

Technocover Limited
Abbreviated Accounts
for the Year Ended 31 August 2007

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Technocover Limited

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for the Year Ended 31 August 2007**

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Technocover Limited
Company Information
for the Year Ended 31 August 2007

DIRECTORS:

J T Jones Esq
Mrs M S Rowlands
G R Williams
D W Halford
C M Tisdale
J A Davies
M D Miles

SECRETARY:

Mrs M S Rowlands

REGISTERED OFFICE:

Henfaes Lane
Welshpool
Powys
SY21 7BE

REGISTERED NUMBER:

2845757 (England and Wales)

AUDITORS:

Turner Peachey
Chartered Accountants & Registered Auditors
Column House
London Road
Shrewsbury
Shropshire
SY2 6NN

Technocover Limited

Report of the Directors for the Year Ended 31 August 2007

The directors present their report with the accounts of the company for the year ended 31 August 2007

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

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face

As a major supplier to all industries but particularly the Utility industry, Government establishments and Local Authorities, the company continues to provide high quality security covers, guards, grilles, cabinets and casings and the ongoing maintenance of these products

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the Company as a whole, these being turnover, gross margin and return on capital employed

All categories of the business have shown growth during the year and this has left the company in a reasonable financial position at the end of the year, especially taking into account that the company has purchased 60 of its own shares from a retiring director during the year at a cost of £5,376,000, borrowing £4 million for this purpose

Sales have increased by over 7% from 2006 and gross profit has increased to £6,854,387 (69.3%) from £6,367,485 (69.1%). Operating profit and profit before tax have both decreased due to the decision taken by the Board of Directors to reward themselves by means of a bonus rather than by way of a dividend. After taxation, £332,853 has been retained to be added to reserves

Return on capital employed has decreased to 18.2% (24.6%). Return on capital employed is calculated on profit before interest and tax divided by capital employed, which constitutes total assets less current liabilities, less cash, plus overdrafts and other short term borrowings. The 2007 return on capital is 44.2% after adding back the directors' bonuses and therefore stating the figures on a basis comparable to the 2006 figure

Although the business environment in which we operate continues to be challenging, we do have a niche market which we will continue to develop and improve upon the general standards of security

We are however aware of the risks and uncertainties in the environment and any plans for the future development of the business may be subject to unforeseen future events outside our control

DIVIDENDS

No dividends will be distributed for the year ended 31 August 2007

DIRECTORS

J T Jones Esq. has held office during the whole of the period from 1 September 2006 to the date of this report

Other changes in directors holding office are as follows

Mrs M S Rowlands - appointed 25 January 2007

G R Williams - appointed 25 January 2007

D W Halford - appointed 25 January 2007

C M Tisdale - appointed 25 January 2007

J A Davies - appointed 25 January 2007

M D Miles - appointed 25 January 2007

D H Williams - deceased - resigned 9 January 2007

DONATIONS

The company gave £ 800 (2006 £850) in charitable donations during the year

Technocover Limited

**Report of the Directors
for the Year Ended 31 August 2007**

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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:



Mrs M S Rowlands - Secretary

26 March 2008

**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 nineteen, together with the financial statements of Technocover Limited for the year ended 31 August 2007 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

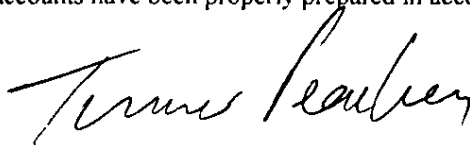
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of 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
Column House
London Road
Shrewsbury
Shropshire
SY2 6NN

26 March 2008

Technocover Limited

**Abbreviated Profit and Loss Account
for the Year Ended 31 August 2007**

		31 8 07		31 8 06 as restated	
	Notes	£	£	£	£
GROSS PROFIT			7,280,927		6,387,585
Administrative expenses			6,596,294		5,580,683
OPERATING PROFIT	3		684,633		806,902
Income from shares in group undertakings		-		250,000	
Interest receivable and similar income		11,425		17,929	
			11,425		267,929
			696,058		1,074,831
Interest payable and similar charges	4		130,515		-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			565,543		1,074,831
Tax on profit on ordinary activities	5		232,690		308,509
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			332,853		766,322

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 2007**

		31 8 07	31 8 06 as restated
		£	£
PROFIT FOR THE FINANCIAL YEAR		332,853	766,322
Revaluation of fixed asset investment		-	1,797,742
		<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		332,853	2,564,064
		<hr/>	<hr/>
	Note		
Prior year adjustment	6	(102,361)	
		<hr/>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		230,492	
		<hr/>	

