

REGISTERED NUMBER: 2845757 (England and Wales)

Technocover Limited
Abbreviated Accounts
for the Year Ended 31 August 2006

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Technocover Limited

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for the Year Ended 31 August 2006**

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Technocover Limited
Company Information
for the Year Ended 31 August 2006

DIRECTORS: D H Williams Esq
J T Jones Esq

SECRETARY: J T Jones Esq

REGISTERED OFFICE: Henfaes Lane
Welshpool
Powys
SY21 7BE

REGISTERED NUMBER: 2845757 (England and Wales)

AUDITORS: Turner Peachey
Chartered Accountants & Registered Auditors
9-10 St Mary's Place
Shrewsbury
Shropshire
SY1 1DZ

Technocover Limited

Report of the Directors for the Year Ended 31 August 2006

The directors present their report with the accounts of the company for the year ended 31 August 2006

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of design, manufacture and supply of access covers, gratings and grilles

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts

DIVIDENDS

No dividends will be distributed for the year ended 31 August 2006

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the accounts

DIRECTORS

The directors during the year under review were

D H Williams Esq
J T Jones Esq

The beneficial interests of the directors holding office on 31 August 2006 in the issued share capital of the company were as follows

	31 8 06	1 9 05
Ordinary £1 shares		
D H Williams Esq	70	70
J T Jones Esq	30	30

DONATIONS

The company gave £ 850 (2005 £2,642) in charitable donations during the year

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Technocover Limited

**Report of the Directors
for the Year Ended 31 August 2006**

AUDITORS

The auditors, Turner Peachey, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD:

 J T Jones Esq. Secretary

4 January 2007

**Report of the Independent Auditors to
Technocover Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages five to seventeen, together with the financial statements of Technocover Limited for the year ended 31 August 2006 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin 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 accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Turner Peachey
Chartered Accountants & Registered Auditors
9-10 St Mary's Place
Shrewsbury
Shropshire
SY1 1DZ

4 January 2007

Technocover Limited

**Abbreviated Profit and Loss Account
for the Year Ended 31 August 2006**

	Notes	31 8 06 £	£	31 8 05 £	£
GROSS PROFIT			6,533,815		6,618,546
Administrative expenses			<u>5,580,683</u>		<u>6,453,093</u>
OPERATING PROFIT	3		953,132		165,453
Income from shares in group undertakings		250,000		-	
Interest receivable and similar income		<u>17,929</u>		<u>12,085</u>	
			<u>267,929</u>		<u>12,085</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,221,061		177,538
Tax on profit on ordinary activities	4		<u>352,378</u>		<u>23,071</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			<u><u>868,683</u></u>		<u><u>154,467</u></u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these abbreviated accounts

Technocover Limited

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 August 2006**

	31 8 06 £	31 8 05 £
PROFIT FOR THE FINANCIAL YEAR	868,683	154,467
Revaluation of fixed asset investment	1,797,742	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>2,666,425</u>	<u>154,467</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these abbreviated accounts

Technocover Limited

Abbreviated Balance Sheet

31 August 2006

	Notes	31 8.06 £	£	31 8 05 £	£
FIXED ASSETS					
Intangible assets	5		20,000		-
Tangible assets	6		2,165,930		2,120,577
Investments	7		1,797,743		1
			<u>3,983,673</u>		<u>2,120,578</u>
CURRENT ASSETS					
Stocks	8	162,056		229,985	
Debtors	9	3,728,910		4,244,734	
Cash at bank and in hand		1,147,785		920,828	
		<u>5,038,751</u>		<u>5,395,547</u>	
CREDITORS					
Amounts falling due within one year	10	1,605,413		2,789,819	
				<u>2,789,819</u>	
NET CURRENT ASSETS			<u>3,433,338</u>		<u>2,605,728</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			7,417,011		4,726,306
PROVISIONS FOR LIABILITIES	11		156,232		131,952
			<u>156,232</u>		<u>131,952</u>
NET ASSETS			<u>7,260,779</u>		<u>4,594,354</u>
CAPITAL AND RESERVES					
Called up share capital	12		100		100
Revaluation reserve	13		1,797,742		-
Profit and loss account	13		5,462,937		4,594,254
			<u>7,260,779</u>		<u>4,594,354</u>
SHAREHOLDERS' FUNDS	16		<u>7,260,779</u>		<u>4,594,354</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on 4 January 2007 and were signed on its behalf by



D H Williams Esq - Director

The notes form part of these abbreviated accounts

Technocover Limited

**Cash Flow Statement
for the Year Ended 31 August 2006**

	Notes	31 8 06 £	31 8 05 £
Net cash inflow from operating activities	1	474,982	597,188
Returns on investments and servicing of finance	2	267,929	12,085
Taxation		(47,674)	(197,615)
Capital expenditure	2	<u>(396,951)</u>	<u>(266,424)</u>
		298,286	145,234
Financing	2	<u>(71,329)</u>	<u>79,585</u>
Increase in cash in the period		<u><u>226,957</u></u>	<u><u>224,819</u></u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>226,957</u>	<u>224,819</u>
Change in net funds resulting from cash flows		<u>226,957</u>	<u>224,819</u>
Movement in net funds in the period		226,957	224,819
Net funds at 1 September		<u>920,828</u>	<u>696,009</u>
Net funds at 31 August		<u><u>1,147,785</u></u>	<u><u>920,828</u></u>

