Studley Engineering Limited
Abbreviated Financial Statements
for the year ended 31 October 2000



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Company No: 1754001 (England and Wales)

Studley Engineering Limited

Contents

	Page
Directors' Report	1-2
Auditors' Report	3
Abbreviated Profit and Loss Account	4
Abbreviated Balance Sheet	5
Abbreviated Cash Flow Statement	6
Notes to the Abbreviated Financial Statements	7-13

Studley Engineering Limited

Directors' Report

for the year ended 31 October 2000

The directors present their report and the abbreviated financial statements for the year ended 31 October 2000

Principal Activities

The company's principal activity continues to be that of plant erection and pipework fabrication.

Review of the business

The directors consider the profit achieved before taxation to be satisfactory.

The results for the year are shown on page 4.

Company Secretary

The company secretary who served during the year was Mrs F Malone.

Directors

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital were:

	Ordinary shares of £1 each	
	2000	1999
J Hyland	15000	15000
N Brierton	12500	12500

	Class B non-voting redeemable shares of 1p each	
	2000	1999
J Hyland	2030	2030
N Brierton	2042	2042

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 that 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.

Directors' Responsibilities (continued)

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.

Fixed Assets

Details of the movements in fixed assets during the year are set out in note 7 to the financial statements.

Dividends

The company paid dividends during the year in the sum of £67925 (1999: £67925).

Political and Charitable Donations

The company made donations of £1150 (1999: £720) to UK charities during the year.

Auditors

The auditors, BKR Haines Watts, are deemed to be reappointed in accordance with Section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 29 August 1997.

Signed on behalf of the board of directors on 22 February 2001.

..... Director
J Hyland

..... Director
N Brierton

17 Vulcan Street
Liverpool
L3 7BG

Studley Engineering Limited

Auditors' Report

to Studley Engineering Limited

under section 274B of the Companies Act 1985

We have examined the abbreviated financial statements set out on pages 4 to 13 together with the financial statements of Studley Engineering Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 October 2000.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246A to 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 the section 246A(3) of the Act to Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision 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 accounts to be delivered have been 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 4 to 13 are properly prepared in accordance with that provision.

BKR Haines Watts

26 February 2001

BKR Haines Watts
Registered Auditors and
Chartered Accountants
Trident House
31/33 Dale Street
Liverpool
L2 2HF

Studley Engineering Limited

Abbreviated Profit and Loss Account

for the year ended 31 October 2000

	Notes	2000	1999
		£	£
Gross Profit		803339	751546
Administrative expenses		(668051)	(747000)
Operating Profit	3	135288	4546
Interest receivable and other income		4548	5198
Interest payable		(906)	(12894)
Profit/(loss) on ordinary activities before taxation		138930	(3150)
Tax on profit/(loss) on ordinary activities	4	(34471)	(8273)
Profit/(loss) for the financial year		104459	(11423)
Dividends	6	(67925)	(67925)
Retained profit/(loss) for the year	12	36534	(79348)

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains or losses other than those included in the profit and loss account.

The profit/(loss) on ordinary activities before taxation and the retained profit/(loss) have been calculated on the historical cost basis.

The notes on pages 7 to 13 form part of these abbreviated financial statements.

Studley Engineering Limited

Abbreviated Balance Sheet

as at 31 October 2000

	Notes	2000		1999	
		£	£	£	£
Tangible fixed assets	7		60286		37305
Current assets					
Investments	8	65456		52286	
Stocks		12000		12000	
Debtors	9	687267		572574	
Cash at bank and in hand		12366		153318	
		777089		790178	
Creditors: amounts falling due within one year	10	(531972)		(558614)	
Net current assets			245117		231564
			305403		268869
Capital and reserves					
Called up share capital	11		50170		50170
Profit and loss account	12		217325		180791
Capital redemption reserve			37908		37908
Equity shareholders' funds	13		305403		268869

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium sized companies.

Approved by the board of directors on 22 February 2001 and signed on its behalf by:-

..... Director
J Hyland

..... Director
N Brierton

The notes on pages 7 to 13 form part of these abbreviated financial statements.

Studley Engineering Limited
Abbreviated Cash Flow Statement
for the year ended 31 October 2000

Reconciliation of operating profit to net cash inflow from operating activities	2000 £	1999 £
Operating profit	135288	4546
Depreciation charges	18984	19033
Profit on sale of investments	(12961)	(1125)
Profit on disposal of fixed assets	(3000)	-
Increase in stock	-	(580)
(Increase)/decrease in debtors	(114693)	197807
Increase/(decrease) in creditors	50024	(169472)
Net cash inflow/(outflow) from operating activities	73642	50209

Cash flow statement	Notes	2000 £	1999 £
Net cash outflow from operating activities		73642	50209
Returns on investments and servicing of finance	17	(8234)	1797
Taxation		(864)	(15952)
Capital expenditure	17	(38965)	(10233)
Equity dividends paid		(67925)	(67925)
Management of liquid resources	17	4542	(31660)
Financing	17	(72504)	95648
Increase in cash	18	(110308)	21884

Reconciliation of net cash flow to movement in net cash (note 18)	2000 £	2000 £	1999 £	1999 £
Increase in cash in the period	(110308)		21884	
Cash used to purchase investments	8419		32785	
Loans paid off/(acquired)	72504		(95280)	
		(29385)		(40611)
Net funds at 1 November 1999		94868		135479
Net funds at 31 October 2000		65483		94868

1 Accounting Policies

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention and incorporate the results of the principal activity, which is described in the Directors' Report and which is continuing.

