

Company Registration Number: 2027772
Abbreviated Accounts

Ser-tec Systems Limited

Report and Accounts

31st August, 2000



Harris & Co.
Chartered Accountants,
Bilston, Wolverhampton.

Ser-tec Systems Limited

Company Information

Directors	I. Sprott S.J. Sprott
Secretary	S.J. Sprott
Company Number	2027772 Registered in England
Registered Office	24 Chesterton Close, Hunt End, Redditch, B97 5XS.
Auditors	Harris & Co. Chartered Accountants, Richmond House, 29 Wellington Road, Bilston, Wolverhampton. WV14 6AH

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Ser-tec Systems Limited

Auditors' Report to Ser-tec Systems Limited Pursuant to Section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages 4 to 11 together with the financial statements of Ser-tec Systems Limited prepared under section 226 of the Companies Act 1985 for the year ended 31st August, 2000.

Respective responsibilities of Directors and Auditors

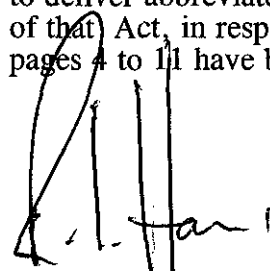
The Directors are responsible for preparing the abbreviated accounts in accordance with the special provisions of part VII of the Companies Act 1985 applicable to small companies. It is our responsibility to form an independent opinion as to the Company's entitlement to deliver abbreviated accounts and whether the abbreviated accounts have been properly prepared in accordance with those provisions.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with the special provisions of Part VII of that Act, in respect of the year ended 31st August, 2000, and the abbreviated accounts on pages 4 to 11 have been properly prepared in accordance with those provisions.



Harris & Co.
Chartered Accountants, and,
Registered Auditor

Richmond House,
29 Wellington Road,
Bilston, Wolverhampton.
WV14 6AH

Date: 29th September, 2000

Ser-tec Systems Limited
Balance Sheet
As at 31st August, 2000

	Notes	2000 £	£	1999 £	£
Fixed Assets					
Tangible assets	10		89,580		70,553
Current Assets					
Stocks	11	39,538		44,580	
Debtors	12	192,405		207,832	
Cash at bank and in hand		72,622		9,364	
		<u>304,565</u>		<u>261,776</u>	
Creditors: amounts falling due within one year	13	<u>(304,388)</u>		<u>(263,612)</u>	
Net Current Assets/(Liabilities)			<u>177</u>		<u>(1,836)</u>
Total Assets Less Current Liabilities			<u>89,757</u>		<u>68,717</u>
Creditors: amounts falling due after more than one year	14		<u>(30,117)</u>		<u>(11,582)</u>
Net Assets			<u><u>59,640</u></u>		<u><u>57,135</u></u>
Capital and Reserves					
Called up share capital	16		100		100
Profit and loss account	17		59,540		57,035
Shareholders' Funds	18		<u><u>59,640</u></u>		<u><u>57,135</u></u>
Shareholders' Funds Analysed					
Equity interests			<u>59,640</u>		<u>57,135</u>
Non-equity interests			<u>-</u>		<u>-</u>

The abbreviated accounts which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies were approved by the board on 29th September, 2000 and signed on its behalf by


I. Sprott
 Director


S.J. Sprott
 Director

The notes on pages 5 to 11 form an integral part of these financial statements.

Ser-tec Systems Limited
Notes to the Financial Statements
For the year ended 31st August, 2000

1. Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.
The accounts are prepared in accordance with the Financial Reporting Statement for Smaller Entities.
The company has taken advantage of the exemption in FRSSE from the requirement to produce a cashflow statement because it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided within the UK net of VAT.

1.3 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.
Depreciation has been provided at rates calculated to write off the cost less residual value of each asset over its expected useful life and has been reasonably computed and consistently applied, as follows;

Plant and machinery	- 25% straight line
Fixtures, fittings and equipment	- 25% straight line
Motor vehicles	- 25% reducing balance

Assets are part depreciated in the year of acquisition, if in use at the year end.

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

1.6 Stock and work in progress

Stock and WIP are valued at the lower of cost and net realisable value.

1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24

1.8 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

Ser-tec Systems Limited
Notes to the Financial Statements
For the year ended 31st August, 2000

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the U.K.

3. Operating Profit

Operating Profit is stated after charging:
 Depreciation of tangible assets
 Loss on disposal of tangible fixed assets
 Auditors' remuneration

2000	1999
£	£
38,586	21,682
-	4,922
3,113	2,475
<u> </u>	<u> </u>

4. Interest receivable and similar income

Bank interest

2000	1999
£	£
2,894	2,036
<u> </u>	<u> </u>

5. Interest payable and similar charges

Hire purchase interest

2000	1999
£	£
3,313	1,664
<u> </u>	<u> </u>

6. Employees

Number of employees

The average weekly number of employees (including the Directors) during the period were:

	2000	1999
	Number	Number
Directors	2	2
Staff	9	8
	<u> </u>	<u> </u>
	11	10
	<u> </u>	<u> </u>

Employment costs

Wages and salaries
 Social security costs
 Benefit in Kind
 Other pension costs

2000	1999
£	£
184,768	151,569
16,437	13,630
22,208	15,697
15,351	22,129
<u> </u>	<u> </u>
238,764	203,025
<u> </u>	<u> </u>

Ser-tec Systems Limited
Notes to the Financial Statements
For the year ended 31st August, 2000

6.1 Directors' emoluments

	2000	1999
	£	£
Remuneration		
Directors' emoluments	51,207	51,647
Benefit in kind	7,275	4,910
	<u>58,482</u>	<u>56,557</u>

7. Pension costs

The scheme is an approved defined contribution scheme. The assets of which are kept in a separate fund.

