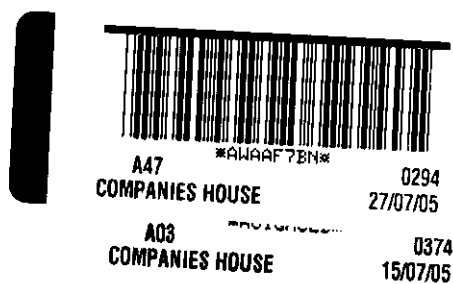


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FRANCO ELECTRICAL SERVICES LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30TH NOVEMBER 2004



FRANCO ELECTRICAL SERVICES LIMITED

DIRECTORS' REPORT

The directors submit their report and the accounts of the company for the year ended 30th November 2004

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:

	<u>Ordinary Shares of £1 each</u>	
	<u>At 30th November 2004</u>	<u>At 30th November 2003</u>
Colin Crumack	60	60
Christine Crumack	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. Crumack

Secretary

C Crumack.

4 Chapel Road
Northenden,
Manchester. M22 4JW

March 2005.

FRANCO ELECTRICAL SERVICES LIMITED

BALANCE SHEET

AS AT 30TH NOVEMBER 2004

	<u>NOTES</u>	<u>2004</u>	<u>2003</u>
		£	£
Net assets employed :			
Fixed assets -			
Tangible assets	2	49165	33282
Current assets :			
Stocks		36464	18048
Debtors	3	54025	61341
Cash at bank and in hand		86136	50463
		<u>176625</u>	<u>129852</u>
Creditors: Amounts falling due			
within one year	4	<u>98493</u>	<u>64618</u>
		78132	65234
		<u>127297</u>	<u>98516</u>
Financed as follows:			
Creditors : Amounts falling due			
after one year	4	34864	22116
Capital and Reserves			
Called up share capital	5	100	100
Profit and loss account		<u>92333</u>	<u>76300</u>
		92433	76400
		<u>127297</u>	<u>98516</u>

For the financial year ended 30th November 2004 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 17th March 2005.

C. CRUMMACK - Director



FRANCO ELECTRICAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH NOVEMBER 2004

	<u>Notes</u>	<u>2004</u>		<u>2003</u>	
		£	£	£	£
Turnover			560052		473959
Raw materials and consumables		51693		87346	
Other external charges		101889		86236	
		<u>153582</u>		<u>173582</u>	
Staff costs		362682		320250	
Depreciation		<u>23442</u>	539706	<u>16375</u>	510207
Operating profit(loss)	6		20346		(36248)
Interest payable			(4535)		(4266)
Interest receivable			<u>222</u>		<u>266</u>
Profit(loss) on ordinary activities before taxation			16033		(40248)
Taxation on profit on ordinary activities	7		-		-
Profit(loss) for the financial year			16033		(40248)
Dividend payable			-		<u>25000</u>
			16033		(65248)
Retained profits brought forward			<u>76300</u>		<u>141548</u>
Retained profits carried forward			<u>92333</u>		<u>76300</u>

FRANCO ELECTRICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS

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% p.a. on cost
Fixtures and fittings	- 10% p.a. or 25% p.a. on cost
Motor vehicles	- 25% p.a. 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.

FRANCO ELECTRICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

30TH NOVEMBER 2004

2. TANGIBLE FIXED ASSETS

	<u>Plant and Machinery</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£
Cost -			
At 1st December 2003	15391	73735	89126
Additions		43825	43825
Disposals		<u>(15295)</u>	<u>(15295)</u>
	<u>15391</u>	<u>102265</u>	<u>117656</u>
Depreciation -			
At 1st December 2003	11144	44700	55844
Charged in year	946	22496	23442
Disposals		<u>(10795)</u>	<u>(10795)</u>
	<u>12090</u>	<u>56401</u>	<u>68491</u>
Net Book Value -			
At 30th November 2004	<u>3301</u>	<u>45864</u>	<u>49165</u>
At 30th November 2003	<u>4247</u>	<u>29035</u>	<u>33282</u>

Motor vehicles includes vehicles held under hire purchase contracts, stated at net book value at 30th November 2004 of £45864(2003:£29035) on which depreciation of £22496(2003:£13935) has been charged in the year.

