

269 5808

Report of the Director and
Financial Statements for the Year Ended 31 May 2004
for
TUNNEL ENGINEERING SERVICES (UK) LIMITED



TUNNEL ENGINEERING SERVICES (UK) LIMITED

Contents of the Financial Statements
for the Year Ended 31 May 2004

	Page
Company Information	1
Report of the Director	2
Report of the Independent Auditors	3
Profit and Loss Account	4
Balance Sheet	5
Notes to the Financial Statements	6
Trading and Profit and Loss Account	9

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Company Information
for the Year Ended 31 May 2004

DIRECTOR: G Clarke

SECRETARY: Mrs L Clarke

REGISTERED OFFICE: Heywood Street
Waterhead
Oldham
Lancashire
OL4 2HA

REGISTERED NUMBER: 2696865

AUDITORS: Ainleys Chartered Accountants
Registered Auditors
324 Manchester Road
West Timperley
Altrincham
Cheshire
WA14 5NB

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Report of the Director
for the Year Ended 31 May 2004

The director presents his report with the financial statements of the company for the year ended 31 May 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of engineering consultants.

DIRECTOR

G Clarke was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	31.5.04	1.6.03
Ordinary £1 shares	66	33

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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 director is 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

AUDITORS

The auditors, Ainleys Chartered Accountants, 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:

.....
- Director

Date: 11/03/05

Report of the Independent Auditors to the Shareholders of
Tunnel Engineering Services (UK) Limited

We have audited the financial statements of Tunnel Engineering Services (UK) Limited for the year ended 31 May 2004 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. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

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

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

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

We read the Report of the Director and consider the implications for our report if we become aware of any apparent misstatements within it.


Basis of audit opinion

We conducted our 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 director 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.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us 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 our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ainleys Chartered Accountants
Registered Auditors
324 Manchester Road
West Timperley
Altrincham
Cheshire
WA14 5NB

Date: 29/3/15

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Profit and Loss Account
for the Year Ended 31 May 2004

		31.5.04		31.5.03	
	Notes	£	£	£	£
TURNOVER			1,615,707		991,358
Cost of sales			1,112,471		567,139
GROSS PROFIT			503,236		424,219
Distribution costs		27,938		16,850	
Administrative expenses		441,696		370,798	
			469,634		387,648
OPERATING PROFIT	2		33,602		36,571
Interest receivable and similar income			987		416
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			34,589		36,987
Tax on profit on ordinary activities	3		(307)		-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			34,896		36,987
Deficit brought forward			(9,175)		(46,162)
RETAINED PROFIT/(DEFICIT) CARRIED FORWARD			£25,721		£(9,175)

The notes form part of these financial statements

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Balance Sheet
31 May 2004

		<u>31.5.04</u>		<u>31.5.03</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		9,995		11,932
CURRENT ASSETS:					
Stocks		29,603		95,294	
Debtors	5	149,532		77,880	
Cash at bank and in hand		130,972		70,296	
		310,107		243,470	
CREDITORS: Amounts falling due within one year	6	293,348		263,544	
NET CURRENT ASSETS/(LIABILITIES):			16,759		(20,074)
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£26,754</u>		<u>£(8,142)</u>
CAPITAL AND RESERVES:					
Called up share capital	7		99		99
Share premium	8		934		934
Profit and loss account			25,721		(9,175)
SHAREHOLDERS' FUNDS:			<u>£26,754</u>		<u>£(8,142)</u>

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:

..... *G. Crane*
- Director

Approved by the Board on 11/03/05

The notes form part of these financial statements

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Notes to the Financial Statements for the Year Ended 31 May 2004

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.

