

**TES PROJECTS LTD**

**COMPANY NUMBER 2849975**

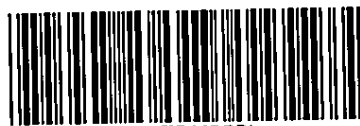
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

Directors: A F Hanson (Chairman)  
C Winter  
J E Holyday

Secretary: A F Hanson

Registered Office: Taunfield  
South Road  
Taunton  
Somerset  
TA1 3ND

WEDNESDAY



A34 \*AZTDMDBP\* 284  
16/09/2009  
COMPANIES HOUSE

## TES PROJECTS LTD

### DIRECTORS' REPORT

The Directors submit herewith their report and financial statements for the year ended 31 December 2008.

#### Review of the business

The company experienced continuing difficulties with a number of contracts and a shortfall in orders. This resulted in a major restructuring and downsizing of the business to enable it to move forward in a more controlled way. Current business levels are satisfactory and in line with the new structure.

#### Results and Dividends

The company lost £54216 on ordinary activities. No dividend is being recommended relating to this year.

#### Principal Activity

The company's principal activity during the year was that of electrical contracting.

#### Directors

The Directors who served during the year were:

C Winter  
A F Hanson  
J E Holyday

#### Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

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 the 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.

TES PROJECTS LTDDIRECTORS' REPORT - ContinuedDirectors' Responsibilities (Cont'd)

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.

Audit

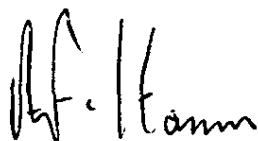
So far as each of the directors at the time the Directors' Report is approved are aware:

- a) there is no relevant audit information of which the company's auditors are unaware, and
- b) the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

By Order of the Board



A F Hanson  
Secretary

26 MARCH 2009

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OFTES PROJECTS LTD

We have audited the financial statements of TES Projects Ltd for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes set out on pages 4 to 11. These financial statements have been prepared 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 auditor's 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 Directors and Auditors

The Directors' responsibilities for preparing the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of Directors' Responsibilities in the Directors' Report.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 directors' remuneration and other transactions is not disclosed.

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

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 Directors 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, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Francis Clark  
Chartered Accountants  
Vantage Point  
Woodwater Park  
Pynes Hill  
Exeter  
EX2 5FD

Francis Clark

24 March 2009

**TES PROJECTS LTD****PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2008**

	<u>Note</u>	<u>2008</u>	<u>2007</u>
		£	£
TURNOVER	1	1434210	1980952
Cost of sales		1087676	1607040
		-----	-----
GROSS PROFIT		346534	373912
Administrative expenses		400224	589507
		-----	-----
OPERATING LOSS	2	(53690)	(215595)
Interest payable	4 & 5	526	174
		-----	-----
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(54216)	(215769)
Taxation on Loss on ordinary activities	6	(3083)	26644
		-----	-----
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		<u>£(51133)</u>	<u>£(242413)</u>

There are no recognised gains or losses other than the loss for the year.

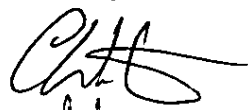

The notes on Pages 6 to 11 form part of these financial statements.

**TES PROJECTS LTD****BALANCE SHEET AS AT 31 DECEMBER 2008**

	<u>Notes</u>	<u>2008</u>	<u>2007</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible Assets			
Plant, Vehicles and Equipment	8	24366	70673
Investments		1	1
		<u>24367</u>	<u>70674</u>
<b>TOTAL FIXED ASSETS</b>			
<b>CURRENT ASSETS</b>			
Stocks and Work in Progress	9	44750	110134
Debtors	10	286213	426282
Cash at bank and in hand		15442	99
		<u>346405</u>	<u>536515</u>
<b>CREDITORS - Amount falling due within one year</b>	11	<u>328311</u>	<u>513595</u>
<b>NET CURRENT ASSETS</b>		18094	22920
<b>NET ASSETS</b>		<u>£42461</u>	<u>£93594</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital			
Equity share capital	12	16000	16000
Profit and loss account	13	26461	77594
<b>SHAREHOLDERS' FUNDS</b>	14	<u>£42461</u>	<u>£93594</u>

The financial statements have been prepared in accordance with (i) the special provisions of Part VII of the Companies Act 1985 relating to small companies and (ii) the Financial Reporting Standard for Smaller Entities (effective January 2007).