3. DEBTORS

	<u>2004</u>	<u>2003</u>
	£	£
Trade debtors	53319	53479
Other debtors	706	5862
Prepayments	<u>-</u>	<u>2000</u>
	<u>54025</u>	<u>61341</u>

FRANCO ELECTRICAL SERVICES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

30TH NOVEMBER 2004

4. CREDITORS

	<u>2004</u>	<u>2003</u>
	£	£
Amounts falling due within one year :		
Hire purchase	-	256
Trade creditors	6346	4794
Corporation tax	104	104
Other taxes and social security	28553	21218
Accruals and deferred income	<u>63490</u>	<u>38246</u>
	<u>98493</u>	<u>64618</u>
Amounts falling due after one year :		
Hire purchase	<u>34864</u>	<u>22116</u>

5. SHARE CAPITAL

	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
	<u>Number</u>	<u>Number</u>	<u>£</u>	<u>£</u>
Ordinary shares of £1 each	<u>1000</u>	<u>1000</u>	<u>100</u>	<u>100</u>

6. OPERATING PROFIT

	<u>2004</u>	<u>2003</u>
	£	£
The operating profit(loss) is stated after charging :		
Directors' remuneration	75600	75400
Pension contributions to money purchase schemes	6884	7048

7. TAXATION

The taxation charge for the year has been calculated at 0% (2003: 0%).

FRANCO ELECTRICAL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT SUMMARIES

30TH NOVEMBER 2004

	<u>2004</u>	<u>2003</u>
	£	£
Raw materials and consumables :		
Opening stocks	18048	36672
Purchases	70109	68722
Closing stocks	(36464)	(18048)
	<u>51693</u>	<u>87346</u>
Other external charges :		
Rent, rates and power	14692	14592
Insurances	6464	4982
Motor expenses	33413	33929
Travelling expenses	12436	2547
Telephone	4856	5171
Stationery, postages and advertising	5966	5476
Bank charges	2227	1915
Accountancy charges	6099	4370
Legal charges	-	1771
Sundry expenses	6281	5599
Repairs and renewals	8322	4204
Equipment hire	1133	916
Bad debts	-	764
	<u>101889</u>	<u>86236</u>
Staff costs :		
Wages and salaries	318130	281466
Social security costs	37668	31796
Other pension costs	6884	7048
Outside labour	-	-
	<u>362682</u>	<u>320250</u>
Depreciation :		
Motor vehicles	22496	13935
Surplus on sale of vehicles	-	-
Plant and machinery	280	280
Fixtures and fittings	666	2160
	<u>23442</u>	<u>16375</u>

FRANCO ELECTRICAL SERVICES LIMITED

CORPORATION TAX COMPUTATION

ACCOUNTS YEAR ENDED 30TH NOVEMBER 2004

Net Profit (loss) per accounts		15811
Add: Depreciation	23442	
Disallowable Expenses	<u>212</u>	<u>23654</u>
		39465
Less : Capital Allowances		<u>16954</u>
		22511
Add : Case III etc		<u>222</u>
ADJUSTED PROFIT (LOSS)		<u><u>22733</u></u>

CAPITAL ALLOWANCES COMPUTATION

	Vehicles <u>25%</u>	Plant & <u>Machinery</u>	Short Life <u>Assets</u>	TOTAL <u>ALLOWANCES</u>
Brought Forward	36102	2752	345	
Disposals	4500			
Additions	43825			
WDA	<u>16180</u>	<u>688</u>	<u>86</u>	16954
Carried Forward	<u><u>59247</u></u>	<u><u>2064</u></u>	<u><u>259</u></u>	