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 2007**

		31 8 07	31 8 06 as restated
	Notes	£	£
FIXED ASSETS			
Intangible assets	7	15,000	20,000
Tangible assets	8	2,143,909	2,165,930
Investments	9	1,797,743	1,797,743
		<u>3,956,652</u>	<u>3,983,673</u>
CURRENT ASSETS			
Stocks	10	709,328	162,056
Debtors	11	4,803,553	3,719,687
Cash at bank and in hand		207,023	1,147,785
		<u>5,719,904</u>	<u>5,029,528</u>
CREDITORS			
Amounts falling due within one year	12	3,845,176	1,698,551
NET CURRENT ASSETS		<u>1,874,728</u>	<u>3,330,977</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,831,380	7,314,650
CREDITORS			
Amounts falling due after more than one year	13	(3,512,663)	-
PROVISIONS FOR LIABILITIES	16	(203,446)	(156,232)
NET ASSETS		<u><u>2,115,271</u></u>	<u><u>7,158,418</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	40	100
Revaluation reserve	18	1,797,742	1,797,742
Capital redemption reserve	18	(5,375,940)	-
Profit and loss account	18	5,693,429	5,360,576
SHAREHOLDERS' FUNDS	20	<u><u>2,115,271</u></u>	<u><u>7,158,418</u></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 26 March 2008 and were signed on its behalf by



J T Jones Esq - Director

The notes form part of these abbreviated accounts

Technocover Limited
Cash Flow Statement
for the Year Ended 31 August 2007

		31 8 07		31 8 06 as restated	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		658,128		474,982
Returns on investments and servicing of finance	2		(119,090)		267,929
Taxation			(274,519)		(47,674)
Capital expenditure	2		(198,281)		(396,951)
			<u>66,238</u>		<u>298,286</u>
Financing	2		(1,524,472)		(71,329)
(Decrease)/Increase in cash in the period			<u>(1,458,234)</u>		<u>226,957</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
(Decrease)/Increase in cash in the period		(1,458,234)		226,957	
Cash inflow from increase in debt		<u>(3,792,931)</u>		<u>-</u>	
Change in net funds resulting from cash flows			<u>(5,251,165)</u>		<u>226,957</u>
Movement in net funds in the period			<u>(5,251,165)</u>		<u>226,957</u>
Net funds at 1 September			<u>1,147,785</u>		<u>920,828</u>
Net (debt)/funds at 31 August			<u>(4,103,380)</u>		<u>1,147,785</u>

The notes form part of these abbreviated accounts

Technocover Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2007**

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

	31 8 07	31 8 06 as restated
	£	£
Operating profit	684,633	806,902
Depreciation charges	212,943	245,672
Loss on disposal of fixed assets	12,359	85,926
(Increase)/Decrease in stocks	(547,272)	67,929
(Increase)/Decrease in debtors	(1,248,156)	672,355
Increase/(Decrease) in creditors	1,543,621	(1,403,802)
Net cash inflow from operating activities	<u>658,128</u>	<u>474,982</u>

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

	31 8 07	31 8 06 as restated
	£	£
Returns on investments and servicing of finance		
Interest received	11,425	17,929
Interest paid	(130,515)	-
Dividends received	-	250,000
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(119,090)</u>	<u>267,929</u>
Capital expenditure		
Purchase of intangible fixed assets	-	(25,000)
Purchase of tangible fixed assets	(243,031)	(452,149)
Sale of tangible fixed assets	44,750	80,198
Net cash outflow for capital expenditure	<u>(198,281)</u>	<u>(396,951)</u>
Financing		
New loans in year	4,000,000	-
Loan repayments in year	(201,341)	4,258
Reduction/increase in Intercompany loan	246,588	(158,931)
Amount introduced by directors	-	292,063
Amount withdrawn by directors	(193,719)	(208,719)
Share issue	(60)	-
Share buyback	(5,375,940)	-
Net cash outflow from financing	<u>(1,524,472)</u>	<u>(71,329)</u>

The notes form part of these abbreviated accounts

Technocover Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2007**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/06 £	Cash flow £	At 31/8/07 £
Net cash			
Cash at bank and in hand	1,147,785	(940,762)	207,023
Bank overdraft	-	(517,472)	(517,472)
	<u>1,147,785</u>	<u>(1,458,234)</u>	<u>(310,449)</u>
Debt			
Debts falling due within one year	-	(280,268)	(280,268)
Debts falling due after one year	-	(3,512,663)	(3,512,663)
	<u>-</u>	<u>(3,792,931)</u>	<u>(3,792,931)</u>
Total	<u>1,147,785</u>	<u>(5,251,165)</u>	<u>(4,103,380)</u>

The notes form part of these abbreviated accounts

Technocover Limited

Notes to the Abbreviated Accounts for the Year Ended 31 August 2007

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

Pensions

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

2 STAFF COSTS

	31 8 07	31 8 06 as restated
	£	£
Wages and salaries	4,541,659	3,168,636
Social security costs	612,376	449,652
Other pension costs	59,205	62,778
	<u>5,213,240</u>	<u>3,681,066</u>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2007**

