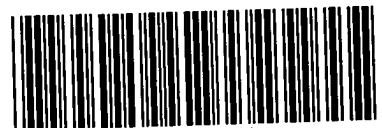


**Registered number**  
**02559708**

**FLOTRONIC PUMPS LIMITED**  
**DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**SATURDAY**



A12      \*A42NM18A\*      #128  
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COMPANIES HOUSE

**FLOTRONIC PUMPS LIMITED**  
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The following pages do not form part of the statutory financial statements:

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**FLOTRONIC PUMPS LIMITED**  
**COMPANY INFORMATION**

---

**Directors**

Mr R G Partlett  
Mrs J B Waite

**Company secretary**

Mr R G Partlett

**Registered office**

Ricebridge House  
Brighton Road  
Bolney  
West Sussex  
RH17 5NA

**Bankers**

National Westminster Bank Plc  
24 Church Road  
Burgess Hill  
West Sussex  
RH15 9ZS

**Auditor**

Spofforths LLP  
Third Floor South  
One Jubilee Street  
Brighton  
East Sussex  
BN1 1GE

**FLOTRONIC PUMPS LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

The directors present their report and the financial statements for the year ended 31 August 2014.

**Principal activity**

The principal activity of the company is researching, developing and manufacturing fluid control equipment for ultimate sale.

**Directors of the company**

The directors who held office during the year were as follows:

Mr R G Partlett

Mrs J B Waite

**Directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the Board on 24.2.15 and signed on its behalf by:

  
.....  
Mr R G Partlett  
Company secretary

**FLOTRONIC PUMPS LIMITED**  
**STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2014**

---

The directors present their strategic report for the year ended 31 August 2014.

**Review of the Business**

Despite continued challenging trading conditions, the company increased its level of sales in the year. This performance, from markets that experienced varying levels of demand, is a testimony to our strategy of having a diversity of product range and geographical representation in markets with growth potential. The Company's profit and cash flow has been impacted by the price of its principal raw materials, which in recent years has seen considerable price volatility, primarily upwards, driven by global market conditions outside the control of the Company. Where contractually possible, we pass price increases on to our customers, but this ability is, to some extent, dependent upon market conditions. There may be periods of time in which the Company is not fully able to recover increases in the cost of raw materials due to the weakness in demand for its products or the action of its competitors.

**Results and dividends**

The profit for the year, after taxation, amounted to £118,877 (2013: £191,334). The directors recommend no dividend be paid.

**Principal risks and uncertainties**

The Company is exposed to foreign currency risks, as there is no exchange rate management on the 64% of sales that are sold in foreign currencies. Management review the levels of profit and loss on exchange to help mitigate this risk.

**Future developments**

For 2014-15 we remain confident that our business model and strategy for international expansion will continue to deliver attractive growth and value. We will continue to seek out profitable long-term growth opportunities where we can leverage our scale and expertise.

**Key financial performance indicators**

Turnover has increased by 7.5% from £3,061,054 to £3,292,590.

Gross profit as a percentage of turnover has increased from 59.62% to 59.87%.

Approved by the Board on 24.2.15 and signed on its behalf by:

  
.....  
Mr R G Partlett  
Company secretary

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
FLOTRONIC PUMPS LIMITED**

---

We have audited the financial statements of Flotronic Pumps Limited for the year ended 31 August 2014 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and the auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 2), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

.....  
Alison Jones FCA (Senior Statutory Auditor)  
For and on behalf of Spofforths LLP Chartered Accountants and Statutory Auditor  
Date: 27 February 2015

Third Floor South  
One Jubilee Street  
Brighton  
East Sussex  
BN1 1GE

**FLOTRONIC PUMPS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

|                                                      | <b>Note</b> | <b>2014<br/>£</b>     | <b>2013<br/>£</b>     |
|------------------------------------------------------|-------------|-----------------------|-----------------------|
| <b>Turnover</b>                                      | <b>2</b>    | 3,292,590             | 3,061,154             |
| Cost of sales                                        |             | <u>(1,321,342)</u>    | <u>(1,236,214)</u>    |
| <b>Gross profit</b>                                  |             | 1,971,248             | 1,824,940             |
| Distribution costs                                   |             | (70,902)              | (64,207)              |
| Administrative expenses                              |             | (1,810,693)           | (1,567,883)           |
| Other operating income                               |             | <u>60,168</u>         | <u>57,757</u>         |
| <b>Operating profit</b>                              | <b>3</b>    | 149,821               | 250,607               |
| Other interest receivable and similar income         | <b>6</b>    | 6                     | 3                     |
| Interest payable and similar charges                 | <b>7</b>    | <u>(2,727)</u>        | <u>(2,510)</u>        |
| <b>Profit on ordinary activities before taxation</b> |             | 147,100               | 248,100               |
| Tax on profit on ordinary activities                 | <b>8</b>    | <u>(28,223)</u>       | <u>(56,766)</u>       |
| <b>Profit for the financial year</b>                 | <b>16</b>   | <u><u>118,877</u></u> | <u><u>191,334</u></u> |