These financial statements were approved by the Board of Directors on 26 March 2009.

 C Winter )  
 A Hanson ) Directors

The notes on Pages 6 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20081. ACCOUNTING POLICIESBasis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Depreciation

Depreciation is provided on all tangible fixed assets to write off the cost less estimated residual value of each asset over its expected useful economic life, and is calculated at the following annual rates:

Motor vehicles	30% on reducing balance
Plant, machinery and office equipment	20% on reducing balance
Computers	30% on cost

Stocks and work in progress*Stocks and short-term contract work in progress:*

Stocks and short-term contract work in progress are stated at the lower of cost and net realisable value. Cost comprises direct materials, labour, stores, sub-contract work, transport and machinery.

*Long-term contract work in progress:*

Long-term contract work in progress is stated at valuation, comprising total costs incurred, net of amounts transferred to the profit and loss account in respect of work carried out to date, less foreseeable losses and applicable payments on account. Cost comprises direct materials, labour, stores, sub-contract work, transport and machinery.

Profit on long-term contracts is accounted for once the outcome of a contract can be assessed with reasonable certainty and is based on the appropriate stage of completion of the contract.

Provision is made for foreseeable losses on all contracts based on the loss which is currently estimated to arise over the duration of any contract, irrespective of the amount of work carried out at the balance sheet date.

Contract valuations include the value of approved variations. Where the amount to be received in respect of these variations has not been settled, valuation is based on an estimate of the most likely settlement outcome in the light of current negotiations.

Contract valuations also include claims to the extent that negotiations have reached an advanced stage and there is sufficient evidence of the acceptability of the claim in principle to the client with an indication of the amount involved also being available. Valuation is based on an estimate of the most likely settlement outcome in the light of current negotiations.

Amounts receivable on long-term contracts are included in trade debtors. The excess of the value of work done over amounts receivable is shown as amounts recoverable on contracts under the heading of debtors, and the excess of amounts receivable over the value of work done is shown as payments on account under the heading of creditors.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008****1. ACCOUNTING POLICIES (cont'd)****Turnover**

Turnover represents the amounts invoiced, excluding valued added tax, for work completed during the period, adjusted for opening and closing work in progress.

**Financial Instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Deferred Tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

<b>2. <u>OPERATING LOSS</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>
	<b>£</b>	<b>£</b>
This is arrived at after charging/(crediting):		
Depreciation	38482	33864
Profit/(Loss) on disposal of fixed assets	(3847)	2987
Auditors' remuneration	4527	4600
	<u>=====</u>	<u>=====</u>

**3. DIRECTORS EMOLUMENTS**

The emoluments paid to the directors comprise:

Emoluments for directors' services	-	100229
Money purchase pension scheme contributions	-	5099
	<u>-----</u>	<u>-----</u>
	<b>£ -</b>	<b>£105328</b>
	<u>=====</u>	<u>=====</u>

The number of directors for whom money purchase pension scheme contributions were paid during the year was

-	4
<u>==</u>	<u>==</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

4. <u>INTEREST PAYABLE</u>	<u>2008</u>	<u>2007</u>
	£	£
On bank overdraft	26	129
Other interest	500	63
	-----	-----
	526	192
	=====	=====
5. <u>INTEREST RECEIVABLE</u>		
Other interest	-	18
	==	==
6. <u>TAXATION ON LOSS ON ORDINARY ACTIVITIES</u>		
	<u>2008</u>	<u>2007</u>
(a) Analysis of charge in period	£	£
Current taxation:		
UK corporation tax recovery of losses through group relief	-	(27300)
Adjustments in relation to previous periods	(3083)	(32778)
	-----	-----
	(3083)	(60078)
Deferred taxation		
Write back of deferred tax asset	-	61522
Adjustments in relation to previous periods	-	25200
	-----	-----
Total tax charge/(credit) for the year	£(3083)	£26644
	=====	=====
7. <u>DEFERRED TAXATION</u>	<u>2008</u>	<u>2007</u>
	£	£
Balance brought forward	-	86722
Losses group relieved	-	(25200)
Write off of deferred asset	-	(61522)
	-----	-----
	£ -	£ -
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 20088. PLANT, VEHICLES AND EQUIPMENT

