

DELTA ELECTRICAL REPAIRS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1995

COMPANY NUMBER : 1770708 (ENGLAND & WALES)



DELTA ELECTRICAL REPAIRS LIMITED

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DELTA ELECTRICAL REPAIRS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 1995

The directors present their report and the financial statements for the year ended 31st December 1995.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of the sale and repair of electric motors.

DIRECTORS

The directors who served during the period and their beneficial interests in the company's issued ordinary share capital were :

	<u>Number of Shares</u>	
	<u>1995</u>	<u>1994</u>
B. Haworth	750	750
J. Haworth	750	750

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.

AUDITORS

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

This report was approved by the board on 16th January 1996, taking advantage of special exemptions available to small companies.

Signed on behalf of the board of directors.

.......... Director

DELTA ELECTRICAL REPAIRS LIMITED

AUDITORS' REPORT

TO THE MEMBERS OF DELTA ELECTRICAL REPAIRS 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 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 mis-statement, 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 December 1995 and of its profits for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Hargreaves & Co

Registered Auditors and Chartered Accountants

Regency House

Blackburn Road

Accrington

BB5 1HF

16th January 1996

DELTA ELECTRICAL REPAIRS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 1995

		<u>1995</u>		<u>1994</u>	
	<u>NOTES</u>	£	£	£	£
Turnover	2		754395		680279
Cost of Sales			<u>481619</u>		<u>432303</u>
Gross Profit			272776		247876
Distribution Costs		22641		23613	
Administration Costs		<u>150428</u>	<u>173069</u>	<u>135048</u>	<u>158661</u>
Operating Profit			99707		89315
Interest receivable			<u>27</u>		<u>57</u>
Interest payable			<u>99734</u> <u>10720</u>		<u>89372</u> <u>4885</u>
Profit on ordinary activities before taxation	3		89014		84487
Tax on profit on ordinary activities	4		<u>19205</u>		<u>15622</u>
Profit on ordinary activities after taxation for the financial year			69809		68865
Dividend			<u>25421</u> 44388		<u>-</u> 68865
Retained profits brought forward			<u>300300</u>		<u>231435</u>
Retained profits carried forward			£344688 =====		£300300 =====

There were no recognised gains or losses other than those included in the profit and loss account.

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

DELTA ELECTRICAL REPAIRS LIMITED
BALANCE SHEET AS AT 31ST DECEMBER 1995

		<u>1995</u>	<u>1994</u>
<u>FIXED ASSETS</u>	<u>NOTES</u>	£	£
Tangible Assets	5	351489	336466
<u>CURRENT ASSETS</u>			
Stocks	6	22379	17367
Debtors	7	159791	146189
Bank balance and cash		<u>4205</u>	<u>-</u>
		186375	163556
<u>CREDITORS</u>			
Amounts falling due within one year	8	<u>115457</u>	<u>116759</u>
<u>NET CURRENT ASSETS</u>		<u>70918</u>	<u>46797</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		422407	383263
<u>CREDITORS</u>			
Amounts falling due after more than one year	9	<u>76219</u>	<u>81463</u>
<u>TOTAL NET ASSETS</u>		£346188 =====	£301800 =====
<u>REPRESENTED BY</u>			
Share Capital	10	1500	1500
Revenue reserve		<u>344688</u>	<u>£300300</u>
Shareholders Funds	12	£346188 =====	£301800 =====

Approved by the board of directors on 16th January 1996 and signed on its behalf. The directors have relied on special exemptions available to small companies on the grounds that the company qualifies as a small company by virtue of Section 247 of the Companies Act 1985.

.....  Director

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

DELTA ELECTRICAL REPAIRS LIMITED
NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

Basis of Preparation of Accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors report and which is continuing. The company has taken advantage of the exemption in FRS1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life as follows :

Plant Machinery & Equipment	:	15% reducing balance
Fixtures and Fittings	:	15% reducing balance
Motor Vehicles	:	25% reducing balance
Leasehold Property	:	Nil

Stocks

Stocks are valued at the lower part of cost and net realisable value.

2. TURNOVER

Turnover comprises the net invoiced values, excluding VAT, made to customers for goods and services supplied. There were no export sales in the year.

3. PROFIT BEFORE TAXATION

Profit before taxation, on ordinary activities, is stated after charging :

	<u>1995</u>	<u>1994</u>
	£	£
Directors remuneration	29100	26400
Directors and Employees pension contributions	35251	33233
Auditors remuneration	2600	2550
Hire of Plant and Equipment	2834	1352
Bank Interest	10720	4885
Depreciation of Tangible Fixed Assets	16750	16683
Amortisation of Lease	-	181
	=====	=====
And after crediting :		
Interest Received	27	57
	=====	=====

DELTA ELECTRICAL REPAIRS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. TAXATION

The corporation tax charge is calculated on the profits of the year, after allowing for capital expenditure, at the rate of 25%, and is due for payment on 1st October 1996.