Turnover and operating profit derive wholly from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

**FLOTRONIC PUMPS LIMITED**

**(REGISTERED NUMBER: 02559708)**

**BALANCE SHEET AT 31 AUGUST 2014**

|                                                                |      |           | 2014    |           | 2013    |
|----------------------------------------------------------------|------|-----------|---------|-----------|---------|
|                                                                | Note | £         | £       | £         | £       |
| <b>Fixed assets</b>                                            |      |           |         |           |         |
| Intangible fixed assets                                        | 9    |           | -       |           | -       |
| Tangible fixed assets                                          | 10   |           | 215,627 |           | 117,016 |
| <b>Current assets</b>                                          |      |           |         |           |         |
| Stocks                                                         | 11   | 437,474   |         | 414,228   |         |
| Debtors                                                        | 12   | 715,703   |         | 590,737   |         |
| Cash at bank and in hand                                       |      | 24,457    |         | 101,921   |         |
|                                                                |      | 1,177,634 |         | 1,106,886 |         |
| <b>Creditors: Amounts falling due within one year</b>          | 13   | (591,268) |         | (603,635) |         |
| <b>Net current assets</b>                                      |      |           | 586,366 |           | 503,251 |
| <b>Total assets less current liabilities</b>                   |      |           | 801,993 |           | 620,267 |
| <b>Creditors: Amounts falling due after more than one year</b> | 14   | (62,849)  |         |           |         |
| <b>Net assets</b>                                              |      |           | 739,144 |           | 620,267 |
| <b>Capital and reserves</b>                                    |      |           |         |           |         |
| Called up share capital                                        | 15   | 100       |         | 100       |         |
| Revaluation reserve                                            | 16   | 2,740     |         | 2,740     |         |
| Profit and loss account                                        | 16   | 736,304   |         | 617,427   |         |
| <b>Shareholders' funds</b>                                     | 17   |           | 739,144 |           | 620,267 |

Approved by the Board and authorised for issue on 24.2.15 and signed on its behalf by:

.....  
Mr R G Partlett  
Director

.....  
Mrs J B Waite  
Director

**FLOTRONIC PUMPS LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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

|                                                   | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|---------------------------------------------------|-------------------------|-------------------------|
| Operating profit                                  | 149,821                 | 250,607                 |
| Depreciation, amortisation and impairment charges | 72,491                  | 36,507                  |
| Loss on disposal of fixed assets                  | 8,053                   | 2,517                   |
| (Increase)/decrease in stocks                     | (23,246)                | 24,156                  |
| Increase in debtors                               | (124,966)               | (80,448)                |
| Increase/(decrease) in creditors                  | 52,711                  | (11,417)                |
| Net cash inflow from operating activities         | <u>134,864</u>          | <u>221,922</u>          |

**Cash flow statement**

|                                                                     | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|---------------------------------------------------------------------|-------------------------|-------------------------|
| Net cash inflow from operating activities                           | <u>134,864</u>          | <u>221,922</u>          |
| <b>Returns on investments and servicing of finance</b>              |                         |                         |
| Interest received                                                   | 6                       | 3                       |
| HP and finance lease interest                                       | (2,727)                 | (2,510)                 |
|                                                                     | <u>(2,721)</u>          | <u>(2,507)</u>          |
| Taxation paid                                                       | <u>(63,779)</u>         | <u>(21,210)</u>         |
| <b>Capital expenditure and financial investment</b>                 |                         |                         |
| Purchase of tangible fixed assets                                   | (43,681)                | (21,223)                |
| Sale of tangible fixed assets                                       | 9,356                   | 3,250                   |
|                                                                     | <u>(34,325)</u>         | <u>(17,973)</u>         |
| Net cash inflow before management of liquid resources and financing | <u>34,039</u>           | <u>180,232</u>          |
| <b>Financing</b>                                                    |                         |                         |
| Repayment of loans and borrowings                                   | (72,355)                | (140,324)               |
| Repayment of capital element of finance leases and HP contracts     | (39,148)                | (23,073)                |
|                                                                     | <u>(111,503)</u>        | <u>(163,397)</u>        |
| (Decrease)/increase in cash                                         | <u>(77,464)</u>         | <u>16,835</u>           |