	<u>Motor vehicles</u> £	<u>Plant and Machinery</u> £	<u>Total</u> £
<u>COST</u>			
At 1 January 2008	97382	165561	262943
Additions	-	1964	1964
Disposals	(42539)	-	(42539)
	-----	-----	-----
At 31 December 2008	54843	167525	222367
	=====	=====	=====

DEPRECIATION

At 1 January 2008	65441	126829	192270
Charge for the year	9713	28769	38482
Disposals	(32751)	-	(32751)
	-----	-----	-----
At 31 December 2008	£42403	£155598	£198001
	=====	=====	=====

NET BOOK VALUE

At 31 December 2008	£12440	£11927	£24366
	=====	=====	=====
At 31 December 2007	£31940	£38733	£70673
	=====	=====	=====

9. STOCKS AND WORK IN PROGRESS

	<u>2008</u> £	<u>2007</u> £
Stocks : raw materials and consumables	947	4539
:work in progress	43803	105595
	-----	-----
	£44750	£110134
	=====	=====

10. DEBTORS

	<u>2008</u> £	<u>2007</u> £
Trade debtors	265916	391716
Owed by group undertakings	2349	150
Owed by associated undertakings	2008	4404
Corporation tax recoverable	198	198
Sundry debtors	1548	6890
Prepayments	14194	22924
	-----	-----
	£286213	£426282
	=====	=====

**TES PROJECTS LTD****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008****11. CREDITORS:** Amounts falling due within one year

	<u>2008</u> £	<u>2007</u> £
Bank overdraft	-	64672
Trade creditors	147853	210111
Payments on account of contracts	79080	112835
Social security and other taxes	28300	19432
Owed to group undertakings	26762	43391
Owed to associated undertakings	4555	25125
Other creditors	4539	5465
Accruals	37222	32564
	----- £328311 =====	----- £513595 =====

**12. SHARE CAPITAL**

	<u>Authorised</u> <u>2008 &amp; 2007</u>	<u>Allotted, called up,</u> <u>Issued and fully paid</u> <u>2008 &amp; 2007</u>
Ordinary shares of £1 each	£16000 =====	£16000 =====

**13. PROFIT AND LOSS ACCOUNT**

	<u>2008</u> £	<u>2007</u> £
Balance brought forward	77594	320007
Loss for the financial year	(51133)	(242413)
	----- £26461 =====	----- £77594 =====

**14. PENSION SCHEME**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents the contribution payable by the company to the fund and amounted to £8049 (2007: £15012).

**15. ULTIMATE PARENT UNDERTAKING**

Tauntfield Limited is the ultimate parent undertaking.

**16. SECURITIES**

The bank borrowings are secured by a fixed charge on book debts and by a floating charge on other assets of the company.

**TES PROJECTS LTD****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008****17. RELATED PARTY TRANSACTIONS**

The company is controlled by Tauntfield Limited, its parent company.

The company is taking advantage of the disclosure exemption conferred by Financial Reporting Standard for Smaller Entities (effective January 2007), regarding related party transactions, on the grounds that its voting shares are more than 90% controlled within Tauntfield Limited. Consequently details of the company are included in the publicly available consolidated accounts of Tauntfield Limited.

During the year transactions with an associated company, Summerfield Developments(SW) Ltd, amounted to sales of £72501 (2007 - £55153) and management charges paid of £15471 (2007 - £47043). At the year end amounts due by Summerfield Developments (SW) Ltd were £2008 (2007 - £4404) and amounts due to Summerfield Developments (SW) Ltd were £4555 (2007 - £25125).