

FRANCO ELECTRICAL SERVICES LIMITEDDIRECTORS' REPORT

The directors submit their report and the accounts of the company for the year ended 30th November 2003

Principal activity

The company installs and maintains emergency and security systems.

Directors and their interests

The directors throughout the year, and their interests in the share capital of the company, were;

Ordinary Shares of £1 each

	<u>At 30th November 2003</u>	<u>At 30th November 2002</u>
Colin Crummack	60	60
Christine Crummack	20	20

Small company status

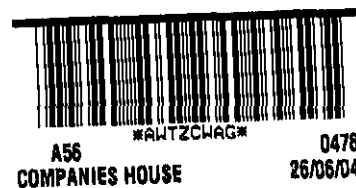
This report has been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

By order of the Board

C Crummack **C. Crummack**
Secretary

4 Chapel Road
Northenden
Manchester M22 4JW

February 2004



FRANCO ELECTRICAL SERVICES LIMITED

BALANCE SHEET

AS AT 30TH NOVEMBER 2003

	<u>NOTES</u>	<u>2003</u>	<u>2002</u>
Net Assets employed -		£	£
Fixed assets		£	£
Tangible assets	2	33282	49657
Current assets			
Stocks		18048	36652
Debtors	3	61341	98550
Cash at bank and in hand		50463	64026
		<u>129852</u>	<u>199228</u>
Creditors : Amounts falling due within one year	4	<u>64618</u>	<u>72644</u>
		<u>65234</u>	<u>126584</u>
		<u>98516</u>	<u>176241</u>
Financed as follows :			
Creditors : Amounts falling due after one year	4	22116	34593
Capital and reserves			
Called up share capital	5	100	100
Profit and loss account		<u>76300</u>	<u>141548</u>
		<u>76400</u>	<u>141648</u>
		<u>98516</u>	<u>176241</u>

For the financial year ended 30th November 2003 the company was entitled to the exemption from audit under section 249A(1) of the Companies Act 1985, and no notice has been deposited under section 249B(2) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirement of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (as effective March 2000).

The financial statements on pages 1 to 7 were approved by the board of directors on 12th February 2004.


C. CRUMACK - Director

FRANCO ELECTRICAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH NOVEMBER 2003

	<u>Notes</u>	<u>2003</u>		<u>2002</u>
		£	£	£
Turnover			473959	478513
Raw materials and consumables		87346		49318
Other external charges		<u>86236</u>		<u>88536</u>
		173582		137854
Staff costs		320250		315076
Depreciation		<u>16375</u>	<u>510207</u>	<u>17717</u>
				470647
Operating profit(loss)	6		(36248)	7866
Interest payable			(4266)	(3520)
Interest receivable			<u>266</u>	<u>560</u>
Profit(loss) on ordinary activities before taxation			(40248)	4906
Taxation on profit on ordinary activities	7		<u>-</u>	<u>-</u>
Profit(loss) for the financial year			(40248)	4906
Dividend payable			<u>25000</u>	<u>-</u>
			(65248)	4906
Retained profits brought forward			<u>141548</u>	<u>136642</u>
Retained profits carried forward			<u>76300</u>	<u>141548</u>

FRANCO ELECTRICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS

30TH NOVEMBER 2003

1. ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Small Entities (effective March 2000).

The principal accounting policies which have been consistently applied, are set out below.

a) Depreciation

Tangible fixed assets are shown at cost less accumulated depreciation. Depreciation has been provided at the following rates in order to write off the cost over their estimated useful lives.

Plant and machinery	- 10%pa on cost
Fixtures and fittings	- 10%pa or 25%pa on cost
Motor vehicles	- 25%pa on cost

b) Stocks

The basis of valuation is the lower of cost and net realisable value.

c) Hire Purchase

Assets held under hire purchase are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital elements of the future hire obligations are recorded as liabilities while the interest elements are charged to profit and loss account over the hire period to produce a constant rate of charge on the balance of capital repayments outstanding.

d) Pension costs

The company makes contributions to money purchase personal pension schemes which are charged to the profit and loss account in the year in which they are paid.

30TH NOVEMBER 2003

FRANCO ELECTRICAL SERVICES LIMITED

2. TANGIBLE FIXED ASSETS

	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£
Cost -			
At 1st December 2002	15587	73735	89332
Additions			
Disposals	<u>(196)</u>	<u>—</u>	<u>(196)</u>
	<u>15391</u>	<u>73735</u>	<u>89126</u>
Depreciation -			
At 1st December 2002	8900	30765	39665
Charged in year	2440	13935	16375
Disposals	<u>(196)</u>	<u>—</u>	<u>(196)</u>
	<u>11144</u>	<u>44700</u>	<u>55844</u>
Net Book Value -			
At 30th November 2003	<u>4247</u>	<u>29035</u>	<u>33282</u>
At 1st December 2002	<u>6687</u>	<u>42970</u>	<u>49657</u>

Motor vehicles includes vehicles held under hire purchase contracts, stated at net book value at 30th November 2003 of £29035 (2002 £42970) on which depreciation of £13935 (2002 £17093) has been charged in the year.

3. DEBITORS

	<u>2003</u>	<u>2002</u>
	£	£
Trade Debtors	53479	96086
Other Debtors	5862	464
Prepayments	<u>2000</u>	<u>2000</u>
	<u>61341</u>	<u>98550</u>

FRANCO ELECTRICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

30TH NOVEMBER 2003

4. CREDITORS

	<u>2003</u>	<u>2002</u>
	£	£
Amounts falling due within one year :		
Hire Purchase	256	-
Trade creditors	4794	11082
Corporation tax	104	281
Other taxes and social security	21218	27855
Accruals and deferred income	<u>38246</u>	<u>33426</u>
	<u>64618</u>	<u>72644</u>
Amounts falling due after one year :		
Hire purchase	<u>22116</u>	<u>34593</u>

5. SHARE CAPITAL

	<u>Authorised</u>		<u>Issued and fully paid</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
	Number	Number	£	£
Ordinary shares of £1 each	<u>1000</u>	<u>1000</u>	<u>100</u>	<u>100</u>

6. OPERATING PROFIT

	<u>2003</u>	<u>2002</u>
	£	£
The operating profit (loss) is stated after charging :		
Directors' remuneration	75400	79325
Pension contributions to money purchase schemes	7048	7015

7. TAXATION

The taxation charge for the year has been calculated at 0% (2002 : 10%)

FRANCO ELECTRICAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT SUMMARIES

30TH NOVEMBER 2003

	<u>2003</u>	<u>2002</u>
	£	£
Raw materials and consumables :		
Opening stocks	36672	17784
Purchases	68722	68206
Closing stocks	(18048)	(36672)
	<u>87346</u>	<u>49318</u>
Other external charges :		
Rent, rates and power	14592]	16653
Insurance	4982	5137
Motor expenses	33929	35450
Travelling expenses	2547	4850
Telephone	5171	3535
Stationery, postages and advertising	5476	7185
Bank charges	1915	1806
Accountancy charges	4370	4704
Legal charges	1771	-
Sundry expenses	5599	4712
Repairs and renewals	4204	3974
Equipment hire	916	530
Bad debts	764	-
	<u>86236</u>	<u>88536</u>
Staff costs :		
Wages and salaries	281406	279355
Social security costs	31796	28706
Other pension costs	7048	7015
Outside labour	-	-
	<u>320250</u>	<u>315076</u>
Depreciation :		
Motor vehicles	13935	17131
Surplus on sale of vehicles	-	(1880)
Plant and machinery	280	279
Fixtures and fittings	2160	2187
	<u>16375</u>	<u>17717</u>