



**PRICE BAILEY**  
Chartered Accountants

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**MECHANICAL AND ELECTRICAL SERVICES  
(SPECIAL PROJECTS) LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 1997**

**REGISTERED NUMBER: 2511554**



**Offices at:**

Bishop's Stortford Cambridge Chingford Ely Harlow Newmarket Norwich  
Saffron Walden

A member of The UK 200 Group, an association of independent practising Chartered Accountants

MECHANICAL AND ELECTRICAL SERVICES (SPECIAL PROJECTS) LIMITED

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ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 1997

CONTENTS

	Page
Auditors' report	2
Abbreviated balance sheet	3
Notes	4 - 6

**AUDITORS' REPORT TO MECHANICAL AND ELECTRICAL SERVICES (SPECIAL PROJECTS) LIMITED  
UNDER SECTION 247B TO THE COMPANIES ACT 1985**

We have examined the abbreviated financial statements set out on pages 3 to 6, together with the financial statements of the company for the year ended 31 October 1997 prepared under section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 3 to 6 are properly prepared in accordance with those provisions.

CAUSEWAY HOUSE

1 DANE STREET

BISHOP'S STORTFORD

HERTFORDSHIRE



PRICE BAILEY

CHARTERED ACCOUNTANTS

AND REGISTERED AUDITORS

22 JULY 1998

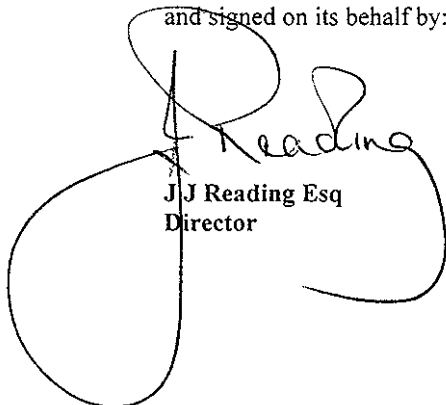
**MECHANICAL AND ELECTRICAL SERVICES (SPECIAL PROJECTS) LIMITED**

**ABBREVIATED BALANCE SHEET AT 31 OCTOBER 1997**

	Notes		1996
<b>FIXED ASSETS</b>			
Tangible fixed assets	2	169,530	70,664
<b>CURRENT ASSETS</b>			
Debtors		86,574	184,440
Cash at bank and in hand		602	1,415
		<u>87,176</u>	<u>185,855</u>
<b>CREDITORS: amounts falling due within one year</b>		<u>250,563</u>	<u>246,526</u>
<b>NET CURRENT LIABILITIES</b>		(163,387)	(60,671)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,143	9,993
<b>CREDITORS: amounts falling due after more than one year</b>		-	4,062
		<u>£ 6,143</u>	<u>£ 5,931</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	4	26	26
Profit and loss account		6,117	5,905
<b>EQUITY SHAREHOLDERS FUNDS</b>		<u>£ 6,143</u>	<u>£ 5,931</u>

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

The abbreviated financial statements on pages 3 to 6 were approved by the board of directors on 17/7/98 and signed on its behalf by:

  
**J.J. Reading Esq**  
**Director**

The notes on pages 4 to 6 form part of these financial statements.

**1 ACCOUNTING POLICIES**

**Accounting convention and standards**

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

**Turnover**

Turnover represents the amount applied for in respect of contract services provided.

**Depreciation**

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold land and buildings	evenly over 50 years
Plant and equipment	25% per annum reducing balance
Motor vehicles	25% per annum reducing balance

**Work in progress**

Contract work in progress is stated at the aggregate cost of materials, labour and other costs directly attributable, less amounts allocated as cost of sales and any provisions which may be necessary to reduce the remaining carrying amount to net realisable value.

**Amounts recoverable on contracts**

Uninvoiced amounts applied for, to the extent that they do not exceed the valuation of contract work done, are included in turnover and disclosed as amounts recoverable on contracts.

**Leases and hire purchase contracts**

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

**Deferred taxation**

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

MECHANICAL AND ELECTRICAL SERVICES (SPECIAL PROJECTS) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 1997

2 FIXED ASSETS

	Motor vehicles	Plant and machinery	Land and buildings	Total
<b>Cost</b>				
1 November 1996	73,599	35,921	21,252	130,772
Additions	12,050	15,332	100,000	127,382
Disposals	(10,600)	(12,859)	-	(23,459)
31 October 1997	<u>75,049</u>	<u>38,394</u>	<u>121,252</u>	<u>234,695</u>
<b>Depreciation</b>				
1 November 1996	32,564	25,609	1,935	60,108
Charge for year	12,015	5,529	2,425	19,969
Disposals	(5,577)	(9,335)	-	(14,912)
31 October 1997	<u>39,002</u>	<u>21,803</u>	<u>4,360</u>	<u>65,165</u>
<b>Net book value</b>				
31 October 1997	£ 36,047	£ 16,591	£ 116,892	£ 169,530
31 October 1996	£ 41,035	£ 10,312	£ 19,317	£ 70,664

3 SECURED LIABILITIES

Liabilities for finance leases and hire purchase contracts amounting to £4,063 (1996 £14,544) are secured on specific fixed assets of the company as disclosed in note 2.

4 CALLED UP SHARE CAPITAL

	Number of shares	£	Number of shares	1996 £
<b>Authorised share capital</b>				
Ordinary shares of £1 each	199,900	199,900	199,900	199,900
'A' ordinary shares of £1 each	100	100	100	100
	<u>          </u>	<u>£ 200,000</u>	<u>          </u>	<u>£ 200,000</u>
<b>Allotted called up and fully paid</b>				
Ordinary shares of £1 each	20	20	20	20
'A' ordinary shares of £1 each	6	6	6	6
	<u>          </u>	<u>£ 26</u>	<u>          </u>	<u>£ 26</u>

**MECHANICAL AND ELECTRICAL SERVICES (SPECIAL PROJECTS) LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 1997**

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**5 TRANSACTIONS WITH DIRECTORS**

The company uses the services of Mechanical and Electrical Services Limited, a company with common directors and shareholders, as sub-contractors on a commercial basis. Purchases from this company amounted to £69,133 (1996 £647,596) during the year, and creditors due to this company at the year end were £188,401 (1996 £209,939).

The company's fixed assets are leased to Mechanical and Electrical Services Limited on short term operating leases. Income for the year amounted to £26,116 (1996 £21,269).

Management services are provided by Mechanical and Electrical Services Limited on a commercial basis, and amounted to £7,000 (1996 £78,850) for the year.

Other creditors represents a short-term loan to Mechanical and Electrical Services Limited.

During the year the company purchased the freehold of its offices from J J Reading Esq and Mrs S F R Reading for consideration of £100,000. J J Reading Esq is a director and majority shareholder.