2 STAFF COSTS - continued

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

	31 8 07	31 8 06 as restated
Office staff	43	37
Production	64	65
Fitters	17	18
Management	15	18
	<u>139</u>	<u>138</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	31 8 07	31 8 06 as restated
	£	£
Depreciation - owned assets	207,943	240,672
Loss on disposal of fixed assets	12,359	85,926
Goodwill amortisation	5,000	5,000
Auditors' remuneration	41,950	38,010
Foreign exchange differences	10,050	(2,489)
	<u>1,901,607</u>	<u>287,414</u>

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

Money purchase schemes	<u>6</u>	<u>2</u>
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Information regarding the highest paid director is as follows

	31 8 07	31 8 06 as restated
	£	£
Emoluments etc	<u>1,089,514</u>	<u>-</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31 8 07	31 8 06 as restated
	£	£
Bank interest	6,484	-
Treasury loan interest	121,921	-
Interest on corporation tax	2,110	-
	<u>130,515</u>	<u>-</u>

Technocover Limited

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2007

5 TAXATION

Analysis of the tax charge

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

	31 8 07	31 8 06 as restated
	£	£
Current tax		
UK corporation tax	185,476	274,519
Over provision last year	-	9,710
Total current tax	185,476	284,229
Deferred tax	47,214	24,280
Tax on profit on ordinary activities	232,690	308,509

UK corporation tax has been charged at 30% (2006 - 30%)

Factors affecting the tax charge

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

	31 8 07	31 8 06 as restated
	£	£
Profit on ordinary activities before tax	565,543	1,074,831
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	169,663	322,449
Effects of		
Difference between capital allowances and depreciation for the year	6,844	21,148
Entertaining expenses disallowed	3,264	6,609
Legal fees allowable/disallowed	8,908	813
Over/under provision of tax	-	9,710
Marginal relief adjustment	(3,203)	-
Amortisation	-	(1,500)
Income from Shares in group undertakings	-	(75,000)
Current tax charge	185,476	284,229

6 PRIOR YEAR ADJUSTMENT

The prior year adjustment relates to a sales rebate payable to Scottish Water amounting to £146,230 which came to light after the accounts for last year had been finalised. After 30% tax relief the net adjustment is £102,361

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2007**

7 INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 September 2006 and 31 August 2007	25,000
AMORTISATION	
At 1 September 2006	5,000
Amortisation for year	5,000
At 31 August 2007	10,000
NET BOOK VALUE	
At 31 August 2007	15,000
At 31 August 2006	20,000

8 TANGIBLE FIXED ASSETS

	Land and buildings £	Improvements to property £	Plant and machinery £
COST			
At 1 September 2006	766,297	353,584	968,560
Additions	-	126,436	6,466
Disposals	-	-	(10,050)
At 31 August 2007	766,297	480,020	964,976
DEPRECIATION			
At 1 September 2006	60,399	34,131	441,566
Charge for year	6,054	17,836	61,024
Eliminated on disposal	-	-	(4,452)
At 31 August 2007	66,453	51,967	498 138
NET BOOK VALUE			
At 31 August 2007	699,844	428,053	466,838
At 31 August 2006	705,898	319,453	526,994

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2007**

8 TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2006	201,113	795,885	247,180	3,332,619
Additions	73,988	-	36,141	243,031
Disposals	-	(118,868)	-	(128,918)
At 31 August 2007	275,101	677,017	283,321	3,446,732
DEPRECIATION				
At 1 September 2006	86,593	363,165	180,835	1,166,689
Charge for year	18,850	76,243	27,936	207,943
Eliminated on disposal	-	(67,357)	-	(71,809)
At 31 August 2007	105,443	372,051	208,771	1,302,823
NET BOOK VALUE				
At 31 August 2007	169,658	304,966	74,550	2,143,909
At 31 August 2006	114,520	432,720	66,345	2,165,930

Included in cost of land and buildings is freehold land of £555,168 (2006 - £555,168) which is not depreciated

9 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST OR VALUATION	
At 1 September 2006 and 31 August 2007	1,797,743
NET BOOK VALUE	
At 31 August 2007	1,797,743
At 31 August 2006	1,797,743

Cost or valuation at 31 August 2007 is represented by

	Unlisted investments £
Valuation in 2006	1,797,742
Cost	1
	1,797,743

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2007**

9 FIXED ASSET INVESTMENTS - continued

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 07	31 8 06
		£	£
Aggregate capital and reserves		1,868,165	1,797,743
Profit for the year		94,605	241,548
		<u> </u>	<u> </u>

