

REGISTERED NUMBER: 2431663 (England and Wales)

Abbreviated Financial Statements
for the Year Ended 31 December 1997
for
System 2000 Group Limited



System 2000 Group Limited

**Index to the Abbreviated Financial Statements
for the Year Ended 31 December 1997**

	Page
Company Information	1
Report of the Auditors on the Abbreviated Financial Statements	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Financial Statements	4

System 2000 Group Limited
Company Information
for the Year Ended 31 December 1997

DIRECTORS: J E Rowley
A E Rowley
I F Hoggarth

SECRETARY: J E Rowley

REGISTERED OFFICE: 39-41 Wood End Lane
Birmingham
B24 8AN

REGISTERED NUMBER: 2431663 (England and Wales)

AUDITORS: Dains
Chartered Accountants
Registered Auditors
St. John's Court
Wiltell Road
Lichfield, Staffs.
WS14 9DS

System 2000 Group Limited

**Report of the Auditors to
System 2000 Group Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 December 1997 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

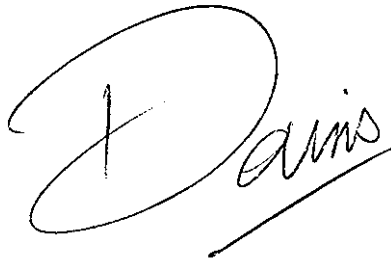
Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did 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 to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

Dains
Chartered Accountants
Registered Auditors
St. John's Court
Wiltell Road
Lichfield, Staffs.
WS14 9DS

A handwritten signature in black ink, appearing to read 'J. Dains', with a large, stylized initial 'J' and a horizontal line extending from the end of the signature.

Dated: 10 March 1998

System 2000 Group Limited

**Abbreviated Balance Sheet
31 December 1997**

		<u>31.12.97</u>		<u>31.12.96</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		412,122		366,097
Investments	3		<u>14,005</u>		<u>14,005</u>
			426,127		380,102
CURRENT ASSETS:					
Stocks		133,123		141,372	
Debtors		268,144		304,140	
Cash at bank and in hand		<u>10</u>		<u>7,371</u>	
		401,277		452,883	
CREDITORS: Amounts falling due within one year		<u>196,769</u>		<u>249,374</u>	
NET CURRENT ASSETS:			<u>204,508</u>		<u>203,509</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			630,635		583,611
CREDITORS: Amounts falling due after more than one year			<u>199,903</u>		<u>172,105</u>
			<u>£430,732</u>		<u>£411,506</u>
CAPITAL AND RESERVES:					
Called Up Share Capital	4		1,075		1,075
Share premium			273,802		273,802
Revaluation reserve			17,860		-
Profit and loss account			<u>137,995</u>		<u>136,629</u>
Shareholders' funds			<u>£430,732</u>		<u>£411,506</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

J E Rowley - DIRECTOR



Approved by the Board on 10 March 1998

System 2000 Group Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 1997

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Buildings	- at varying rates on cost
Plant and Machinery	- 15% on reducing balance
Fixtures and Fittings	- 15% on reducing balance and 25% on reducing balance
Motor Vehicles	- 25% on reducing balance

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Group Accounts

The Company is exempt from preparing group accounts under Section 248 of the Companies Act 1985 as it is a small company and group.

System 2000 Group Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1997**

2. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
COST OR VALUATION:	
At 1 January 1997	562,754
Additions	68,027
Disposals	(60,766)
Surplus on revaluation	<u>7,500</u>
At 31 December 1997	<u>577,515</u>
DEPRECIATION:	
At 1 January 1997	196,657
Charge for year	23,616
Eliminated on disposals	(44,520)
Revaluation adjustment	<u>(10,360)</u>
At 31 December 1997	<u>165,393</u>
NET BOOK VALUE:	
At 31 December 1997	<u>412,122</u>
At 31 December 1996	<u>366,097</u>

3. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 January 1997 and 31 December 1997	<u>20,361</u>
PROVISIONS:	
At 1 January 1997 and 31 December 1997	<u>6,356</u>
NET BOOK VALUE:	
At 31 December 1997	<u>14,005</u>
At 31 December 1996	<u>14,005</u>

System 2000 Group Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 1997**

3. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Freelance Door Services Limited

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.97	31.12.96
		£	£
Aggregate capital and reserves		<u>14,002</u>	<u>14,002</u>

Securidoor Limited

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.97	31.12.96
		£	£
Aggregate capital and reserves		<u>3</u>	<u>3</u>

Windows Limited

Nature of business:

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.12.97	31.12.96
		£	£
Aggregate capital and reserves		<u>(5,280)</u>	<u>(5,280)</u>

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.12.97	31.12.96
		value:	£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.12.97	31.12.96
		value:	£	£
1,075	Ordinary	£1	<u>1,075</u>	<u>1,075</u>