**FLOTRONIC PUMPS LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**Reconciliation of net cash flow to movement in net debt**

|                                                                                              | <b>Note</b> | <b>2014<br/>£</b> | <b>2013<br/>£</b> |
|----------------------------------------------------------------------------------------------|-------------|-------------------|-------------------|
| (Decrease)/increase in cash                                                                  |             | (77,464)          | 16,835            |
| Cash outflow from repayment of loans                                                         |             | 72,355            | 140,324           |
| Cash outflow from repayment of capital element of finance leases and hire purchase contracts |             | 39,148            | 23,073            |
| Change in net debt resulting from cash flows                                                 | <b>21</b>   | 34,039            | 180,232           |
| New finance leases                                                                           |             | (144,830)         | -                 |
| Movement in net debt                                                                         | <b>21</b>   | (110,791)         | 180,232           |
| Net funds/(debt) at 1 September                                                              | <b>21</b>   | 23,394            | (156,838)         |
| Net (debt)/funds at 31 August                                                                | <b>21</b>   | (87,397)          | 23,394            |

**FLOTRONIC PUMPS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards. The principal accounting policies adopted in the preparation of the financial statements are set out below and have been applied consistently.

**Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

**Intangible fixed assets**

Domain names are amortised in full in the year of expenditure.

**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| <b>Asset class</b>       | <b>Depreciation method and rate</b>                                    |
|--------------------------|------------------------------------------------------------------------|
| Short leasehold property | 10% on cost per annum                                                  |
| Plant and machinery      | 15 % reducing balance per annum or; 15% sum of digits method per annum |
| Motor vehicles           | 25% reducing balance per annum                                         |
| Fixtures and fittings    | 25% on cost per annum                                                  |

**Research and development**

Research and development expenditure is written off as incurred.

**Stock and work in progress**

Stocks, including work in progress, are consistently valued at the lower of cost and net realisable value on a rolling average basis, after making due allowance for obsolete and slow moving items.

Costs include all direct expenditure and an appropriate proportion of direct labour and overheads.

**Deferred tax**

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

**Foreign currency**

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

**FLOTRONIC PUMPS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**Hire purchase and leasing**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

**Pensions**

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

**Warranties**

Some products carry formal guarantees of satisfactory performance of varying periods following their purchase by customers. These costs are not significant and are included in the profit and loss account as incurred and no provision has been made in respect of the estimated cost of honouring unexpired warranties.

**2 Turnover**

During the year 35.8% of the company's turnover related to exports (2013 - 36.8%).

An analysis of turnover by geographical location is given below:

|                       | <b>2014</b>      | <b>2013</b>      |
|-----------------------|------------------|------------------|
|                       | <b>£</b>         | <b>£</b>         |
| Sales - UK            | 2,114,202        | 1,934,657        |
| Sales - Europe        | 744,849          | 684,838          |
| Sales - Rest of world | 433,539          | 441,659          |
|                       | <u>3,292,590</u> | <u>3,061,154</u> |

**FLOTRONIC PUMPS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**3 Operating profit**

Operating profit is stated after charging:

|                                                                             | <b>2014</b>  | <b>2013</b>  |
|-----------------------------------------------------------------------------|--------------|--------------|
|                                                                             | <b>£</b>     | <b>£</b>     |
| Operating leases                                                            | 141,464      | 141,585      |
| Auditor's remuneration for audit services                                   | 23,450       | 15,720       |
| Foreign currency losses/(gains)                                             | 41,060       | (6,347)      |
| Loss on sale of tangible fixed assets                                       | 8,053        | 2,517        |
| Depreciation of owned assets                                                | 29,613       | 22,954       |
| Depreciation of assets held under finance lease and hire purchase contracts | 42,878       | 13,553       |
| Research and development                                                    | <u>3,505</u> | <u>2,098</u> |

**4 Particulars of employees**

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

|                            | <b>2014</b> | <b>2013</b> |
|----------------------------|-------------|-------------|
|                            | <b>No.</b>  | <b>No.</b>  |
| Administration and support | 7           | 7           |
| Works operatives           | 14          | 14          |
| Engineering                | 3           | 2           |
| Sales                      | 8           | 8           |
| Purchasing                 | <u>2</u>    | <u>2</u>    |
|                            | <u>34</u>   | <u>33</u>   |

