

831241

Burkert Contromatic Limited

Annual report and abbreviated financial
statements

for the year ended 31 December 2000



A26
COMPANIES HOUSE

A36AM2Q7

0095
28/07/01

Burkert Contromatic Limited
Annual report and abbreviated financial statements
for the year ended 31 December 2000
Contents

Full financial statements for the year ended 31 December 2000 were approved by the board of directors on 19 June 2001. The directors have prepared the attached financial statements for the year ended 31 December 2000 in compliance with Schedule 8 of the Companies Act 1985 for filing with the Registrar of Companies.

Directors and Advisors for the year ended 31 December 2000	1
Directors' report for the year ended 31 December 2000	2
Auditors' report to the members of Burkert Contromatic Limited.....	4
Abbreviated profit and loss account for the year ended 31 December 2000	5
Balance sheet as at 31 December 2000.....	6
Cash flow statement for the year ended 31 December 2000.....	7
Notes to the financial statements for the year ended 31 December 2000	8

Burkert Contromatic Limited

Directors and Advisors for the year ended 31 December 2000

Directors

Mr W Kreis (Chairman)

Mr P M Dietschi (appointed 3 April 2000)

Secretary and registered office

Mrs A Saunders

Brimscombe Port Business Park

Brimscombe

Stroud

Gloucestershire

GL5 2QF

Registered Auditors

PricewaterhouseCoopers

Lennox House

Beaufort Buildings

Spa Road

Gloucester

GL1 1XD

Solicitors

Bretherton Price Elgoods

123 The Promenade

Cheltenham

Gloucestershire

GL50 1NW

Bankers

Barclays Bank plc

18 Southgate Street

Gloucester

GL1 2NJ

Burkert Contromatic Limited

Directors' report for the year ended 31 December 2000

The directors present their report and the audited financial statements for the year ended 31 December 2000.

Principal activity

The principal activity of the company continued to be the distribution of Fluid Control Systems incorporating Valve and Control Technology.

Review of business and future developments

Both the level of business and the year end financial position were satisfactory and the directors expect that the level of activity will continue to develop in the foreseeable future.

Results and dividends

The profit and loss account for the year is set out on page 5.

The profit for the year, after taxation, amounted to £59,592 (1999: £28,421). The directors propose that this profit be added to reserves brought forward and do not recommend the payment of a dividend.

Directors

The directors of the company at 31 December 2000 were Mr W Kreis and Mr P M Dietschi.

Directors' interests in the shares of the company

The interests of the directors of the company at 31 December 2000 in the shares of the company were:

Ordinary shares of £1 each		
	31 December 2000	31 December 1999
	Number	Number
W Kreis	-	1
P M Dietschi	-	-

Changes in fixed assets

The movements in fixed assets during the year are set out in note 8 to the financial statements.

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the period ended 31 December 2000. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

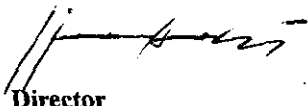
The directors are responsible for keeping proper accounting records, for taking reasonable steps to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Burkert Contromatic Limited

Auditors

A resolution to reappoint PricewaterhouseCoopers as auditors to the company will be proposed at the annual general meeting

By order of the Board

A handwritten signature in black ink, appearing to be 'J. H. Smith', written over a horizontal line.

Director

Burkert Contromatic Limited

Auditors' report to the members of Burkert Contromatic Limited under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages 5 to 15 together with the annual financial statements of the company for the year ended 31 December 2000 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

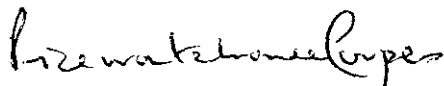
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985 to the registrar of companies and whether the abbreviated financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we considered necessary to confirm, by reference to the annual 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 purposes of this report did not include examining or dealing with events after the date of our report on the full annual financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 5 to 15 are properly prepared in accordance with that provision.



Chartered Accountants and Registered Auditors
Gloucester 22 June 2001

Burkert Contromatic Limited

Abbreviated profit and loss account for the year ended 31 December 2000

	Note	2000 £	1999 £
Gross profit		2,863,039	2,447,307
Net operating expenses	2	(2,751,270)	(2,389,380)
Operating profit		111,769	57,927
Interest receivable and similar income		6,451	6,046
		118,220	63,973
Interest payable and similar charges	5	(2,243)	(2,772)
Profit on ordinary activities before taxation	6	115,977	61,201
Tax on profit on ordinary activities	7	(56,385)	(32,780)
Retained profit for the financial year	14	59,592	28,421