The notes form part of these abbreviated accounts

Technocover Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2006**

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 8 06	31 8 05
	£	£
Operating profit	953,132	165,453
Depreciation charges	245,672	226,984
Loss on disposal of fixed assets	85,926	8,534
Decrease in stocks	67,929	10,666
Decrease/(Increase) in debtors	672,355	(1,263,208)
(Decrease)/Increase in creditors	(1,550,032)	1,448,759
	<u>474,982</u>	<u>597,188</u>
Net cash inflow from operating activities	<u>474,982</u>	<u>597,188</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31 8 06	31 8 05
	£	£
Returns on investments and servicing of finance		
Interest received	17,929	12,085
Dividends received	250,000	-
	<u>267,929</u>	<u>12,085</u>
Net cash inflow for returns on investments and servicing of finance	<u>267,929</u>	<u>12,085</u>
Capital expenditure		
Purchase of intangible fixed assets	(25,000)	-
Purchase of tangible fixed assets	(452,149)	(293,024)
Sale of tangible fixed assets	80,198	26,600
	<u>(396,951)</u>	<u>(266,424)</u>
Net cash outflow for capital expenditure	<u>(396,951)</u>	<u>(266,424)</u>
Financing		
Loan repayments in year	4,258	3,292
Reduction/increase in Intercompany loan	(158,931)	(141,456)
Amount introduced by directors	331,000	539,634
Amount withdrawn by directors	(247,656)	(321,885)
	<u>(71,329)</u>	<u>79,585</u>
Net cash (outflow)/inflow from financing	<u>(71,329)</u>	<u>79,585</u>

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/05	Cash flow	At
	£	£	31/8/06
			£
Net cash			
Cash at bank and in hand	920,828	226,957	1,147,785
	<u>920,828</u>	<u>226,957</u>	<u>1,147,785</u>
Total	<u>920,828</u>	<u>226,957</u>	<u>1,147,785</u>

The notes form part of these abbreviated accounts

Technocover Limited

Notes to the Abbreviated Accounts for the Year Ended 31 August 2006

1 ACCOUNTING POLICIES

Accounting convention

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

Exemption from preparing consolidated financial statements

The financial statements contain information about Technocover Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements

Turnover

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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2006, is being amortised evenly over its estimated useful life of five years

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Land and buildings	- 4% on reducing balance
Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 20% on reducing balance
Computer equipment	- 10% on reducing balance

Stocks

Stocks 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

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

2 STAFF COSTS

	31.8.06	31.8.05
	£	£
Wages and salaries	3,645,310	4,700,631
Social security costs	35,756	179,005
	<u>3,681,066</u>	<u>4,879,636</u>

Technocover Limited

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2006

2 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	31 8 06	31 8 05
Office staff	37	42
Production	65	63
Fitters	18	17
Management	18	17
	<u>138</u>	<u>139</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting).

	31 8 06	31 8 05
	£	£
Depreciation - owned assets	240,672	226,984
Loss on disposal of fixed assets	85,926	8,534
Goodwill amortisation	5,000	-
Auditors' remuneration	38,010	15,528
Foreign exchange differences	(2,489)	(5,423)
	<u>287,414</u>	<u>1,434,644</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director is as follows

	31 8 06	31 8 05
	£	£
Emoluments etc	<u>152,967</u>	<u>725,020</u>

4 TAXATION

Analysis of the tax charge

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

	31 8 06	31 8 05
	£	£
Current tax		
UK corporation tax	318,388	37,964
Over Provision last year	9,710	(6,161)
Total current tax	<u>328,098</u>	<u>31,803</u>
Deferred tax	<u>24,280</u>	<u>(8,732)</u>
Tax on profit on ordinary activities	<u>352,378</u>	<u>23,071</u>

UK corporation tax has been charged at 30% (2005 - 21 22%).