The aggregate payroll costs were as follows:

|                       | <b>2014</b>      | <b>2013</b>      |
|-----------------------|------------------|------------------|
|                       | <b>£</b>         | <b>£</b>         |
| Wages and salaries    | 1,044,348        | 938,819          |
| Social security costs | 109,050          | 97,634           |
| Staff pensions        | <u>34,032</u>    | <u>30,853</u>    |
|                       | <u>1,187,430</u> | <u>1,067,306</u> |

**5 Directors' remuneration**

The directors' remuneration for the year was as follows:

|                                           | <b>2014</b>   | <b>2013</b>   |
|-------------------------------------------|---------------|---------------|
|                                           | <b>£</b>      | <b>£</b>      |
| Remuneration (including benefits in kind) | <u>93,943</u> | <u>81,259</u> |

**FLOTRONIC PUMPS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**6 Other interest receivable and similar income**

|                          | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|--------------------------|-------------------------|-------------------------|
| Bank interest receivable | <u>6</u>                | <u>3</u>                |

**7 Interest payable and similar charges**

|                 | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|-----------------|-------------------------|-------------------------|
| Finance charges | <u>2,727</u>            | <u>2,510</u>            |
|                 | <u>2,727</u>            | <u>2,510</u>            |

**8 Taxation**

**Tax on profit on ordinary activities**

|                        | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|------------------------|-------------------------|-------------------------|
| <b>Current tax</b>     |                         |                         |
| Corporation tax charge | <u>28,223</u>           | <u>56,766</u>           |

**Factors affecting current tax charge for the year**

Tax on profit on ordinary activities for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 23% (2013 - 24%).

The differences are reconciled below:

|                                                            | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|------------------------------------------------------------|-------------------------|-------------------------|
| Profit on ordinary activities before taxation              | <u>147,100</u>          | <u>248,100</u>          |
| Corporation tax at standard rate                           | 33,833                  | 59,544                  |
| Capital allowances for period in (advance) of depreciation | (5,801)                 | (6,869)                 |
| Expenses not deductible for tax purposes                   | 2,615                   | 4,410                   |
| Due to different tax rates                                 | <u>(2,414)</u>          | <u>(319)</u>            |
| Total current tax                                          | <u>28,233</u>           | <u>56,766</u>           |

**FLOTRONIC PUMPS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

---

**9 Intangible fixed assets**

|                       | <b>Domain<br/>names<br/>£</b> | <b>Total<br/>£</b> |
|-----------------------|-------------------------------|--------------------|
| <b>Cost</b>           |                               |                    |
| At 1 September 2013   | 52,239                        | 52,239             |
| At 31 August 2014     | 52,239                        | 52,239             |
| <b>Amortisation</b>   |                               |                    |
| At 1 September 2013   | 52,239                        | 52,239             |
| At 31 August 2014     | 52,239                        | 52,239             |
| <b>Net book value</b> |                               |                    |
| At 31 August 2014     | -                             | -                  |
| At 31 August 2013     | -                             | -                  |

**FLOTRONIC PUMPS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

**10 Tangible fixed assets**

|                          | <b>Short<br/>leasehold<br/>property<br/>£</b> | <b>Plant and<br/>machinery<br/>£</b> | <b>Fixtures and<br/>fittings<br/>£</b> | <b>Motor<br/>vehicles<br/>£</b> | <b>Total<br/>£</b> |
|--------------------------|-----------------------------------------------|--------------------------------------|----------------------------------------|---------------------------------|--------------------|
| <b>Cost or valuation</b> |                                               |                                      |                                        |                                 |                    |
| At 1 September 2013      | 766                                           | 910,243                              | 285,079                                | 69,412                          | 1,265,500          |
| Additions                | -                                             | 154,455                              | 15,692                                 | 18,364                          | 188,511            |
| Disposals                | -                                             | (38,780)                             | -                                      | (38,749)                        | (77,529)           |
| At 31 August 2014        | 766                                           | 1,025,918                            | 300,771                                | 49,027                          | 1,376,482          |
| <b>Depreciation</b>      |                                               |                                      |                                        |                                 |                    |
| At 1 September 2013      | 766                                           | 830,591                              | 268,873                                | 48,254                          | 1,148,484          |
| Charge for the year      | -                                             | 54,674                               | 10,366                                 | 7,451                           | 72,491             |
| Eliminated on disposals  | -                                             | (31,091)                             | -                                      | (29,029)                        | (60,120)           |
| At 31 August 2014        | 766                                           | 854,174                              | 279,239                                | 26,676                          | 1,160,855          |
| <b>Net book value</b>    |                                               |                                      |                                        |                                 |                    |
| At 31 August 2014        | -                                             | 171,744                              | 21,532                                 | 22,351                          | 215,627            |
| At 31 August 2013        | -                                             | 79,652                               | 16,206                                 | 21,158                          | 117,016            |

