

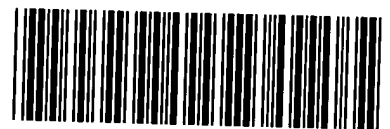
Registered number: 02559708

Flotronic Pumps Limited

Annual report and financial statements

For the year ended 31 August 2018

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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 number	02559708
Registered office	Unit 6 Ricebridge Brighton Road Bolney West Sussex RH17 5NA
Independent auditors	Kreston Reeves LLP Chartered Accountants & Statutory Auditor One Jubilee Street Brighton East Sussex BN1 1GE

Flotronic Pumps Limited

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Flotronic Pumps Limited

Strategic report For the year ended 31 August 2018

Introduction

The directors present their strategic report for the year ended 31 August 2018.

Business review

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 diversified product range and geographical representation in markets with growth potential. 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.

Principal risks and uncertainties

The company is exposed to foreign currency risks, as there is no exchange rate management on the 47% (2017: 45%) of sales that are sold in foreign currencies. Management review the levels of profit and loss on exchange to help mitigate this risk.

The company's financial risk management policies are designed to reduce the risk of liquidity and credit risk exposure. The company's principal financial instruments comprise cash at bank, trade debtors and creditors and balances with group companies.

The company manages its cash flow to ensure it has sufficient funds to meet its liabilities as they fall due for payment, whilst at the same time operating within agreed bank facilities. Trade debtors are monitored on an on-going basis and at the year end there are no significant concerns of credit risk in the company.

Financial key performance indicators

Turnover has increased by 1.3% from £3,767,268 to £3,815,279.

Gross profit as a percentage of turnover has reduced slightly from 61.2% to 60.3%.

This report was approved by the board on 28/11/18 and signed on its behalf.



.....
Mr R G Partlett
Director

Flotronic Pumps Limited

Directors' report For the year ended 31 August 2018

The directors present their report and the financial statements for the year ended 31 August 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Principal activity

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

Results and dividends

The profit for the year, after taxation, amounted to £269,661 (2017 - £262,287).

The directors recommend that no dividend be paid.

Directors

The directors who served during the year were:

Mr R G Partlett
Mrs J B Waite

Future developments

For 2018-19 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.

Flotronic Pumps Limited

Directors' report (continued)
For the year ended 31 August 2018

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28/11/18 and signed on its behalf.



.....
Mr R G Partlett
Director

Flotronic Pumps Limited

Independent auditors' report to the shareholders of Flotronic Pumps Limited

Opinion

We have audited the financial statements of Flotronic Pumps Limited (the 'Company') for the year ended 31 August 2018, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Flotronic Pumps Limited

Independent auditors' report to the shareholders of Flotronic Pumps Limited (continued)

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the shareholders of Flotronic Pumps Limited (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Flotronic Pumps Limited

Independent auditors' report to the shareholders of Flotronic Pumps Limited (continued)

Use of our report

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 Auditors' 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.

Alison Jones FCA (Senior statutory auditor)
for and on behalf of

Kreston Reeves LLP

Chartered Accountants

Statutory Auditor

Brighton

Date: 29/11/2018

Flotronic Pumps Limited

**Statement of comprehensive income
For the year ended 31 August 2018**

	Note	2018 £	2017 £
Turnover	4	3,815,279	3,767,268
Cost of sales		(1,515,821)	(1,463,304)
Gross profit		2,299,458	2,303,964
Distribution costs		(93,183)	(83,114)
Administrative expenses		(1,950,698)	(1,974,576)
Other operating income	5	89,754	85,226
Operating profit	6	345,331	331,500
Interest receivable and similar income		-	47
Interest payable and expenses	10	(11,589)	(12,642)
Profit before tax		333,742	318,905
Tax on profit	11	(64,081)	(56,618)
Profit for the financial year		269,661	262,287
Total comprehensive income for the year		269,661	262,287

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

The notes on pages 11 to 25 form part of these financial statements.