	<u>1995</u>	<u>1994</u>
Current year	£19205	£15622
	=====	=====

5. TANGIBLE FIXED ASSETS

	<u>Leasehold Property</u>	<u>Plant & Equipment</u>	<u>Fixtures & Fittings</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
Cost					
At 1st January 1995	242893	82335	23795	75230	424253
Additions	<u>22627</u>	<u>7734</u>	<u>1412</u>	<u>-</u>	<u>31773</u>
At 31st December 1995	<u>265520</u>	<u>90069</u>	<u>25207</u>	<u>75230</u>	<u>456026</u>
	=====	=====	=====	=====	=====
Depreciation					
At 1st January 1995	-	35800	8920	43067	87787
Charge for the Year	<u>-</u>	<u>7243</u>	<u>2190</u>	<u>7317</u>	<u>16750</u>
At 31st December 1995	<u>-</u>	<u>43043</u>	<u>11110</u>	<u>50384</u>	<u>104537</u>
	=====	=====	=====	=====	=====
Net Book Value					
At 31st December 1995	265520	47026	14097	24846	351489
At 31st December 1994	<u>242893</u>	<u>46535</u>	<u>14875</u>	<u>32163</u>	<u>336466</u>
	=====	=====	=====	=====	=====

6. STOCKS

	<u>1995</u>	<u>1994</u>
Raw Materials and consumables	18724	15425
Work in Progress	<u>3655</u>	<u>1942</u>
	<u>22379</u>	<u>17367</u>
	=====	=====

7. DEBTORS

	<u>1995</u>	<u>1994</u>
	£	£
Trade Debtors	155561	143127
Prepayments	4191	3023
Directors loan account	<u>39</u>	<u>39</u>
	<u>£159791</u>	<u>£146189</u>
	=====	=====

DELTA ELECTRICAL REPAIRS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. <u>CREDITORS</u>	<u>1995</u>	<u>1994</u>
	£	£
Trade Creditors	35023	30354
Bank loan & overdraft	41715	51211
Corporation Tax	12850	15622
Other taxes & social security costs	23469	17222
Accruals	<u>2400</u>	<u>2350</u>
	<u>£115457</u>	<u>£116759</u>
	=====	=====

9. <u>CREDITORS</u>	<u>1995</u>	<u>1994</u>
	£	£
Amounts falling due after more than one year		
Other Creditors : Bank Loan	£76219	£81463
	=====	=====

10. <u>SHARE CAPITAL</u>	<u>Authorised</u>		<u>Issued and Fully Paid</u>	
	31.12.95	31.12.94	31.12.95	31.12.94
Ordinary shares of £1 each	10000	10000	1500	1500
	=====			

11. LOAN CAPITAL - DIRECTORS

Directors loans are interest free and have no fixed repayment date.

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	<u>1995</u>	<u>1994</u>
	£	£
Net Profit for the year	69809	68865
Dividend	<u>25421</u>	<u>-</u>
Net additions during the year	44388	68865
Shareholders funds at 1st January 1995	<u>301800</u>	<u>232935</u>
Shareholders funds at 31st December 1995	<u>£346188</u>	<u>£301800</u>
	=====	=====

DELTA ELECTRICAL REPAIRS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1995

	Current £	Year £	Previous £	Year £
Sales and Work Done		754395		680279
<u>Less Cost of Sales</u>				
Commencing Stock	17367		15297	
Purchases	235592		187337	
Wages and NHI	<u>251039</u>		<u>247036</u>	
	503998		449670	
<u>Deduct Final Stock and W.I.P.</u>	<u>22379</u>	<u>481619</u>	<u>17367</u>	<u>432303</u>
<u>GROSS PROFIT On Turnover</u>		272776		247976
<u>Add : Other Income - Bank Interest</u>		<u>27</u>		<u>57</u>
<u>TOTAL GROSS INCOME</u>		272803		248033
<u>Less Expenses</u>				
Directors Remuneration	29100		26400	
Rates Insurance and Telephone	29322		25104	
Lighting and Heating	3443		4013	
Repairs and Renewals	8503		5724	
Printing Stationery and Advertising	8941		8394	
Equipment Hire	2834		1352	
Motor Expenses	15324		16930	
Sundry Expenses	11585		11888	
Audit and Accountancy	2600		2550	
Directors and Employees				
Pension Contributions	35251		33233	
Consultancy	8454		3252	
Legal Charges	-		489	
Bank Charges and Interest	656		3813	
Depreciation	16750		16683	
Amortisation of Lease	-		181	
Profit on Sale of Vehicle	-		(1733)	
Loan Interest	10449		3729	
Bad Debts	<u>577</u>	<u>183789</u>	<u>1544</u>	<u>163546</u>
<u>NET PROFIT</u>		89014		84487
		=====		=====