**Leased assets**

Included within the net book value of tangible fixed assets is £120,465 (2013 - £9,844) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £42,878 (2013 - £13,553).

**Revaluations**

The plant and machinery class of fixed assets was revalued on 31 August 1991 by Edward Symmons & Partners who are external to the company. This class of assets has a current value of £171,744 (2013 - £79,652) and a carrying amount at historical cost of £926,568 (2013 - £810,893). The depreciation on this historical cost is £754,824 (2013 - £731,241).

**11 Stocks**

|                                     | <b>2014<br/>£</b> | <b>2013<br/>£</b> |
|-------------------------------------|-------------------|-------------------|
| Raw materials and consumables       | 320,606           | 331,868           |
| Work in progress                    | 94,403            | 58,522            |
| Finished goods and goods for resale | 22,465            | 23,838            |
|                                     | <u>437,474</u>    | <u>414,228</u>    |

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**12 Debtors**

|                                    | <b>2014</b>    | <b>2013</b>    |
|------------------------------------|----------------|----------------|
|                                    | <b>£</b>       | <b>£</b>       |
| Trade debtors                      | 553,844        | 498,897        |
| Debt factoring                     | 72,957         | -              |
| Amounts owed by group undertakings | -              | 128            |
| Other debtors                      | 6,590          | 7,268          |
| Prepayments and accrued income     | 82,312         | 84,444         |
|                                    | <u>715,703</u> | <u>590,737</u> |

**13 Creditors: Amounts falling due within one year**

|                                                             | <b>2014</b>    | <b>2013</b>    |
|-------------------------------------------------------------|----------------|----------------|
|                                                             | <b>£</b>       | <b>£</b>       |
| Trade creditors                                             | 283,891        | 276,356        |
| Debt factoring (secured)                                    | -              | 72,355         |
| Obligations under finance lease and hire purchase contracts | 49,005         | 6,172          |
| Amounts owed to group undertakings                          | 112,437        | 94,805         |
| Corporation tax                                             | -              | 35,556         |
| Other taxes and social security                             | 48,640         | 37,839         |
| Other creditors                                             | 50,195         | 43,174         |
| Accruals and deferred income                                | 47,100         | 37,378         |
|                                                             | <u>591,268</u> | <u>603,635</u> |

RBS Invoice Finance Limited hold a debenture dated 22 July 2011 over all of the assets of the company and an unlimited guarantee from the company's parent company, Norris Holdings Limited.

National Westminster Bank Plc held a debenture and an unlimited guarantee from the company's parent company, Norris Holdings Limited, for the obligations of Flotronic Pumps Limited.

**14 Creditors: Amounts falling due after more than one year**

|                                                             | <b>2014</b>   | <b>2013</b> |
|-------------------------------------------------------------|---------------|-------------|
|                                                             | <b>£</b>      | <b>£</b>    |
| Obligations under finance lease and hire purchase contracts | <u>62,849</u> | <u>-</u>    |

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**Obligations under finance leases and HP contracts**

**Amounts repayable:**

|                               | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|-------------------------------|-------------------------|-------------------------|
| In one year or less on demand | 49,005                  | 6,172                   |
| Between one and two years     | <u>62,849</u>           | <u>-</u>                |
|                               | <u><u>111,854</u></u>   | <u><u>6,172</u></u>     |

**15 Share capital**

**Allotted, called up and fully paid shares**

|                            | <b>No.</b> | <b>2014</b><br><b>£</b> | <b>No.</b> | <b>2013</b><br><b>£</b> |
|----------------------------|------------|-------------------------|------------|-------------------------|
| Ordinary shares of £1 each | <u>100</u> | <u>100</u>              | <u>100</u> | <u>100</u>              |