Flotronic Pumps Limited
Registered number: 02559708

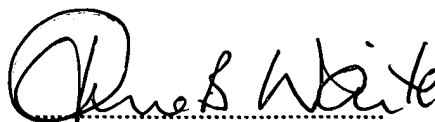
Balance sheet
As at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	13	359,435	400,541
		<u>359,435</u>	<u>400,541</u>
Current assets			
Stocks	14	545,892	564,872
Debtors: amounts falling due within one year	15	1,325,292	1,115,597
Cash at bank and in hand	16	52,723	78,313
		<u>1,923,907</u>	<u>1,758,782</u>
Creditors: amounts falling due within one year	17	(584,733)	(615,013)
Net current assets		<u>1,339,174</u>	<u>1,143,769</u>
Total assets less current liabilities		<u>1,698,609</u>	<u>1,544,310</u>
Creditors: amounts falling due after more than one year	18	(90,947)	(204,485)
Provisions for liabilities			
Deferred tax	21	(35,894)	(37,718)
		<u>(35,894)</u>	<u>(37,718)</u>
Net assets		<u>1,571,768</u>	<u>1,302,107</u>
Capital and reserves			
Called up share capital	22	100	100
Fair value reserve	23	2,740	2,740
Profit and loss account	23	1,568,928	1,299,267
		<u>1,571,768</u>	<u>1,302,107</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
28/11/18


.....
Mr R G Partlett
Director


.....
Mrs J B Waite
Director

Flotronic Pumps Limited

**Statement of cash flows
For the year ended 31 August 2018**

	2018 £	2017 £
Cash flows from operating activities		
Profit for the financial year	269,661	262,287
Adjustments for:		
Depreciation of tangible assets	127,855	156,231
Interest paid	11,589	12,642
Interest received	-	(47)
Taxation charge	64,081	56,618
Decrease/(increase) in stocks	18,980	(22,999)
(Increase) in debtors	(209,695)	(165,295)
Increase/(decrease) in creditors	5,003	(46,455)
(Decrease) in amounts owed to group undertakings	(65,963)	(20,479)
Corporation tax paid	(31,719)	(13,300)
Net cash generated from operating activities	<u>189,792</u>	<u>219,203</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(86,749)	(78,301)
Interest received	-	47
Net cash flows from investing activities	<u>(86,749)</u>	<u>(78,254)</u>
Cash flows from financing activities		
Other new loans	-	19,565
Repayment of other loans	(6,779)	(3,261)
Repayment of hire purchase	(110,265)	(93,755)
Interest paid	(11,589)	(12,642)
Net cash used in financing activities	<u>(128,633)</u>	<u>(90,093)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(25,590)</u>	<u>50,856</u>
Cash and cash equivalents at beginning of year	78,313	27,457
Cash and cash equivalents at the end of year	<u><u>52,723</u></u>	<u><u>78,313</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	52,723	78,313
	<u><u>52,723</u></u>	<u><u>78,313</u></u>

The notes on pages 11 to 25 form part of these financial statements.

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

1. General information

The company is a private company limited by share capital incorporated in England and Wales.
The address of its registered office and principal place of business is:

Unit 6
Ricebridge
Brighton Road
Bolney
West Sussex
RH17 5NA

2. Accounting policies

2.1 Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.2 Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Companies Act 2006.

2.3 Basis of preparation of financial statements

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statement are presented in pound sterling. The accounts are rounded to the nearest whole pound.

2.4 Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report.

The directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.5 Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

**Notes to the financial statements
For the year ended 31 August 2018**

2. Accounting policies (continued)

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following bases:

Domain names	-	100 %	In full in the year of expenditure
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Research and development expenditure is written off as incurred.

2.7 Tangible fixed assets

Tangible assets are stated in the balance sheet at cost, less any accumulated depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows:

Depreciation is provided on the following basis:

Short-term 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%	on cost per annum
Fixtures and fittings	-	25%	on cost per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.8 Stocks

Stocks including work in progress are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the rolling average method after making due allowance for obsolete and slow moving stock.

Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

**Notes to the financial statements
For the year ended 31 August 2018**

2. Accounting policies (continued)

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.11 Invoice discounting

The company is party to an invoice discounting arrangement for certain of its debts. The full value are included in trade debtors and the proceeds received from discounting are included as debt factoring in either creditors or debtors and are secured on the trade debtors balances. Invoice discounting charges are recognised in the profit and loss account as they accrue.

2.12 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash received.

2.15 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

2.16 Finance costs

Finance costs are charged to the Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

**Notes to the financial statements
For the year ended 31 August 2018**

2. Accounting policies (continued)

2.17 Operating leases: the Company as lessee

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

2.18 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.19 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

**Notes to the financial statements
For the year ended 31 August 2018**

2. Accounting policies (continued)

2.20 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

Revenue recognition - in making their judgement, the directors considered the detailed criteria for the recognition of revenue from the sale of goods set out in FRS102 and, in particular, whether the company had transferred to the buyer the significant risks and rewards of ownership of the goods.

Stock valuation - all stock of raw materials, work in progress and finished goods are generally valued using an appropriate proportion of direct labour and overhead costs. The directors consider this reasonable given that they incur direct costs and overhead absorption in the production of work in progress and finished goods.

Key sources of estimation uncertainty

Bad debts - the company offers credit terms to its customers which allow payment of the debt after delivery of the goods or services. The company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships. Bad debts are provided for when the company considers the debt is not recoverable.

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

4. Turnover

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	2,023,640	2,098,028
Rest of Europe	995,188	935,474
Rest of the world	796,451	733,766
	<u>3,815,279</u>	<u>3,767,268</u>

5. Other operating income

	2018 £	2017 £
Carriage income	89,754	85,226
	<u>89,754</u>	<u>85,226</u>

6. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible assets (owned)	23,776	50,289
Depreciation of tangible assets (hire purchase)	104,079	105,942
Research & development charged as an expense	13,526	12,641
Cost of stock recognised as an expense	1,114,781	1,033,576
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	21,917	17,660
Exchange differences	14,017	(16,966)
Other operating lease rentals	147,876	160,695
	<u></u>	<u></u>

7. Other interest receivable and similar income

	2018 £	2017 £
Interest income on bank deposits	-	47
	<u></u>	<u></u>

Flotronic Pumps Limited**Notes to the financial statements
For the year ended 31 August 2018****8. Employees**

The average monthly number of employees, including the directors, during the year was as follows:

	2018 No.	2017 No.
Work operatives	16	18
Administration and support	4	4
Engineering	4	4
Sales	9	9
Purchasing	2	2
	35	37

Staff costs

Staff costs, including directors' remuneration, were as follows:

	2018 £	2017 £
Wages and salaries	1,255,010	1,250,751
Social security costs	119,762	108,108
Pension costs, defined contribution scheme	56,342	58,321
Recruitment costs	9,810	-
Other employee expenses	12,187	10,381
	1,453,111	1,427,561

9. Directors' remuneration

	2018 £	2017 £
Directors' emoluments	97,121	96,574
	97,121	96,574

10. Interest payable and similar expenses

	2018 £	2017 £
Other loan interest payable	333	295
Finance leases and hire purchase contracts	11,256	12,347
	11,589	12,642

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

11. Taxation

	2018 £	2017 £
Corporation tax		
Current tax on profits for the year	65,905	47,161
	<u>65,905</u>	<u>47,161</u>
Total current tax	<u>65,905</u>	<u>47,161</u>
Deferred tax		
Origination and reversal of timing differences	(1,824)	13,696
Changes to tax rates	-	(4,239)
Total deferred tax	<u>(1,824)</u>	<u>9,457</u>
Taxation on profit on ordinary activities	<u>64,081</u>	<u>56,618</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.58%). The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	333,742	318,905
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.58%)	63,411	62,444
Effects of:		
Expenses not deductible for tax purposes	455	493
Capital allowances in excess of depreciation	2,039	(15,776)
Short term timing difference leading to a (decrease) / increase in taxation	(1,824)	9,457
Total tax charge for the year	<u>64,081</u>	<u>56,618</u>

Factors that may affect future tax charges

There were no factors affecting future tax charges other than potential group relief.

