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FLOTRONIC PUMPS LIMITED

Company Number: 2559708

ABBREVIATED STATUTORY ACCOUNTS
YEAR ENDED 31 AUGUST 1996

JOHN A TUFFIN & CO
CHARTERED ACCOUNTANTS



FLOTRONIC PUMPS LIMITED

ABBREVIATED STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 1996

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1. Report of the Auditors
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AUDITORS' REPORT TO
FLOTRONIC PUMPS LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

We have examined the abbreviated financial accounts on pages 2 and 3 together with the financial accounts of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 August 1996.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated financial accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 2 and whether the abbreviated financial accounts have been properly prepared in accordance with that schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial accounts, that the company is entitled to the exemptions and that the abbreviated financial accounts have been properly prepared from those financial accounts. 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 accounts.

OPINION

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred in section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 August 1996 and the abbreviated financial accounts on pages 2 and 3 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

In January 1997 we reported, as auditors of the company, to the shareholders on the financial accounts prepared under section 226 of the Companies Act 1985 for the year ended 31 August 1996, and our report was as follows:

'We have audited the financial accounts on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6a.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

continued

AUDITORS' REPORT TO
FLOTRONIC PUMPS LIMITED
(continued)
PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8
TO THE COMPANIES ACT 1985

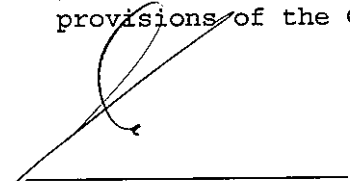
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, 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 accounts 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 accounts.

OPINION

In our opinion the financial accounts give a true and fair view of the state of the company's affairs as at 31 August 1996 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'



19 March 1997

JOHN A TUFFIN & CO
Registered Auditors
Chartered Accountants
12/13 Ship Street
Brighton, BN1 1AD

Date

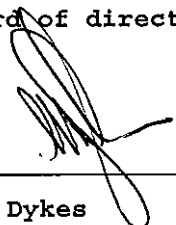
FLOTRONIC PUMPS LIMITEDABBREVIATED BALANCE SHEET
AS AT 31 AUGUST 1996

	<u>Notes</u>	<u>1996</u>	<u>1995</u>
		£	£
FIXED ASSETS			
Tangible Assets	2	518,799	540,537
CURRENT ASSETS			
Stock and Work in Progress		274,448	252,617
Debtors		595,921	521,155
Investments	3	-	20,000
Cash at Bank and in Hand		64,127	17,654
		<u>934,496</u>	<u>811,426</u>
CREDITORS : Amounts Falling			
Due within One Year	4	(799,749)	(689,431)
NET CURRENT ASSETS		<u>134,747</u>	<u>121,995</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>653,546</u>	<u>662,532</u>
CREDITORS : Amounts Falling			
Due After more than One Year	4	217,547	362,339
		<u>£ 435,999</u>	<u>£ 300,193</u>
CAPITAL AND RESERVES			
Share Capital	5	100	100
Other Reserves	6	123,250	123,250
Profit and Loss Account	6	312,649	176,843
<u>TOTAL SHAREHOLDERS' FUNDS</u>		<u>£ 435,999</u>	<u>£ 300,193</u>

In preparing these abbreviated accounts advantage has been taken of the exemptions conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 on the grounds that in the directors' opinion the company is entitled to the benefit of those exemptions as a small company under the provisions of sections 246 and 247 of the Act.

In the preparation of the accounts advantage has been taken of special exemptions applicable to small companies under Part I of Schedule 8 to the Companies Act 1985 on the grounds that, in the directors' opinion, the company qualifies as a small company and is entitled to make use of the special exemptions.

Signed on behalf of the
board of directors



C H Dykes
Director

Approved by the board: 19.03.97

Date

FLOTRONIC PUMPS LIMITED
NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 1996

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the net invoiced sales of goods, excluding VAT.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold Property	10% on cost
Motor Vehicles	25% reducing balance
Plant and Equipment	15% reducing balance
Fixtures and Fittings	25% on cost

Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Research and Development

Expenditure on research and development, incurred in the year other than on fixed assets, is 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.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standard 1 and has not prepared a Cash Flow Statement for the year.

FLOTRONIC PUMPS LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 1996**2. FIXED ASSETS**

	<u>Tangible</u> <u>Assets</u> £
COST OR VALUATION	
At 1 September 1995	852,765
Additions in year	112,171
Disposals in year	(15,060)
At 31 August 1996	949,876
DEPRECIATION	
At 1 September 1995	312,227
Write off on Disposal	(6,200)
Charge for year	125,050
At 31 August 1996	431,077
NET BOOK VALUE	
At 31 August 1996	518,799
At 31 August 1995	540,537

3. INVESTMENT IN SUBSIDIARY

The company has a 100% holding in the share capital of Flotronic GMBH, a company incorporated in Germany.

As at 31 August 1996:

Share Capital - DM 50,000 (£20,000)
Reserves - DM(133,628) (£(58,100))

Reserves are stated before crediting the funding from Flotronic Pumps Ltd totalling £45,223. See note 7.

Flotronic GMBH was put into a dormant condition with effect from 1 September 1996. The nominal value of the 100% shareholding totalling £20,000 has been written off in the year as having no tangible value.

There were no cross guarantees in operation between the companies during the year.

The directors have taken advantage of sections 228 and 248 of the Companies Act 1985 in that they have not prepared consolidated financial statements.

4. CREDITORS**SECURED BORROWINGS:**

The bank loan of £197,500 (1995-£202,500) is secured by a fixed and floating charge on the assets of the company.

FLOTRONIC PUMPS LIMITED

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 1996

5. SHARE CAPITAL

	<u>1996</u>	<u>1995</u>
	£	£
Ordinary Shares of £1 each		
Authorised	1,300	1,300
Allotted, Issued and Fully Paid	100	100

6. RESERVES

	<u>Revaluation</u>	<u>Profit &</u>
	<u>Reserve</u>	<u>Loss A/C</u>
	£	£
At 1 September 1995	123,250	176,843
Retained Profit for the Year	-	135,806
	123,250	312,649

7. EXCEPTIONAL ITEMS

The company made remissions of claims in connection with the funding of its subsidiary company (Flotronic GMBH) totalling £45,223 (1995 - £36,285), and its related company (Valvcon Limited) totalling £40,129 (1995 - Nil). These amounts have been written off to the profit and loss account in the year.

The 100% shareholding in Flotronic GMBH, nominal value £20,000, has also been written off to the profit and loss account as having no tangible value. With effect from 1 September 1996, Flotronic GMBH was put into a dormant condition.