) LIMITED
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDING 31ST JULY 1994

	<u>Notes</u>	<u>31.7.1994</u> <u>£</u>	<u>31.7.1993</u> <u>£</u>
TURNOVER	1&2	368,716	264,102
Cost of Sales		<u>292,472</u>	<u>207,752</u>
GROSS PROFIT		76,244	56,350
Administrative Costs		<u>(58,288)</u>	<u>(53,617)</u>
OPERATING PROFIT	3	17,956	2,733
Interest Paid		(357)	(7)
Interest Received		<u>175</u>	<u>339</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		17,774	3,065
Taxation	4	<u>(4,760)</u>	<u>(1,390)</u>
PROFIT AFTER TAXATION	10	<u>£ 13,014</u>	<u>£ 1,675</u>

All transactions arose from continuing operations and there were no recognised gains or losses for the year to 31st July 1994 or the year to 31st July 1993 other than those included in the Profit & Loss Account.

The notes on pages 5 to 7 form part of these financial statements

SYSTEM ELECTRICS (CONTRACTS) LIMITED
BALANCE SHEET AS AT 31ST JULY 1994

	<u>Notes</u>	<u>31.7.1994</u>	<u>31.7.1993</u>
		<u>£</u>	<u>£</u>
<u>CURRENT ASSETS</u>			
Stock & WIP	5	7,152	6,709
Debtors	6	35,521	26,054
Cash at bank and in hand		18,611	2,392
		<u>61,284</u>	<u>35,155</u>
<u>CREDITORS:</u> amounts falling due within one year	7	<u>(46,330)</u>	<u>(33,215)</u>
<u>NET CURRENT ASSETS</u>		<u>£ 14,954</u>	<u>£ 1,940</u>
Financed by:			
<u>CAPITAL & RESERVES</u>			
Called up share capital	9	100	100
Profit & Loss account		<u>14,854</u>	<u>1,840</u>
<u>SHAREHOLDERS' FUNDS</u>	10	<u>£ 14,954</u>	<u>£ 1,940</u>

The directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the Company qualifies as a small Company by virtue of Section 247 of the Companies Act 1985. The financial statements were approved by the Board on 2nd May 1995 and signed on its behalf.

A T Humberstone
A T Humberstone Esq
Director

The notes on pages 5 to 7 form part of these financial statements

SYSTEM ELECTRICS (CONTRACTS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31ST JULY 1994

1. ACCOUNTING POLICIES

a. Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the Company's operations which are described in the Directors' Report and all of which are continuing.

The Company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small Company.

b. Turnover

Turnover comprises the invoiced value of services supplied by the Company, net of Value Added Tax and trade discounts.

c. Stock & WIP

Stocks are stated at the lower of cost and net realisable value as follows:-

Raw materials - purchase cost on a first in first out basis

WIP - cost of direct materials and labour plus attributable overheads

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion.

2. TURNOVER

In the year to 31st July 1994 none of the Company's turnover was to markets outside the United Kingdom (1993: Nil)

3. OPERATING PROFIT

This is stated after charging:

	<u>31.7.1994</u>	<u>31.7.1993</u>
	£	£
Directors' emoluments	22,350	21,000
Auditor's remuneration	1,250	1,100
	<u> </u>	<u> </u>

SYSTEM ELECTRICS (CONTRACTS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31ST JULY 1994

4. TAXATION

	<u>31.7.1994</u>	<u>31.7.1993</u>
	<u>£</u>	<u>£</u>
UK corporation tax @ 25% (1993: 25%)	4,760	1,427
Adjustment for previous year	-	(37)
	<u>£ 4,760</u>	<u>£ 1,390</u>

5. STOCK & WORK IN PROGRESS

At 31st July 1994 work in progress was £7,152 (1993:£6,709), there were no stocks at 31.7.1994 or 31.7 1993.

6. DEBTORS

	<u>31.7.1994</u>	<u>31.7.1993</u>
	<u>£</u>	<u>£</u>
Trade debtors	24,929	24,733
Other debtors	9,345	74
Amount owed by related company	1,247	1,247
	<u>£ 35,521</u>	<u>£ 26,054</u>

7. CREDITORS: amounts falling due in less than one year

	<u>31.7.1994</u>	<u>31.7.1993</u>
	<u>£</u>	<u>£</u>
Trade creditors	36,251	18,503
Other taxes and social security	3,719	1,101
Accruals	1,600	2,000
Bank overdraft (secured)	-	10,184
Corporation tax	4,760	1,427
	<u>£ 46,330</u>	<u>£ 33,215</u>

8. HOLDING COMPANY

55 (55%) of the issued shares of the Company are owned by System Electrics Limited. That Company is incorporated in England.

SYSTEM ELECTRICS (CONTRACTS) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR TO 31ST JULY 1994

9. SHARE CAPITAL

31.7.1994 & 31.7.1993

Authorised and Issued:-

Ordinary Shares of £1 each £ 100

10. MOVEMENT ON SHAREHOLDERS' FUNDS

	<u>31.7.1994</u>	<u>31.7.1993</u>
	<u>£</u>	<u>£</u>
Profit for the Year	13,014	1,675
Opening Shareholders' Funds	<u>1,940</u>	<u>265</u>
Closing Shareholders' Funds	<u>£ 14,954</u>	<u>£ 1,940</u>

11. CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

There were no outstanding capital commitments or contingent liabilities at 31st July 1994.

12. 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 in the year under review (1993: £22,500) and from time to time enters into transactions with both these companies on normal commercial terms.