

REGISTERED NUMBER: 2845757 (England and Wales)

Technocover Limited
Abbreviated Accounts
for the Year Ended 31 August 2008

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Technocover Limited

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Technocover Limited
Company Information
for the Year Ended 31 August 2008

DIRECTORS:

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

SECRETARY:

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 2008

The directors present their report with the accounts of the company for the year ended 31 August 2008.

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, doors, 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.

Sales have increased by over 10% from 2007 and gross profit has increased to £7,140,766 (65.3%) from £6,854,387 (69.3%). 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, £71,995 has been retained to be added to reserves.

Return on capital employed has decreased to 5.0% (18.2%). 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 2008 return on capital is 31.7% after adding back the directors' bonuses and therefore stating the figures on a basis comparable to the 2007 figure of 44.2%.

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 2008.

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 shown below have held office during the whole of the period from 1 September 2007 to the date of this report.

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

DONATIONS

The company gave £1,050 (2007: £800) in charitable donations during the year.

Technocover Limited

**Report of the Directors
for the Year Ended 31 August 2008**

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

ON BEHALF OF THE BOARD:



M S Rowlands - Secretary

24 March 2009

**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 twenty, together with the financial statements of Technocover Limited for the year ended 31 August 2008 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

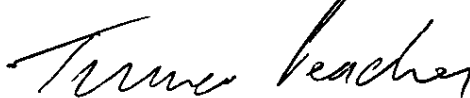
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of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

24 March 2009

Technocover Limited

**Abbreviated Profit and Loss Account
for the Year Ended 31 August 2008**

		31.8.08	31.8.07 as restated
	Notes	£	£
GROSS PROFIT		7,840,895	7,280,927
Administrative expenses		7,546,035	6,596,294
OPERATING PROFIT	3	294,860	684,633
Interest receivable and similar income		4,628	11,425
		299,488	696,058
Interest payable and similar charges	4	282,984	130,515
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		16,504	565,543
Tax on profit on ordinary activities	5	(55,491)	232,690
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		71,995	332,853

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 2008**

	31.8.08	31.8.07 as restated
	£	£
PROFIT FOR THE FINANCIAL YEAR	71,995	332,853
Revaluation of fixed asset investment		
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	71,995	332,853
Prior year adjustment	(5,376,000)	(102,361)
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	(5,304,005)	230,492

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 2008**

		31.8.08		31.8.07 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	7		10,000		15,000
Tangible assets	8		2,069,743		2,143,909
Investments	9		1,856,426		1,797,743
			<u>3,936,169</u>		<u>3,956,652</u>
CURRENT ASSETS					
Stocks	10	589,038		709,328	
Debtors	11	4,085,415		4,803,553	
Cash at bank and in hand		202,649		207,023	
		<u>4,877,102</u>		<u>5,719,904</u>	
CREDITORS					
Amounts falling due within one year	12	3,262,737		3,845,176	
NET CURRENT ASSETS			<u>1,614,365</u>		<u>1,874,728</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,550,534		5,831,380
CREDITORS					
Amounts falling due after more than one year	13		(3,162,684)		(3,512,663)
PROVISIONS FOR LIABILITIES	16		(141,901)		(203,446)
NET ASSETS			<u><u>2,245,949</u></u>		<u><u>2,115,271</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		40		40
Revaluation reserve	18		1,856,425		1,797,742
Capital redemption reserve	18		60		(5,375,940)
Profit and loss account	18		389,424		5,693,429
SHAREHOLDERS' FUNDS	21		<u><u>2,245,949</u></u>		<u><u>2,115,271</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 24 March 2009 and were signed on its behalf by:



J T Jones - Director

The notes form part of these abbreviated accounts

Technocover Limited

**Cash Flow Statement
for the Year Ended 31 August 2008**

		31.8.08		31.8.07 as restated	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		587,267		658,128
Returns on investments and servicing of finance	2		(278,356)		(119,090)
Taxation			(185,476)		(274,519)
Capital expenditure	2		(164,721)		(198,281)
			<u>(41,286)</u>		<u>66,238</u>
Financing	2		235,656		(1,524,472)
Increase/(Decrease) in cash in the period			<u>194,370</u>		<u>(1,458,234)</u>
<hr/>					
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period		194,370		(1,458,234)	
Cash outflow/(inflow) from decrease/(increase) in debt		<u>317,936</u>		<u>(3,792,931)</u>	
Change in net debt resulting from cash flows			<u>512,306</u>		<u>(5,251,165)</u>
Movement in net debt in the period			512,306		(5,251,165)
Net (debt)/funds at 1 September			<u>(4,103,380)</u>		<u>1,147,785</u>
Net debt at 31 August			<u>(3,591,074)</u>		<u>(4,103,380)</u>