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

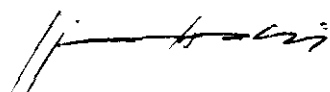
Burkert Contromatic Limited

Balance sheet as at 31 December 2000

	Note	2000 £	1999 £
Fixed assets			
Tangible assets	8	123,089	164,725
Current assets			
Stocks	9	1,280,543	1,383,634
Debtors	10	1,701,943	1,586,032
Cash at bank and in hand		73,808	177,347
		3,056,294	3,147,013
Creditors: amounts falling due within one year	11	1,780,061	1,972,008
Net current assets		1,276,233	1,175,005
Net assets		1,399,322	1,339,730
Capital and reserves			
Called up share capital	13	500,000	500,000
Profit and loss account	14	899,322	839,730
Equity shareholders' funds	15	1,399,322	1,339,730

Advantage has been taken of the exemptions for medium-sized companies conferred by Section B of Part III of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company is entitled to benefit from those exemptions as a medium-sized company.

Approved by the board on 19 June 2001



Director

Burkert Contromatic Limited

Cash flow statement for the year ended 31 December 2000

	Note	2000 £	1999 £
Net cash inflow / (outflow) from operating activities	16	(59,682)	(204,690)
Returns on investment and servicing of finance			
Interest received		6,451	6,046
Interest paid		(2,243)	(2,772)
Net cash inflow from returns on investments and servicing of finance		4,208	3,274
Taxation			
UK corporation tax paid		(16,296)	(96,892)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(31,769)	(28,847)
Cash inflow / (outflow) before management of liquid resources and financing		(103,539)	(327,155)
Increase / (decrease) in cash in the period	17	(103,539)	(327,155)

Burkert Contromatic Limited

Notes to the financial statements for the year ended 31 December 2000

1 Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

	%
Improvements to leasehold property	20
Fixtures, fittings and test plant	10
Computer equipment	33.33

Operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term.

Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on an average basis. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Turnover

Turnover comprises the amounts receivable from customers for sales excluding value added tax.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Pension scheme arrangements

The company pension scheme is a defined contribution scheme, contribution costs being charged to the profit and loss account as they are incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date except where the liability is covered by a forward contract, in which case the contracted rate is used. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Burkert Contromatic Limited

2 Net operating expenses

Net operating expenses are made up as follows:

	2000	1999
	£	£
Distribution costs	1,704,925	1,554,398
Administrative and other operating income and expenses	1,046,345	834,982
	2,751,270	2,389,380

3 Directors' emoluments

	2000	1999
	£	£
Aggregate emoluments	-	265,267
Company pension contributions to defined contribution scheme	-	-

4 Employee information

The average weekly number of persons employed by the company (including executive directors) during the year was:

By activity	2000	1999
	Number	Number
Administration	5	3
Sales	27	26
Technical and stores	14	13
	46	42

Staff costs (for the above persons)	2000	1999
	£	£
Wages and salaries	1,172,202	1,017,167
Social security costs	114,633	125,491
Other pensions costs (note 12)	121,621	99,510
Total direct costs of employment	1,408,456	1,242,168

Burkert Contromatic Limited

5 Interest payable and similar charges

	2000	1999
	£	£
On bank loans and overdrafts repayable within five years, not by instalments	2,243	2,772

6 Profit on ordinary activities before taxation

	2000	1999
	£	£
Profit on ordinary activities before taxation is stated after charging:		
Loss on foreign exchange	18,760	4,207
Depreciation charge for the year:		
- tangible owned fixed assets	73,404	77,045
Auditors' remuneration	13,000	13,400
Operating leases in respect of:		
- plant and machinery	143,203	122,806
- other	44,000	44,000

7 Tax on profit on ordinary activities

	2000	1999
	£	£
Taxation on the profit for the year		
United Kingdom corporation tax at 30% (1999: 30.25%)	59,000	33,904
(Over)/under provision in respect of prior years	(2,615)	(1,124)
	56,385	32,780

Burkert Contromatic Limited

8 Tangible assets

	Leasehold improvements	Test Plant	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2000	68,962	85,108	54,671	158,704	367,445
Additions	-	-	3,000	28,769	31,769
Disposals / write off	-	(31,247)	-	-	(31,247)
At 31 December 2000	68,962	53,861	57,671	187,473	367,967
Depreciation					
At 1 January 2000	26,642	52,363	39,428	84,287	202,720
Charge for the year	13,793	3,006	4,325	52,281	73,405
Disposals / write off	-	(31,247)	-	-	(31,247)
At 31 December 2000	40,435	24,122	43,753	136,568	244,878
Net book amount					
At 31 December 2000	28,527	29,739	13,918	50,905	123,089
At 31 December 1999	42,320	32,745	15,243	74,417	164,725

