

DELTA ELECTRICAL REPAIRS LTD

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 1999**

COMPANY NUMBER : 1770708 (ENGLAND & WALES)



DELTA ELECTRICAL REPAIRS LTD

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DELTA ELECTRICAL REPAIRS LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 1999

The directors present their report and the financial statements for the year ended 31st December 1999.

PRINCIPAL ACTIVITIES

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

DIRECTORS

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

	<u>Number of Shares</u>	
	<u>1999</u>	<u>1998</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 is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 19th January 2000 and signed on its behalf by:

.......... B. Haworth (Director)

DELTA ELECTRICAL REPAIRS LIMITED
AUDITOR'S 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 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

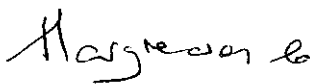
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 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 1999 and of its loss 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

19th January 2000

DELTA ELECTRICAL REPAIRS LTD
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31ST DECEMBER 1999

		<u>1999</u>	<u>1999</u>
	Notes	£	£
Turnover	2	766128	800170
Cost of Sales		<u>454507</u>	<u>449204</u>
Gross Profit		311621	350966
Distribution Costs	26646		24917
Administration costs	<u>442734</u>	<u>469380</u>	<u>340058</u>
Operating loss		(157759)	(14009)
Interest receivable		<u>-</u> (157759)	<u>131</u> (13878)
Interest payable		<u>802</u>	<u>8189</u>
Loss on ordinary activities before taxation	3	(158561)	(22067)
Tax on profit on ordinary activities	4	<u>(2058)</u>	<u>(2)</u>
Loss on ordinary activities after taxation for the financial year		(156503)	(22065)
Retained profits brought forward		<u>403137</u>	<u>425202</u>
Retained profits carried forward		<u><u>246634</u></u>	<u><u>403137</u></u>

TOTAL RECOGNISED GAINS AND LOSSES

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

CONTINUING OPERATIONS

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

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

DELTA ELECTRICAL REPAIRS LTD
BALANCE SHEET AS AT 31ST DECEMBER 1999

		<u>1999</u>	<u>1998</u>
	Notes	£	£
<u>FIXED ASSETS</u>			
Tangible Assets	5	122205	401830
<u>CURRENT ASSETS</u>			
Stocks	6	33117	31239
Debtors	7	161319	167065
Bank Balance and Cash		8389	145
		<u>202825</u>	<u>198449</u>
<u>CREDITORS</u>			
Amounts falling due within one year	8	<u>76896</u>	<u>141030</u>
<u>NET CURRENT ASSETS</u>		<u>125929</u>	<u>57419</u>
<u>TOTAL ASSETS LESS</u>			
<u>CURRENT LIABILITIES</u>		248134	459249
<u>CREDITORS</u>			
Amounts falling due after more than one year	9	<u>-</u>	<u>54612</u>
<u>TOTAL NET ASSETS</u>		<u>248134</u>	<u>404637</u>
<u>REPRESENTED BY</u>			
Share Capital	10	1500	1500
Revenue Reserve		<u>246634</u>	<u>403137</u>
Shareholders Funds	12	<u>248134</u>	<u>404637</u>

The financial statements are 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 19th January 2000 and signed on its behalf by:

.....  B Haworth (Director)

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

DELTA ELECTRICAL REPAIRS LTD

NOTES TO THE FINANCIAL STATEMENTS AT 31ST DECEMBER 1999

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 and equipment	:	15% reducing balance
Fixtures and Equipment	:	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. LOSS BEFORE TAXATION

Loss before taxation on ordinary activities is stated after charging:

	<u>1999</u>	<u>1998</u>
	£	£
Directors Remuneration	240000	176000
Directors and Employees Pension contributions	66546	83666
Auditors Remuneration	3500	3600
Hire of Plant and Equipment	746	437
Bank Interest	619	7456
Depreciation of Tangible Fixed Assets	24249	22398
Hire Purchase Interest	183	733
Loss on Sale of Tangible Fixed Assets	<u>10682</u>	<u>-</u>

And after crediting:

Interest Received	-	131
Profit on Sale of Tangible Fixed Assets	-	<u>3271</u>

DELTA ELECTRICAL REPAIRS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. TAXATION

	<u>1999</u> £	<u>1998</u> £
Current Year	-	-
Prior year - Refund	<u>(2058)</u>	<u>(2)</u>

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 1999	269760	134402	37921	99992	542075
Additions	-	1965	2341	20750	25056
Disposals	(269760)	-	-	(21682)	(291442)
At 31st December 1999	<u>-</u>	<u>136367</u>	<u>40262</u>	<u>99060</u>	<u>275689</u>
Depreciation					
At 1st January 1999	-	67772	18851	53622	140245
Charge for the year	-	9615	2916	11718	24249
Disposals	-	-	-	(11010)	(11010)
At 31st December 1999	<u>-</u>	<u>77387</u>	<u>21767</u>	<u>54330</u>	<u>153484</u>
Net Book Value					
At 31st December 1999	-	58980	18495	44730	122205
At 31st December 1998	<u>269760</u>	<u>66630</u>	<u>19070</u>	<u>46370</u>	<u>401830</u>

6. STOCK

	<u>1999</u> £	<u>1998</u> £
Raw materials and consumables	30610	27982
Work in progress	2507	3257
	<u>33117</u>	<u>31239</u>

7. CREDITORS

	<u>1999</u> £	<u>1998</u> £
Trade Debtors	152098	160441
Prepayments	9182	6585
Directors loan accounts (Notes 11)	39	39
	<u>161319</u>	<u>167065</u>

DELTA ELECTRICAL REPAIRS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. CREDITORS

	<u>1999</u>	<u>1998</u>
	£	£
Trade Creditors	48721	31036
Bank Loan and Overdraft	-	26651
Other Taxes and Social Security Costs	25005	28973
Accruals	3170	53120
Hire purchase creditors	-	1250
	<u>76896</u>	<u>141030</u>

9. CREDITORS

	<u>1999</u>	<u>1998</u>
	£	£
Amounts falling due after more than one year		
Other creditors : Bank Loan	-	54612
	<u>-</u>	<u>54612</u>

10. SHARE CAPITAL

	<u>Authorised</u>		<u>Issued and Fully Paid</u>	
	31.12.99	31.12.98	31.12.99	31.12.98
Ordinary Shares of £1 each	<u>10000</u>	<u>10000</u>	<u>1500</u>	<u>1500</u>

11. LOAN CAPITAL - DIRECTORS

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

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	<u>1999</u>	<u>1998</u>
	£	£
Net Loss for the Year	(156503)	(22065)
Shareholders funds at 1st January 1999	<u>404637</u>	<u>426702</u>
Shareholders funds at 31st December 1999	<u>248134</u>	<u>404637</u>