The notes form part of these abbreviated accounts

Technocover Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2008**

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

	31.8.08	31.8.07 as restated
	£	£
Operating profit	294,860	684,633
Depreciation charges	215,840	212,943
Loss on disposal of fixed assets	28,047	12,359
Decrease/(Increase) in stocks	120,290	(547,272)
Decrease/(Increase) in debtors	177,706	(1,248,156)
(Decrease)/Increase in creditors	(249,476)	1,543,621
Net cash inflow from operating activities	<u>587,267</u>	<u>658,128</u>

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

	31.8.08	31.8.07 as restated
	£	£
Returns on investments and servicing of finance		
Interest received	4,628	11,425
Interest paid	(282,984)	(130,515)
Net cash outflow for returns on investments and servicing of finance	<u>(278,356)</u>	<u>(119,090)</u>
Capital expenditure		
Purchase of tangible fixed assets	(245,071)	(243,031)
Sale of tangible fixed assets	80,350	44,750
Net cash outflow for capital expenditure	<u>(164,721)</u>	<u>(198,281)</u>
Financing		
New loans in year	-	4,000,000
Loan repayments in year	(317,937)	(201,341)
Reduction/increase in Intercompany loan	454,465	246,588
Amount introduced by directors	88,026	-
Amount withdrawn by directors	11,102	(193,719)
Share issue	-	(60)
Share buyback	-	(5,375,940)
Net cash inflow/(outflow) from financing	<u>235,656</u>	<u>(1,524,472)</u>

The notes form part of these abbreviated accounts

Technocover Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2008**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/9/07 £	Cash flow £	At 31/8/08 £
Net cash:			
Cash at bank and in hand	207,023	(4,374)	202,649
Bank overdraft	<u>(517,472)</u>	<u>198,744</u>	<u>(318,728)</u>
	<u>(310,449)</u>	<u>194,370</u>	<u>(116,079)</u>
Debt:			
Debts falling due within one year	(280,268)	(32,043)	(312,311)
Debts falling due after one year	<u>(3,512,663)</u>	<u>349,979</u>	<u>(3,162,684)</u>
	<u>(3,792,931)</u>	<u>317,936</u>	<u>(3,474,995)</u>
Total	<u><u>(4,103,380)</u></u>	<u><u>512,306</u></u>	<u><u>(3,591,074)</u></u>

The notes form part of these abbreviated accounts

Technocover Limited

Notes to the Abbreviated Accounts for the Year Ended 31 August 2008

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
Improvements to property	- 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.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Revaluation

The company will revalue its fixed asset investments annually in accordance with the Companies Act 1985 Schedule 4. The directors have valued the fixed asset investments on a net assets basis on the grounds that this is a fair representation of the value of the company in the current economic climate.

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2008**

2. STAFF COSTS

	31.8.08	31.8.07 as restated
	£	£
Wages and salaries	5,131,635	4,541,659
Social security costs	712,559	612,376
Other pension costs	65,253	59,205
	<u>5,909,447</u>	<u>5,213,240</u>

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

	31.8.08	31.8.07 as restated
Office staff	53	43
Production	66	64
Fitters	18	17
Management	15	15
	<u>152</u>	<u>139</u>

3. OPERATING PROFIT

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

	31.8.08	31.8.07 as restated
	£	£
Depreciation - owned assets	210,840	207,943
Loss on disposal of fixed assets	28,047	12,359
Goodwill amortisation	5,000	5,000
Auditors' remuneration	16,700	41,950
Foreign exchange differences	(82,537)	10,050
	<u>2,293,119</u>	<u>1,901,607</u>

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

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

	31.8.08	31.8.07 as restated
	£	£
Emoluments etc	<u>1,489,649</u>	<u>1,089,514</u>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2008**

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.8.08	31.8.07 as restated
	£	£
Bank interest	23,263	6,484
Treasury loan interest	259,694	121,921
Interest on corporation tax	27	2,110
	<u>282,984</u>	<u>130,515</u>

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

	31.8.08	31.8.07 as restated
	£	£
Current tax:		
UK corporation tax	6,054	185,476
Deferred tax	(61,545)	47,214
Tax on profit on ordinary activities	<u>(55,491)</u>	<u>232,690</u>

UK corporation tax was charged at 30% in 2007.