9 Stocks

	2000	1999
	£	£
Stocks of goods for resale	1,280,543	1,383,634

10 Debtors

	2000	1999
	£	£
Amounts falling due within one year		
Trade debtors	1,523,274	1,560,606
Amounts due from fellow subsidiary undertakings	140,407	-
Prepayments and accrued income	38,262	25,426
	1,701,943	1,586,032

Burkert Contromatic Limited

11 Creditors - Amounts falling due within one year

	2000	1999
Amounts falling due within one year	£	£
Trade creditors	159,128	108,641
Amounts owed to parent company and fellow subsidiary undertakings	1,266,593	1,510,926
Corporation tax	52,977	12,889
Other taxation and social security costs	282,963	326,076
Accruals and deferred income	18,400	13,476
	1,780,061	1,972,008

12 Pension obligations

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 contributions paid by the company to the fund and amounted to £121,621 for the year (1999: £99,510).

13 Called up share capital

	2000	1999
	£	£
Authorised		
600,000 ordinary shares of £1 each	600,000	600,000
Allotted, called up and fully paid		
500,000 ordinary shares of £1 each	500,000	500,000

14 Profit and loss account

	£
At 1 January 2000	839,730
Retained profit for the year	59,592
At 31 December 2000	899,322

Burkert Contromatic Limited

15 Reconciliation of movements in shareholders' funds

	2000	1999
	£	£
For the year ended 31 December 2000		
Opening shareholders' funds	1,339,730	1,311,309
Profit for the financial year	59,592	28,421
Closing shareholders' funds	1,399,322	1,339,730

16 Reconciliation of operating profit to net cash flow from operating activities

	2000	1999
	£	£
Continuing operations		
Operating profit	111,769	57,927
Depreciation on tangible fixed assets	73,404	77,045
(Increase)/decrease in stocks	103,091	(59,640)
(Increase)/decrease in trade debtors	37,332	(114,047)
Decrease/(increase) in prepayments and accrued income	(12,836)	408
Decrease/(increase) in amounts due from subsidiary undertaking	(140,407)	-
(Decrease)/increase in trade creditors	50,487	40,236
Increase (decrease) in amounts owed to group undertakings	(244,333)	(235,979)
Increase in other taxation and social security costs	(43,113)	30,219
(Decrease)/increase in accruals and deferred income	4,924	(859)
Net cash inflow/(outflow) from operating activities	(59,682)	(204,690)

17 Reconciliation of net cash flow to movement in net funds

	2000	1999
	£	£
Increase / (decrease) in cash in period	(103,539)	(327,155)
Movement in net funds in the period	(103,539)	(327,155)
Net funds at 1 January 2000	177,347	504,502
Net funds at 31 December 2000	73,808	177,347

Burkert Contromatic Limited

18 Analysis of changes in net debt

	1 January 2000	Cash flow	31 December 2000
	£	£	£
Net cash			
Cash at bank and in hand	177,347	(103,539)	73,808
Net funds	177,347	(103,539)	73,808
Analysed in balance sheet			
Cash at bank and in hand	177,347	(103,539)	73,808
Net funds	177,347	(103,539)	73,808

19 Capital commitments

There was no capital expenditure contracted for but not provided for at the balance sheet date.

20 Financial commitments

At 31 December 2000, the company had annual commitments under non-cancellable operating leases as follows:

	2000		1999	
	Land and buildings	Other	Land and buildings	Other
Operating leases	£	£	£	£
Operating leases which expire:				
- within one year	-	21,272	-	28,419
- in the second to fifth years inclusive	44,000	87,244	44,000	93,081
- over five years	-	-	-	1,305
	44,000	108,516	44,000	122,805

Burkert Contromatic Limited

21 Related party transactions

The company entered into trading transactions during the year with Burkert Contromatic AG, a company owned by the same ultimate controlling party as Burkert Contromatic Limited.

The cost of purchases from Burkert Contromatic AG during 2000 totalled £3,685,666 (1999: £4,305,462). Total charges for marketing, sales, engineering, IT support and other specified services support of £202,450 (1999: £205,585), being 3% of turnover, were also paid to Burkert Contromatic AG. The balance outstanding at the year end is £1,250,817 (1999: £1,744,151) and is included within amounts owed to parent company and fellow subsidiary undertakings.

During the year, a new company, Burkert Contromatic (Ireland) Limited, was established, a company owned by the same ultimate controlling party as Burkert Contromatic Limited. Burkert Contromatic Limited has provided funding to this company and the balance due at the year end is £138,282. This is included within amounts due from fellow subsidiary undertakings.

22 Ultimate parent company

The directors regard Burkert Contromatic AG, a company incorporated in Switzerland, as the ultimate parent company and the ultimate controlling party by virtue of its 100% interest in the equity capital of Burkert Contromatic UK.