

S M TECH LIMITED
ABBREVIATED ACCOUNTS
31 DECEMBER 2005



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Chartered Accountants
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S M TECH LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2005

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S M TECH LIMITED
ABBREVIATED BALANCE SHEET
31 DECEMBER 2005

	Note	2005 £	2004 £
FIXED ASSETS	2		
Tangible assets		14,033	10,960
CURRENT ASSETS			
Stocks		7,503	6,946
Debtors		46,305	7,757
Cash at bank and in hand		19,395	10,184
		73,203	24,887
CREDITORS: Amounts falling due within one year		62,754	18,419
NET CURRENT ASSETS		10,449	6,468
TOTAL ASSETS LESS CURRENT LIABILITIES		24,482	17,428
CREDITORS: Amounts falling due after more than one year		7,466	4,375
		17,016	13,053

The Balance sheet continues on the following page.
The notes on pages 3 to 5 form part of these abbreviated accounts

S M TECH LIMITED**ABBREVIATED BALANCE SHEET** *(continued)***31 DECEMBER 2005**

	Note	2005 £	2004 £
CAPITAL AND RESERVES			
Called up equity share capital	4	100	100
Profit and loss account		<u>16,916</u>	<u>12,953</u>
SHAREHOLDERS' FUNDS		<u>17,016</u>	<u>13,053</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on 30 August 2006 and are signed on their behalf by

MR F YFAMAN



S M TECH LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

Financial Reporting Standard for Smaller Entities (effective January 2005), and

FRS 21 'Events after the Balance Sheet date (IAS 10)'

Financial Reporting Standard for Smaller Entities (effective January 2005)

Due to the adoption of the FRSSSE 2005 dividends paid are no longer shown on the face of the P&I but as a note to the accounts. The previous year's accounts have therefore been adjusted to show the dividend comparative

FRS 21 'Events after the Balance Sheet date (IAS 10)

The adoption of FRS 21 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

This change in accounting policy has no impact on these accounts as no dividends were proposed in the previous year.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

In respect of long term contracts and contracts for on going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

S M TECH LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Plant & Machinery	20% reducing balance
Motor Vehicles	25% reducing balance
Equipment	40% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

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.

S M TECH LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2005

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1 January 2005	15,530
Additions	13,598
Disposals	(10,600)
At 31 December 2005	<u>18,528</u>
DEPRECIATION	
At 1 January 2005	4,570
Charge for year	3,693
On disposals	(3,768)
At 31 December 2005	<u>4,495</u>
NET BOOK VALUE	
At 31 December 2005	<u>14,033</u>
At 31 December 2004	<u>10,960</u>

3. RELATED PARTY TRANSACTIONS

The Company was under the control of Mr F Yeaman throughout the current period. Mr Yeaman is the managing director and majority shareholder.

Mr Yeaman has a current account with the company. At the period end he owed the company £34. (Last year the company owed him £34), which is disclosed under creditors.

4. SHARE CAPITAL**Authorised share capital:**

	2005	2004
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid.

	2005		2004
	No	£	No
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>
			<u>100</u>