Flotronic Pumps Limited

**Notes to the financial statements
For the year ended 31 August 2018**

12. Intangible assets

	Domain names £
Cost	
At 1 September 2017	52,239
At 31 August 2018	<u>52,239</u>
Amortisation	
At 1 September 2017	52,239
At 31 August 2018	<u>52,239</u>
Net book value	
At 31 August 2018	<u><u>-</u></u>
At 31 August 2017	<u><u>-</u></u>

13. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 September 2017	766	1,478,964	45,622	390,054	1,915,406
Additions	-	7,146	-	79,603	86,749
At 31 August 2018	<u>766</u>	<u>1,486,110</u>	<u>45,622</u>	<u>469,657</u>	<u>2,002,155</u>
Depreciation					
At 1 September 2017	766	1,171,947	25,178	316,974	1,514,865
Charge for the year on owned assets	-	106,352	6,814	14,689	127,855
At 31 August 2018	<u>766</u>	<u>1,278,299</u>	<u>31,992</u>	<u>331,663</u>	<u>1,642,720</u>
Net book value					
At 31 August 2018	<u><u>-</u></u>	<u>207,811</u>	<u>13,630</u>	<u>137,994</u>	<u>359,435</u>
At 31 August 2017	<u><u>-</u></u>	<u>307,017</u>	<u>20,444</u>	<u>73,080</u>	<u>400,541</u>

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

13. Tangible fixed assets (continued)

Revaluation

The company's plant and machinery was revalued to fair value on 31 August 1991 by an external valuer to the company.

Had this class of asset been measured on a historical cost basis, the carrying amount would have been £206,786 (2017 - £305,805).

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Plant and machinery	151,091	228,038
Motor vehicles	13,629	20,443
Fixtures and fittings	15,326	20,435
	<u>180,046</u>	<u>268,916</u>

14. Stocks

	2018 £	2017 £
Raw materials and consumables	481,928	447,762
Work in progress	59,174	93,483
Finished goods and goods for resale	4,790	23,627
	<u>545,892</u>	<u>564,872</u>

15. Debtors

	2018 £	2017 £
Trade debtors excluding factored debts	541,919	616,349
Factored debts	685,392	368,720
Other debtors	-	695
Prepayments and accrued income	97,981	129,833
	<u>1,325,292</u>	<u>1,115,597</u>

Debt factoring

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

Flotronic Pumps Limited

**Notes to the financial statements
For the year ended 31 August 2018**

16. Cash and cash equivalents

	2018	2017
	£	£
Cash at bank	44,454	48,609
Short-term deposits	8,269	29,704
	52,723	78,313

17. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Other finance loans	5,969	6,521
Trade creditors	246,509	276,816
Amounts owed to group undertakings	1,558	67,521
Corporation tax	65,905	31,719
Other taxation and social security	67,206	38,846
Obligations under hire purchase contracts	107,310	110,264
Other creditors	34,664	31,900
Accruals and deferred income	55,612	51,426
	584,733	615,013

18. Creditors: Amounts falling due after more than one year

	2018	2017
	£	£
Other finance loans	3,556	9,783
Net obligations under hire purchase contracts	87,391	194,702
	90,947	204,485

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

19. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due within one year		
Other finance loans	5,969	6,521
	<u>5,969</u>	<u>6,521</u>
Amounts falling due 2-5 years		
Other finance loans	3,556	9,783
	<u>3,556</u>	<u>9,783</u>
	<u>9,525</u>	<u>16,304</u>

The finance loan is secured on the relevant assets.

