

UNAUDITED ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003
FOR
TECTONIC INTERNATIONAL LIMITED



TECTONIC INTERNATIONAL LIMITED

**CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

	Page
Company Information	1
Abbreviated Balance Sheet	2
Notes to the Abbreviated Accounts	4

TECTONIC INTERNATIONAL LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2003**

DIRECTOR: Mrs S Harper-Jones

SECRETARY: G R Jones

REGISTERED OFFICE: Valleys Enterprise Centre
Pant Industrial Estate
Dowlais
MERTHYR TYDFIL
CF48 2SR

REGISTERED NUMBER: 3696680 (England and Wales)

ACCOUNTANTS: Watts Gregory
Chartered Accountants
10-14 Museum Place
CARDIFF
CF10 3NZ

TECTONIC INTERNATIONAL LIMITED

**ABBREVIATED BALANCE SHEET
31 DECEMBER 2003**

	Notes	2003 £	2002 £
FIXED ASSETS			
Intangible assets	2	208,987	225,730
Tangible assets	3	38,619	53,241
		<u>247,606</u>	<u>278,971</u>
CURRENT ASSETS			
Stocks		51,620	88,384
Debtors		96,980	134,704
Cash at bank and in hand		50,964	18,670
		<u>199,564</u>	<u>241,758</u>
CREDITORS			
Amounts falling due within one year	4	(142,063)	(226,143)
NET CURRENT ASSETS		<u>57,501</u>	<u>15,615</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		305,107	294,586
CREDITORS			
Amounts falling due after more than one year	4	(11,117)	(29,465)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(6,444)</u>	<u>(8,728)</u>
		<u>287,546</u>	<u>256,393</u>
CAPITAL AND RESERVES			
Called up share capital	5	5,000	5,000
Share premium		138,709	138,709
Revaluation reserve		189,020	209,915
Profit and loss account		(45,183)	(97,231)
SHAREHOLDERS' FUNDS		<u>287,546</u>	<u>256,393</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2003.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2003 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges her responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these abbreviated accounts

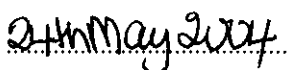
TECTONIC INTERNATIONAL LIMITED

ABBREVIATED BALANCE SHEET - continued
31 DECEMBER 2003

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

ON BEHALF OF THE BOARD:


.....
S Harper-Jones - Director

Approved by the Board on 

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

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

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its estimated useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Improvement to leasehold premises	25% on reducing balance
Plant and machinery	25% on reducing balance
Motor vehicles	25% on reducing balance
Fixtures & fittings	25% on reducing balance
Computers	25% on 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.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Research and development

Research and development expenditure regarded as part of a continuing operation required to maintain the company's business and its competitive position is written off when incurred.

Research and development expenditure in respect of development of new products is capitalised and amortised over a specific number of units sold following the commencement of commercial production.

Pensions

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. Contributions payable for the year are charged in the profit and loss account.

TECTONIC INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 DECEMBER 2003

1. ACCOUNTING POLICIES - continued

Amortisation

Amortisation 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:

Goodwill	5% straight line
Research & development	20% straight line

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.

Government grants

Government grants are credited to the profit and loss account in the period to which they relate.

2. INTANGIBLE FIXED ASSETS

	Total £
COST OR VALUATION	
At 1 January 2003	
and 31 December 2003	242,368
AMORTISATION	
At 1 January 2003	16,638
Charge for year	16,743
At 31 December 2003	33,381
NET BOOK VALUE	
At 31 December 2003	208,987
At 31 December 2002	225,730

TECTONIC INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2003

3. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 January 2003	126,045
Additions	4,626
Disposals	(10,319)
	<u>120,352</u>
At 31 December 2003	<u>120,352</u>
DEPRECIATION	
At 1 January 2003	72,804
Charge for year	12,870
Eliminated on disposal	(3,941)
	<u>81,733</u>
At 31 December 2003	<u>81,733</u>
NET BOOK VALUE	
At 31 December 2003	<u>38,619</u>
At 31 December 2002	<u>53,241</u>

4. CREDITORS

The following secured debts are included within creditors:

	2003 £	2002 £
Bank overdraft	10,160	10,597
Bank loans	7,128	53,720
Hire purchase contracts	18,427	27,785
	<u>35,715</u>	<u>92,102</u>

5. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003 £	2002 £
5,000	Ordinary	£1	<u>5,000</u>	<u>5,000</u>