

Report of the Directors and
Financial Statements for the Year Ended 31 March 2003
for
SARTECH ENGINEERING LIMITED



SARTECH ENGINEERING LIMITED

Company Information
for the Year Ended 31 March 2003

DIRECTORS:

Mr P J Forey
Mr S A Mirza

SECRETARY:

Mr P J Forey

REGISTERED OFFICE:

80 Brighton Road
Lower Kingswood
SURREY
KT20 6SY

REGISTERED NUMBER:

3328421 (England and Wales)

AUDITOR:

Roy Truscott
Registered Auditor &
Chartered Accountant
5 Wheatfield
Leybourne
West Malling
Kent ME19 5QB

SARTECH ENGINEERING LIMITED

Report of the Directors **for the Year Ended 31 March 2003**

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of electronic engineering, design and marketing services.

DIRECTORS

The directors during the year under review were:

Mr P J Forey
Mr S A Mirza

The beneficial interests of the directors holding office on 31 March 2003 in the issued share capital of the company were as follows:

	31.3.03	1.4.02
Ordinary £1 shares		
Mr P J Forey	600	600
Mr S A Mirza	400	400

STATEMENT OF 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.

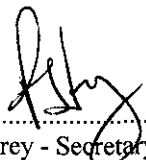
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditor, Roy Truscott, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has 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:



Mr P J Forey - Secretary

Date: 19/1/04

Report of the Independent Auditor to the Shareholders of
SARTECH ENGINEERING LIMITED

I have audited the financial statements of SARTECH ENGINEERING LIMITED for the year ended 31 March 2003 on pages four to eight. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. My audit work has been undertaken so that I might state to the company's members those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's members as a body, for my audit work, for this report, or for the opinions I have formed.

Respective responsibilities of directors and auditor

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

I read the Report of the Directors and consider the implications for my report if I become aware of any apparent misstatements within it.

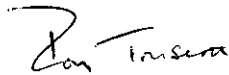
Basis of audit opinion

I conducted my audit in accordance with United Kingdom 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Roy Truscott
Registered Auditor &
Chartered Accountant
5 Wheatfield
Leybourne
West Malling
Kent ME19 5QB

Date: 13 January 2004

SARTECH ENGINEERING LIMITED**Profit and Loss Account
for the Year Ended 31 March 2003**

		2003	2002
	Notes	£	£
TURNOVER		1,107,201	923,754
Cost of sales		664,655	565,020
GROSS PROFIT		442,546	358,734
Administrative expenses		329,831	300,146
OPERATING PROFIT	2	112,715	58,588
Interest receivable and similar income		2,876	3,235
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		115,591	61,823
Tax on profit on ordinary activities		22,503	12,641
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		93,088	49,182
Retained profit brought forward		219,836	170,654
RETAINED PROFIT CARRIED FORWARD		£312,924	£219,836

The notes form part of these financial statements

SARTECH ENGINEERING LIMITED

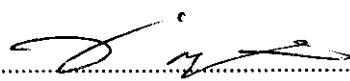
Balance Sheet
31 March 2003

		2003		2002	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	3		15,741		24,220
CURRENT ASSETS:					
Stocks		40,541		19,449	
Debtors	4	145,449		158,448	
Cash at bank		231,988		105,394	
		417,978		283,291	
CREDITORS: Amounts falling due within one year	5	119,795		86,675	
NET CURRENT ASSETS:			298,183		196,616
TOTAL ASSETS LESS CURRENT LIABILITIES:			£313,924		£220,836
CAPITAL AND RESERVES:					
Called up share capital	6		1,000		1,000
Profit and loss account			312,924		219,836
SHAREHOLDERS' FUNDS:			£313,924		£220,836

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


.....
Mr P J Forey - Director


.....
Mr S A Mirza - Director

Approved by the Board on 19/1/04

The notes form part of these financial statements

SARTECH ENGINEERING LIMITED

Notes to the Financial Statements **for the Year Ended 31 March 2003**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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.

Plant and machinery etc - 25% on cost

Stocks

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2003	2002
	£	£
Depreciation - owned assets	14,156	12,736
Auditor's remuneration	3,000	-
Pension costs	4,800	4,800
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	90,674	83,338
	<u> </u>	<u> </u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	2	2
	<u> </u>	<u> </u>

SARTECH ENGINEERING LIMITED

Notes to the Financial Statements
for the Year Ended 31 March 2003

3. TANGIBLE FIXED ASSETS

	Plant and machinery etc
	£
COST:	
At 1 April 2002	67,427
Additions	5,677
At 31 March 2003	73,104
DEPRECIATION:	
At 1 April 2002	43,207
Charge for year	14,156
At 31 March 2003	57,363
NET BOOK VALUE:	
At 31 March 2003	15,741
At 31 March 2002	24,220

**4. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Trade debtors	131,136	149,342
Other debtors	7,842	5,446
Prepayments & accrued income	6,471	3,660
	145,449	158,448

**5. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Trade creditors	54,006	41,968
Other creditors	4,275	421
Social security & other taxes	12,716	10,290
Taxation	22,503	12,641
Accruals & deferred income	26,295	21,355
	119,795	86,675

SARTECH ENGINEERING LIMITED

Notes to the Financial Statements
for the Year Ended 31 March 2003

6. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	2003	2002
		value:	£	£
10,000	Ordinary	£1	10,000	10,000
			<u> </u>	<u> </u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal	2003	2002
		value:	£	£
1,000	Ordinary	£1	1,000	1,000
			<u> </u>	<u> </u>

7. RELATED PARTY DISCLOSURES

The company was under the control of Mr P J Forey, a director, throughout the year. As disclosed in the Report of the Directors, Mr Forey is personally interested in 60% of the company's issued share capital. There were no material transactions during the year between the company and Mr Forey or members of his close family, or with entities controlled by them.