The accounts have been prepared in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	4 years
Motor vehicles	4 years
Fixtures, fittings and equipment	4 years

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to profit and loss account as incurred.

1 Accounting Policies (continued)

1.6 Grants

Grants received are treated as deferred credits and are transferred to the profit and loss account in accordance with the related expenditure.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowances for obsolete and slow moving stocks. Cost includes all direct costs.

1.8 Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

1.9 Pensions

The company operates defined contribution pension schemes and the pension charge represents the amounts payable by the company to the funds in respect of the year.

2 Turnover

During the year the company did not export any of its turnover to member countries of the European Community.

3 Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Depreciation of tangible fixed assets		
- owned by the company	18984	19033
Operating lease rentals		
- hire of motor vehicles	36704	21365
Hire of plant and machinery	249254	269881
Auditors' remuneration	4750	4750

4 Tax on profit/(loss) on ordinary activities

	2000	1999
	£	£
UK current year taxation		
UK corporation tax at 20% (1999 - 21%)	34471	8273

5 Directors and employees

	2000	1999
	£	£
Staff costs including directors' remuneration were as follows:		
Wages and salaries	1830117	1831880
Social security costs	180499	178198
Pension costs and other emoluments	29664	247157
	2040280	2257235

The average number of persons employed by the company during the year was 76 (1999 - 76).

Directors' remuneration

	2000	1999
	£	£
Emoluments for services as directors	77898	89630
Pension contributions paid to accrued money purchase benefit schemes	12234	58982
	90132	148612

Included in the above are emoluments of £45335 (1999 - £44754) and pension contributions of £6300 (1999 - £30314) paid to the highest paid director.

There are two directors to whom retirement benefits are accruing under money purchase retirement benefit schemes.

6 Dividends

	2000	1999
	£	£
Dividends - ordinary shares	67925	67925

7 Tangible fixed assets

	Plant & Machinery	Motor Vehicles	Fixtures, Fittings & Equipment	Total
	£	£	£	£
Cost				
At 1 November 1999	156250	42419	32668	231337
Additions	15716	16802	9447	41965
Disposals	(32029)	(42419)	(392)	(74840)
At 31 October 2000	139937	16802	41723	198462
Depreciation				
At 1 November 1999	124651	42419	26962	194032
Charge for the year	15397	1600	1987	18984
Released on disposals	(32029)	(42419)	(392)	(74840)
At 31 October 2000	108019	1600	28557	138176
Net Book Amount				
At 31 October 2000	31918	15202	13166	60286
At 31 October 1999	31599	-	5706	37305

8 Investments

	2000	1999
	£	£
Listed investments	65456	52286

The market value of listed investments at 31 October 2000 amounted to £74386 (1999 - £56092).

9 Debtors

	2000	1999
	£	£
Trade debtors	669667	555486
Other debtors	217	217
Prepayments and accrued income	17383	16871
	687267	572574

10	Creditors: amounts falling due within one year	2000	1999
		£	£
	Bank loans and overdrafts (secured)	12339	11456
	Trade creditors	143093	118111
	Corporation tax	33992	385
	Other taxation and social security	155662	141498
	Directors loan accounts	-	72504
	Other creditors	3701	32462
	Accruals and deferred income	183185	182198
		531972	558614

11	Called up share capital	2000	1999
		£	£
	Authorised		
	Ordinary shares of £1 each	100000	100000
	Class B non-voting redeemable shares of 1p each	170	170
	Allotted and fully paid		
	Ordinary shares of £1 each	50000	50000
	Class B non-voting redeemable shares of 1p each	170	170
		50170	50170

12	Profit and loss account	2000	1999
		£	£
	Balance brought forward	180791	260139
	Retained profit/(loss) for the year	36534	(79348)
	Balance carried forward	217325	180791

13	Reconciliation of movement in shareholders' funds	2000	1999
		£	£
	Profit/(loss) for the year	104459	(11423)
	Dividends	(67925)	(67925)
	Net additions/(reductions) during the year	36534	(79348)
	Shareholders' funds at 1 November 1999	268869	348217
	Shareholders' funds at 31 October 2000	305403	268869

14 Pension commitments

The company operates defined contribution pension schemes for its directors and senior employees. The assets of the schemes are held separately from those of the company in independently administered funds.

15 Capital commitments

The company had no capital commitments at 31 October 2000 (1999 - none) either contracted for or authorised by the directors but not contracted for.

16 Other commitments

At the year end the company had annual commitments under non-cancellable operating leases as follows:

	Other	
	2000	1999
	£	£
Expiry date:		
Within one year	21359	18048
In the second to fifth years	27564	9225

17 Gross cash flows

	2000		1999	
	£	£	£	£
Returns on investments and servicing of finance				
Interest paid	(12782)		(4142)	
Interest received	4311		5785	
Investment income	237		154	
		(8234)		1797
Capital expenditure				
Payments to acquire tangible fixed assets	(41965)		(15046)	
Receipts from sale of tangible fixed assets	3000		4813	
		(38965)		(10233)
Management of liquid resources				
Payments to acquire investments	(37847)		(130169)	
Income reinvested	-		(262)	
Receipts from disposal of investments	42389		98771	
		4542		(31660)
Financing				
Loan received	-		(144280)	
Loan repaid	72504		49000	
Grant received	-		(368)	
		(72504)		95648

18 Analysis of changes in net cash

	At 1.11.99	Cash Flows	At 31.10.00
	£	£	£
Cash at bank and in hand	153318	(140952)	12366
Bank overdraft	(11456)	(883)	(12339)
		(141835)	
Investments	52286	13170	65456
Debt due within one year	(99280)	99280	-
Total	94868	(29385)	65483