Technocover Limited

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2006

4 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 8 06 £	31 8 05 £
Profit on ordinary activities before tax	<u>1,221,061</u>	<u>177,538</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005 - 30%)	366,318	53,261
Effects of		
Difference between capital allowances and depreciation for the year	21,148	(881)
Entertaining expenses disallowed	6,609	1,288
Legal fees allowable/disallowed	813	-
Over/under provision of tax	9,710	(6,160)
Marginal relief adjustment	-	(15,705)
Amortisation	(1,500)	-
Income from Shares in group undertakings	<u>(75,000)</u>	<u>-</u>
Current tax charge	<u>328,098</u>	<u>31,803</u>

5 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
Additions	<u>25,000</u>
At 31 August 2006	<u>25,000</u>
AMORTISATION	
Amortisation for year	<u>5,000</u>
At 31 August 2006	<u>5,000</u>
NET BOOK VALUE	
At 31 August 2006	<u>20,000</u>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2006**

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Improvements to property £	Plant and machinery £
COST			
At 1 September 2005	766,297	276,360	967,311
Additions	-	77,224	85,289
Disposals	-	-	(84,040)
At 31 August 2006	<u>766,297</u>	<u>353,584</u>	<u>968,560</u>
DEPRECIATION			
At 1 September 2005	54,102	20,820	387,808
Charge for year	6,297	13,311	76,576
Eliminated on disposal	-	-	(22,818)
At 31 August 2006	<u>60,399</u>	<u>34,131</u>	<u>441,566</u>
NET BOOK VALUE			
At 31 August 2006	<u>705,898</u>	<u>319,453</u>	<u>526,994</u>
At 31 August 2005	<u>712,195</u>	<u>255,540</u>	<u>579,503</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2005	143,779	806,008	232,075	3,191,830
Additions	57,334	217,197	15,105	452,149
Disposals	-	(227,320)	-	(311,360)
At 31 August 2006	<u>201,113</u>	<u>795,885</u>	<u>247,180</u>	<u>3,332,619</u>
DEPRECIATION				
At 1 September 2005	73,869	377,402	157,252	1,071,253
Charge for year	12,724	108,181	23,583	240,672
Eliminated on disposal	-	(122,418)	-	(145,236)
At 31 August 2006	<u>86,593</u>	<u>363,165</u>	<u>180,835</u>	<u>1,166,689</u>
NET BOOK VALUE				
At 31 August 2006	<u>114,520</u>	<u>432,720</u>	<u>66,345</u>	<u>2,165,930</u>
At 31 August 2005	<u>69,910</u>	<u>428,606</u>	<u>74,823</u>	<u>2,120,577</u>

Included in cost of land and buildings is freehold land of £555,168 (2005 - £555,168) which is not depreciated

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2006**

7 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST OR VALUATION	
At 1 September 2005	1
Revaluations	1,797,742
	<hr/>
At 31 August 2006	1,797,743
	<hr/>
NET BOOK VALUE	
At 31 August 2006	1,797,743
	<hr/>
At 31 August 2005	1
	<hr/>

Cost or valuation at 31 August 2006 is represented by

	Unlisted investments £
Valuation in 2006	1,797,742
Cost	1
	<hr/>
	1,797,743
	<hr/>

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

Jones of Oswestry Ltd

Nature of business Design, supply and manufacture of covers

	%		
Class of shares	holding		
Ordinary £1 shares	100 00		
		31 8 06	31 8 05
		£	£
Aggregate capital and reserves		1,797,743	82,517
Profit for the year		241,548	125,936
		<hr/>	<hr/>

8 STOCKS

	31 8 06	31 8 05
	£	£
Stocks	157,819	220,045
Work-in-progress	4,237	9,940
	<hr/>	<hr/>
	162,056	229,985
	<hr/>	<hr/>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2006**

13 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 September 2005	4,594,254	-	4,594,254
Profit for the year	868,683		868,683
Revaluation of Fixed asset investment	-	1,797,742	1,797,742
At 31 August 2006	<u>5,462,937</u>	<u>1,797,742</u>	<u>7,260,679</u>

14 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31 August 2006 and 31 August 2005

	31 8 06 £	31 8 05 £
D H Williams Esq.		
Balance outstanding at start of year	7,365	(8,625)
Balance outstanding at end of year	(114,916)	7,365
Maximum balance outstanding during year	<u>7,365</u>	<u>66,365</u>
J T Jones Esq.		
Balance outstanding at start of year	(29,714)	204,022
Balance outstanding at end of year	9,223	(29,714)
Maximum balance outstanding during year	<u>9,223</u>	<u>206,191</u>

15 POST BALANCE SHEET EVENTS

In January 2007 the majority shareholder, DH Williams, intends to retire from the business. Some of his shares are to be purchased by senior employees who are also to be appointed as directors, with the balance being the subject of a buy-back by the company, financed by a bank loan.

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 8 06 £	31 8 05 £
Profit for the financial year	868,683	154,467
Other recognised gains and losses relating to the year (net)	1,797,742	-
Net addition to shareholders' funds	<u>2,666,425</u>	<u>154,467</u>
Opening shareholders' funds	4,594,354	4,439,887
Closing shareholders' funds	<u>7,260,779</u>	<u>4,594,354</u>
Equity interests	<u>7,260,779</u>	<u>4,594,354</u>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2006**

17 GROUP ACCOUNTS EXEMPTION

The company is exempt from the preparation of consolidated financial statements on the grounds that it qualifies as a medium group and is not an ineligible group as defined in section 248 Companies Act 1985

The financial statements show the results of the individual undertaking and not the group as a whole