Factors affecting the tax (credit)/charge

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

	31.8.08	31.8.07 as restated
	£	£
Profit on ordinary activities before tax	<u>16,504</u>	<u>565,543</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.418% (2007 - 30%)	3,370	169,663
Effects of:		
Difference between capital allowances and depreciation for the year	(113)	6,844
Entertaining expenses disallowed	1,614	3,264
Legal fees allowable/disallowed	1,183	8,908
Marginal relief adjustment	-	(3,203)
undertakings		
Current tax (credit)/charge	<u>6,054</u>	<u>185,476</u>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2008**

6. PRIOR YEAR ADJUSTMENT

The prior year adjustment relates to an amendment to the Capital Redemption Reserve, to which a debit was charged last year. All but £60 of that debit is a charge to the Profit and Loss Account and this is now reflected in that account.

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

7. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 September 2007	
and 31 August 2008	25,000
AMORTISATION	
At 1 September 2007	10,000
Amortisation for year	5,000
At 31 August 2008	15,000
NET BOOK VALUE	
At 31 August 2008	10,000
At 31 August 2007	15,000

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Improvements to property £	Plant and machinery £
COST			
At 1 September 2007	766,297	480,020	964,976
Additions	-	7,717	2,889
At 31 August 2008	766,297	487,737	967,865
DEPRECIATION			
At 1 September 2007	66,453	51,967	498,138
Charge for year	5,786	17,430	55,658
At 31 August 2008	72,239	69,397	553,796
NET BOOK VALUE			
At 31 August 2008	694,058	418,340	414,069
At 31 August 2007	699,844	428,053	466,838

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2008**

8. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2007	275,101	677,017	283,321	3,446,732
Additions	43,293	130,960	60,212	245,071
Disposals	-	(184,106)	-	(184,106)
At 31 August 2008	318,394	623,871	343,533	3,507,697
DEPRECIATION				
At 1 September 2007	105,443	372,051	208,771	1,302,823
Charge for year	21,295	65,507	45,164	210,840
Eliminated on disposal	-	(75,709)	-	(75,709)
At 31 August 2008	126,738	361,849	253,935	1,437,954
NET BOOK VALUE				
At 31 August 2008	191,656	262,022	89,598	2,069,743
At 31 August 2007	169,658	304,966	74,550	2,143,909

Included in cost of land and buildings is freehold land of £555,168 (2007 - £555,168) which is not depreciated.

9. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST OR VALUATION	
At 1 September 2007	1,797,743
Revaluations	58,683
At 31 August 2008	1,856,426
NET BOOK VALUE	
At 31 August 2008	1,856,426
At 31 August 2007	1,797,743

Cost or valuation at 31 August 2008 is represented by:

	Unlisted investments £
Valuation in 2008	1,856,425
Cost	1
	1,856,426

Technocover Limited

Notes to the Abbreviated Accounts - continued for the Year Ended 31 August 2008

9. FIXED ASSET INVESTMENTS - continued

If fixed asset investments had not been revalued they would have been included at the following historical cost:

	31.8.08	31.8.07 as restated
	£	£
Cost	<u>1</u>	<u>1</u>

Fixed asset investments were valued on a net assets basis on 31 August 2008 by The Directors of Technocover Ltd.