10 STOCKS

	31 8 07	31 8 06
		as restated
	£	£
Stocks	569,334	157,819
Work-in-progress	139,994	4,237
	<u>709,328</u>	<u>162,056</u>

11 DEBTORS

	31 8 07	31 8 06
		as restated
	£	£
Amounts falling due within one year		
Trade debtors	2,523,563	1,645,995
Other debtors	400,000	5,728
Directors' loan accounts	88,026	-
Prepayments and accrued income	13,228	42,640
	<u>3,024,817</u>	<u>1,694,363</u>
Amounts falling due after more than one year		
Amounts owed by subsidiary undertaking	<u>1,778,736</u>	<u>2,025,324</u>
Aggregate amounts	<u>4,803,553</u>	<u>3,719,687</u>

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 8 07	31 8 06
		as restated
	£	£
Bank loans and overdrafts (see note 14)	797,740	-
Trade creditors	1,375,673	517,528
Tax	185,476	274,519
Social security and other taxes	773,787	205,554
Other creditors	680,238	563,540
Directors' loan accounts	-	105,693
Accrued expenses	32,262	31,717
	<u>3,845,176</u>	<u>1,698,551</u>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2007**

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 8 07	31 8 06 as restated
	£	£
Bank loans (see note 14)	<u>3,512,663</u>	<u>-</u>

14 LOANS

An analysis of the maturity of loans is given below

	31 8 07	31 8 06 as restated
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	517,472	-
Bank loans	<u>280,268</u>	<u>-</u>
	<u>797,740</u>	<u>-</u>
Amounts falling due between one and two years		
Bank loan	<u>280,268</u>	<u>-</u>
Amounts falling due between two and five years		
Bank loan	<u>840,804</u>	<u>-</u>
Amounts falling due in more than five years		
Repayable by instalments		
Bank loan	<u>2,391,591</u>	<u>-</u>

The company has one bank loan, it was taken out during January 2007 and is repayable over ten years at an interest rate of 1.5% above the Banks Base Rate. The final payment is due in January 2017.

15 SECURED DEBTS

The following secured debts are included within creditors

	31 8 07	31 8 06 as restated
	£	£
Bank overdraft	517,472	-
Bank loans	<u>3,792,931</u>	<u>-</u>
	<u>4,310,403</u>	<u>-</u>

Bank borrowings are secured by a legal charge over the Company's freehold properties and a debenture over the Company's other assets.

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2007**

16 PROVISIONS FOR LIABILITIES

	31 8 07	31 8 06 as restated
	£	£
Deferred tax		
Timing differences re fixed asset depreciation and capital allowances	<u>203,446</u>	<u>156,232</u>
		Deferred tax
		£
Balance at 1 September 2006		156,232
Deferred taxation charge in profit and loss account		<u>47,214</u>
Balance at 31 August 2007		<u>203,446</u>

17 CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid			31 8 07	31 8 06 as restated
Number	Class	Nominal value		
			£	£
4,000	Ordinary	£0 01	40	100
(31 8 06 - 100)			<u> </u>	<u> </u>

During the year the company re-purchased 60 Ordinary shares for £5,376,000 and converted the £1 shares into 4000 penny shares

18 RESERVES

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 September 2006	5,462,937	1,797,742	-	7,260,679
Prior year adjustment	<u>(102,361)</u>			<u>(102,361)</u>
	5,360,576			7,158,318
Profit for the year	332,853			332,853
Purchase of own shares	<u>-</u>	<u>-</u>	<u>(5,375,940)</u>	<u>(5,375,940)</u>
At 31 August 2007	<u>5,693,429</u>	<u>1,797,742</u>	<u>(5,375,940)</u>	<u>2,115,231</u>

Technocover Limited

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2007

19 TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31 August 2007 and 31 August 2006

	31 8 07	31 8 06 as restated
	£	£
D H Williams - deceased		
Balance outstanding at start of year	(114,916)	7,365
Balance outstanding at end of year	-	(114,916)
Maximum balance outstanding during year	<u>(114,916)</u>	<u>7,365</u>
J T Jones Esq.		
Balance outstanding at start of year	9,223	(29,714)
Balance outstanding at end of year	88,026	9,223
Maximum balance outstanding during year	<u>97,071</u>	<u>9,223</u>

20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 8 07	31 8 06 as restated
	£	£
Profit for the financial year	332,853	766,322
Other recognised gains and losses relating to the year (net)	-	1,797,742
Purchase of own shares	<u>(5,376,000)</u>	<u>-</u>
Net (reduction)/addition to shareholders' funds	(5,043,147)	2,564,064
Opening shareholders' funds (originally £7,260,779 before prior year adjustment of £(102,361))	<u>7,158,418</u>	<u>4,594,354</u>
Closing shareholders' funds	<u>2,115,271</u>	<u>7,158,418</u>

21 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