**16 Reserves**

|                     | <b>Revaluation<br/>reserve<br/>£</b> | <b>Profit and<br/>loss account<br/>£</b> | <b>Total<br/>£</b>    |
|---------------------|--------------------------------------|------------------------------------------|-----------------------|
| At 1 September 2013 | 2,740                                | 617,427                                  | 620,167               |
| Profit for the year | <u>-</u>                             | <u>118,877</u>                           | <u>118,877</u>        |
| At 31 August 2014   | <u><u>2,740</u></u>                  | <u><u>736,304</u></u>                    | <u><u>739,044</u></u> |

**17 Reconciliation of movement in shareholders' funds**

|                                                   | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|---------------------------------------------------|-------------------------|-------------------------|
| Profit attributable to the members of the company | <u>118,877</u>          | <u>191,334</u>          |
| Net addition to shareholders' funds               | <u>118,877</u>          | <u>191,334</u>          |
| Shareholders' funds at 1 September                | <u>620,267</u>          | <u>428,933</u>          |
| Shareholders' funds at 31 August                  | <u><u>739,144</u></u>   | <u><u>620,267</u></u>   |

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**18 Pension schemes**

**Defined contribution pension scheme**

The company operates a defined contribution pension scheme for the benefit of a number of employees. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £34,032 (2013 - £30,853). At the balance sheet date there were accrued pension contributions of £3,875 (2013: £3,143).

**19 Contingent liabilities**

In the event of the company giving notice to terminate the employment of one of its directors, certain contractual obligations will arise. The basis of compensation amounts to two times the director's annual emoluments.

**20 Commitments**

**Operating lease commitments**

As at 31 August 2014 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

|                           | <b>2014</b><br><b>£</b> | <b>2013</b><br><b>£</b> |
|---------------------------|-------------------------|-------------------------|
| <b>Land and buildings</b> |                         |                         |
| Within one year           | 4,918                   | -                       |
| Within two and five years | 130,791                 | 139,166                 |
|                           | <u>135,709</u>          | <u>139,166</u>          |

**21 Analysis of net debt**

|                                            | <b>At 1</b><br><b>September 2013</b><br><b>£</b> | <b>Cash flow</b><br><b>£</b> | <b>Other</b><br><b>non-cash</b><br><b>changes</b><br><b>£</b> | <b>At 31 August</b><br><b>2014</b><br><b>£</b> |
|--------------------------------------------|--------------------------------------------------|------------------------------|---------------------------------------------------------------|------------------------------------------------|
| Cash at bank and in hand                   | 101,921                                          | (77,464)                     | -                                                             | 24,457                                         |
| Debt due within one year                   | (72,355)                                         | 72,355                       | -                                                             | -                                              |
| Finance leases and hire purchase contracts | (6,172)                                          | 39,148                       | (144,830)                                                     | (111,854)                                      |
| Net debt                                   | <u>23,394</u>                                    | <u>34,039</u>                | <u>(144,830)</u>                                              | <u>(87,397)</u>                                |

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**22 Related party transactions**

During the year the company made the following related party transactions:

**Norris Brothers Limited**

(A group company)

The following amounts were payable during the year to group companies. These amounts have been charged to the company's profit and loss account:

|                                     |          |                  |
|-------------------------------------|----------|------------------|
| Management fees payable             | £ 33,600 | (2013: £33,600)  |
| Light and heat payable              | £ 9,892  | (2013: £11,246)  |
| Repairs and removals payable        | £ 11,451 | (2013: £5,340)   |
| Accountancy and secretarial payable | £ 52,800 | (2013: £52,800)  |
| Rent and rates payable              | £119,748 | (2013: £123,800) |
| Insurance payable                   | £ 6,803  | (2013: £5,485)   |
| Maintenance payable                 | £ 7,116  | (2013: £1,162)   |
| Machining for Norcon Norris         | £ 3,734  | (2013: £0)       |

During the year the company also purchased group relief from Norris Brothers Limited. At the balance sheet date the amount due to Norris Brothers Limited was £112,437 (2013 - £94,673).

**Norcon Norris Limited**

(A group company)

During the year the company made sales to Norcon Norris Limited totalling £nil (2013: £8,329). At the balance sheet date the amount due from Norcon Norris Limited was £nil (2013 - £1,404).

**Norris Holdings Limited**

(The parent company)

At the balance sheet date the amount due from Norris Holdings Limited was £nil (2013 - £128).

**23 Control**

The company is controlled by Norris Holdings Limited, a company registered in England and Wales which owns 100% of the issued share capital. The ultimate controlling party are the Trustees of the Lewis Hunt Norris Will Trust, being B H Norris, J B Waite, L B Crane and S A Stretton.