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 tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Pensions

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

2. OPERATING PROFIT

The operating profit is stated after charging:

	31.5.04	31.5.03
	£	£
Depreciation - owned assets	1,935	2,208
Auditors' remuneration	1,285	750
Pension costs	1,831	1,651
	<u> </u>	<u> </u>
Director's emoluments and other benefits etc	<u>65,927</u>	<u>50,440</u>

3. TAXATION

Analysis of the tax credit

The tax credit on the profit on ordinary activities for the year was as follows:

	31.5.04	31.5.03
	£	£
Current tax:		
UK corporation tax	(307)	-
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	<u>(307)</u>	<u>-</u>

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Notes to the Financial Statements for the Year Ended 31 May 2004

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc
	£
COST:	
At 1 June 2003 and 31 May 2004	47,995
DEPRECIATION:	
At 1 June 2003	36,065
Charge for year	1,935
At 31 May 2004	38,000
NET BOOK VALUE:	
At 31 May 2004	9,995
At 31 May 2003	11,932

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.04 £	31.5.03 £
Trade debtors	136,149	77,880
Other debtors	13,383	-
	<u>149,532</u>	<u>77,880</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.04 £	31.5.03 £
Trade creditors	241,350	194,069
Directors current accounts	-	10,895
Other creditors	3,575	1,286
V.A.T.	29,233	43,502
Social security & other taxes	17,490	12,292
Accrued expenses	1,700	1,500
	<u>293,348</u>	<u>263,544</u>

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Notes to the Financial Statements
for the Year Ended 31 May 2004

7. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.5.04	31.5.03
		value:	£	£
1,000	Ordinary	£1	1,000	1,000
			<u> </u>	<u> </u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.5.04	31.5.03
		value:	£	£
99	Ordinary	£1	99	99
			<u> </u>	<u> </u>

8. SHARE PREMIUM

		31.5.04	31.5.03
		£	£
Brought forward		934	934
		<u> </u>	<u> </u>

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Trading and Profit and Loss Account
for the Year Ended 31 May 2004

	31.5.04		31.5.03	
	£	£	£	£
Sales		1,615,707		991,358
Cost of sales:				
Opening stock	77,943		8,567	
Opening work in progress	17,351		57,720	
Purchases	855,914		513,407	
Hire of Equipment	190,866		82,739	
	<hr/>		<hr/>	
	1,142,074		662,433	
Closing stock	(8,362)		(77,943)	
Closing work in progress	(21,241)		(17,351)	
	<hr/>	1,112,471	<hr/>	567,139
GROSS PROFIT		503,236		424,219
Other income:				
Deposit account interest		987		416
		<hr/>		<hr/>
		504,223		424,635
Expenditure:				
Directors' remuneration	65,927		50,440	
Social security	7,846		5,478	
Carriage	27,938		16,850	
Wages	218,499		176,615	
Social security	21,338		15,309	
Pensions	1,831		1,651	
Telephone	3,590		4,304	
Hire of equipment	-		2,871	
Repairs & renewals	1,976		2,316	
Machine Repairs	2,710		10,240	
Cleaning	2,865		1,518	
Sundry expenses	446		276	
Auditors remuneration	1,285		750	
Accountancy	850		1,312	
Legal fees	6,515		4,179	
Bad debts	1,049		-	
Motor expenses	15,737		11,323	
Printing, Postage & Stationery	2,466		2,249	
Travel & Subsistence	9,702		3,945	
Advertising & Promotions	2,606		7,362	
Rent	44,940		48,726	
Insurance	21,682		11,974	
Light & heat	4,389		2,924	
	<hr/>	466,187	<hr/>	382,612
Carried forward		38,036		42,023

This page does not form part of the statutory financial statements

TUNNEL ENGINEERING SERVICES (UK) LIMITED

Trading and Profit and Loss Account
for the Year Ended 31 May 2004

	31.5.04		31.5.03	
	£	£	£	£
Brought forward		38,036		42,023
Finance costs:				
Bank charges	1,202		1,345	
Credit card	310		1,483	
		1,512		2,828
		36,524		39,195
Depreciation:				
Office equipment	66		72	
Plant & machinery	596		653	
Fixtures & fittings	47		52	
Motor vehicles	862		486	
Computer equipment	364		945	
		1,935		2,208
NET PROFIT		£34,589		£36,987

This page does not form part of the statutory financial statements