8. Taxation

The corporation tax charge is based on the adjusted results for the year, at 20.296% (1999 - 20.58%).

	2000	1999
UK current year taxation		
UK Corporation Tax at lower rate of 10% and margin of 22.5% (1999 - 20%)	14,145	15,516
Transfer from deferred taxation	-	-
	<u>14,145</u>	<u>15,516</u>

9. Dividends

	2000	1999
	£	£
Dividends on equity shares:		
Net of any dividend waivers		
Ordinary shares - Final proposed	40,000	35,000
	<u>40,000</u>	<u>35,000</u>

Ser-tec Systems Limited
Notes to the Financial Statements
For the year ended 31st August, 2000

10. Tangible assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1st September, 1999	30,116	21,400	87,298	138,814
Additions	-	4,163	53,450	57,613
At 31st August, 2000	30,116	25,563	140,748	196,427
Depreciation				
At 1st September, 1999	23,944	17,329	26,988	68,261
Charge for the year	3,755	6,391	28,440	38,586
At 31st August, 2000	27,699	23,720	55,428	106,847
Net book values				
At 31st August, 2000	2,417	1,843	85,320	89,580
At 31st August, 1999	6,172	4,071	60,310	70,553

10.1 Tangible assets

Included in Tangible Fixed Assets are assets held under finance leases or hire purchase contracts, and secured by that contract, as follows:

Asset description	2000 Net book value £	Depreciation charge £	1999 Net book value £	Depreciation charge £
Motor vehicles Seven (Four)	73,250	24,417	54,661	12,888
	73,250	24,417	54,661	12,888

11. Stocks

	2000 £	1999 £
Raw materials and consumables	3,663	3,273
Work in progress	35,875	41,307
At Directors valuation.	39,538	44,580

Ser-tec Systems Limited
Notes to the Financial Statements
For the year ended 31st August, 2000

12. Debtors

	2000	1999
	£	£
Trade debtors	191,669	206,046
Other debtors	-	1,050
Prepayments and accrued income	736	736
	<u>192,405</u>	<u>207,832</u>

13. Creditors: amounts falling due within one year

	2000	1999
	£	£
Net obligations under finance leases and hire purchase contracts	19,575	11,425
Trade creditors	148,740	131,371
Corporation tax	14,145	15,516
Other taxes and social security costs	25,655	18,165
Directors' accounts	93,160	84,660
Accruals and deferred income	3,113	2,475
	<u>304,388</u>	<u>263,612</u>

14. Creditors: amounts falling due after more than one year

	2000	1999
	£	£
Net obligations under finance leases and hire purchase contracts	<u>30,117</u>	<u>11,582</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	19,575	11,425
Repayable between one and five years	30,117	11,582
	<u>49,692</u>	<u>23,007</u>

Ser-tec Systems Limited
Notes to the Financial Statements
For the year ended 31st August, 2000

15. Provisions for liabilities and charges

Deferred tax is provided at 10% (1999 - 20%) analysed over the following timing differences:

	Not provided		Provided	
	2000	1999	2000	1999
	£	£	£	£
Accelerated capital allowances	(1,481)	(857)	-	-

Movements on the provision for deferred taxation are:

	2000	1999
	£	£
At 1st September, 1999	-	-
Transferred from profit and loss account	-	-
At 31st August, 2000	-	-

16. Share capital

	2000	1999
	£	£
Authorised		
1,000 Ordinary shares	1,000	1,000
	1,000	1,000
Equity interest	1,000	1,000
Non-equity interest	-	-
Allotted, called up and fully paid equity		
100 Ordinary shares	100	100
	100	100
Equity interest	100	100
Non-equity interest	-	-

Ser-tec Systems Limited
Notes to the Financial Statements
For the year ended 31st August, 2000

17. Reserves

	Profit and loss account £	Total £
At 1st September, 1999	57,035	57,035
Profit for the year	2,505	2,505
At 31st August, 2000	59,540	59,540
Equity interests	59,540	59,540
Non-equity interests	-	-

18. Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the year	42,505	55,582
Dividends	(40,000)	(35,000)
	2,505	20,582
Opening shareholders' funds	57,135	36,553
	59,640	57,135

19. Capital commitments

	2000 £	1999 £
Details of capital commitments at the accounting date are as follows:	-	-