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

	% holding	31.8.08	31.8.07 as restated
		£	£
Class of shares:			
Ordinary £1 shares	100.00		
Aggregate capital and reserves		1,856,426	1,868,165
Profit for the year		<u>20,948</u>	<u>94,605</u>

10. STOCKS

	31.8.08	31.8.07 as restated
	£	£
Stocks	488,459	569,334
Work-in-progress	<u>100,579</u>	<u>139,994</u>
	<u>589,038</u>	<u>709,328</u>

11. DEBTORS

	31.8.08	31.8.07 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	2,067,845	2,523,563
Other debtors	675,000	400,000
Directors' loan accounts	2,059	88,026
Prepayments and accrued income	<u>16,240</u>	<u>13,228</u>
	<u>2,761,144</u>	<u>3,024,817</u>
Amounts falling due after more than one year:		
Amounts owed by subsidiary undertaking	<u>1,324,271</u>	<u>1,778,736</u>
Aggregate amounts	<u>4,085,415</u>	<u>4,803,553</u>

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2008**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.08	31.8.07 as restated
	£	£
Bank loans and overdrafts (see note 14)	631,039	797,740
Trade creditors	853,890	1,375,673
Tax	6,054	185,476
Social security and other taxes	1,083,240	773,787
Other creditors	625,786	680,238
Directors' loan accounts	13,161	-
Accrued expenses	49,567	32,262
	<u>3,262,737</u>	<u>3,845,176</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.08	31.8.07 as restated
	£	£
Bank loans (see note 14)	<u>3,162,684</u>	<u>3,512,663</u>

14. LOANS

An analysis of the maturity of loans is given below:

	31.8.08	31.8.07 as restated
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	318,728	517,472
Bank loans	<u>312,311</u>	<u>280,268</u>
	<u>631,039</u>	<u>797,740</u>
Amounts falling due between one and two years:		
Bank loan	<u>312,311</u>	<u>280,268</u>
Amounts falling due between two and five years:		
Bank loan	<u>936,933</u>	<u>840,804</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loan	<u>1,913,440</u>	<u>2,391,591</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.

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2008**

15. SECURED DEBTS

The following secured debts are included within creditors:

	31.8.08	31.8.07 as restated
	£	£
Bank overdrafts	318,728	517,472
Bank loans	3,474,995	3,792,931
	<u>3,793,723</u>	<u>4,310,403</u>

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

The company has an £800,000 overdraft facility which is repayable on demand.

16. PROVISIONS FOR LIABILITIES

	31.8.08	31.8.07 as restated
	£	£
Deferred tax		
Timing differences re: fixed asset depreciation and capital allowances	<u>141,901</u>	<u>203,446</u>
		Deferred tax
		£
Balance at 1 September 2007		203,446
Deferred taxation charge in profit and loss account		<u>(61,545)</u>
Balance at 31 August 2008		<u>141,901</u>

17. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.8.08	31.8.07 as restated
			£	£
4,000	Ordinary	£0.01	<u>40</u>	<u>40</u>

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

Technocover Limited

**Notes to the Abbreviated Accounts - continued
for the Year Ended 31 August 2008**

18. RESERVES

	Profit and loss account £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 September 2007	5,693,429	1,797,742	60	7,491,231
Prior year adjustment	(5,376,000)			(5,376,000)
	317,429			2,115,231
Profit for the year	71,995			71,995
Revaluation of Fixed asset investment	-	58,683	-	58,683
At 31 August 2008	389,424	1,856,425	60	2,245,909

19. TRANSACTIONS WITH DIRECTORS

The following loans to directors subsisted during the years ended 31 August 2008 and 31 August 2007:

	31.8.08 £	31.8.07 as restated £
J T Jones		
Balance outstanding at start of year	88,026	9,223
Balance outstanding at end of year	(13,161)	88,026
Maximum balance outstanding during year	159,272	97,071
M D Miles		
Balance outstanding at start of year	-	-
Balance outstanding at end of year	2,059	-
Maximum balance outstanding during year	2,466	-

20. POST BALANCE SHEET EVENTS

Non-adjusting event

The purchase of a building adjacent to the company's existing Welshpool site completed in September 2008 for a price of £300,000.

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.8.08 £	31.8.07 as restated £
Profit for the financial year	71,995	332,853
Purchase of own shares	-	(5,376,000)
Revaluation of fixed asset investments	58,683	-
Net addition/(reduction) to shareholders' funds	130,678	(5,043,147)
Opening shareholders' funds (originally £7,491,271 before prior year adjustment of £(5,376,000))	2,115,271	7,158,418
Closing shareholders' funds	2,245,949	2,115,271

Technocover Limited

**Notes to the Abbreviated Accounts - continued
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22. 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.