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	113,279	113,121
Between 1-5 years	90,947	198,987
	<u>204,226</u>	<u>312,108</u>

21. Deferred taxation

	2018 £	2017 £
At beginning of year	(37,718)	(28,261)
Released/(Charged) to profit or loss	1,824	(9,457)
At end of year	<u>(35,894)</u>	<u>(37,718)</u>

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

21. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(37,183)	(38,921)
Pension provision	1,289	1,203
	<u>(35,894)</u>	<u>(37,718)</u>

22. Share capital

	2018 £	2017 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

23. Reserves

Fair value reserve

The fair value reserve represents the effect of a one off revaluation of plant and machinery in 1991 to fair value as explained in note 12 and is an undistributable reserve.

Profit and loss account

The profit and loss account includes all current and prior period retained profit and losses.

24. 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.

A fixed charge exists in relation to a bank warranty bond taken out during a prior year of £5,019 being 10% of the contract value with a customer. In the event that Flotronic Pumps Limited fail to fulfil the terms which run to October 2017 of the warranty obligation the amount will become payable to the customer on demand.

25. Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £56,342 (2017 - £58,321).

Contributions totalling £7,587 (2017 - £7,077) were payable to the scheme at the end of the year and are included in other creditors.

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

26. Commitments under operating leases

At 31 August 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	126,886	146,127
Later than 1 year and not later than 5 years	255,982	383,472
	<u>382,868</u>	<u>529,599</u>

Flotronic Pumps Limited

Notes to the financial statements For the year ended 31 August 2018

27. Related party transactions

Key management personnel

The company considers its key management personnel to comprise of Mrs J B Waite and Mr R G Partlett for both the 2017 and 2018 financial year. The total remuneration for key management personnel for the year totalled £97,121 (2017: £96,574) being the remuneration disclosed in note 9.

Summary of transactions with parent company

Norris Holdings Limited

(Parent company)

During the year Norris Holdings Limited provided the company with a interest free loan totalling £nil (2017: £4,157) in relation to the purchase of group tax relief from the group.

Summary of transactions with other related parties

Norris Brothers Limited

(A group company until 21 March 2018)

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

Management fees payable £nil (2017: £14,000)
Light and heat payable £6,920 (2017: £13,095)
Repairs and renewals payable £7,231 (2017: £9,323)
Accountancy and secretarial payable £29,438 (2017: £52,800)
Rent and rates payable £60,550 (2017: £127,348)
Insurance payable £nil (2017: £7,826)
Maintenance payable £2,184 (2017: £6,410)

At the balance sheet date the amount due to Norris Brothers Limited was £1,558 (2017: £63,364).

Norris Brothers Limited was sold on 21 March 2018 and is therefore no longer part of the group as of this date.

Norcon Norris Limited

(A group company)

The company charged Norcon Norris Limited for the use of their employees totalling £nil (2017: £750). These amounts have been included in the profit and loss account.

At the balance sheet date the amount due to Norcon Norris Limited was £nil (2017: £nil).

White Grey White Ltd

(A company controlled by Mr C Waite, the husband of Mrs J B Waite)

During the year the company was charged £10,800 by White Grey White Ltd for consultancy services (2017: £21,800).

At the balance sheet date the amount due to White Grey White Limited was £Nil (2017: £Nil).

28. Controlling party

The company's immediate parent is Norris Holdings Limited, incorporated in England and Wales which owns 100% of the issued share capital.

The ultimate controlling party are Mrs J B Waite, Mrs L B Crane and Mrs S A Stretton.

CLIENT NAME:	
APS NUMBER:	
YEAR END:	
COMPANIES HOUSE DEADLINE:	
HMRC DEADLINE:	

SIGNED ACCOUNTS RETURNED

Task	Initials	Date
Email manager to notify signed pack received pack and check list in progress		
Update APS		
Full and filleted accounts signed and dated		
Has partner signed and dated accountants report/audit report		
Letter of rep signed and dated		
AGM & Directors' Minutes signed		
Corporation tax approval signed		
Email to Controller copying in supervisor to confirm the following: Ensure A21 is signed Are they any closing journals to go the client Are there any records to return to the client Are there any additional schedules to be sent with CT600 Ask if additional WIP on the accounts job can be written off (if any)		

FILING OF SIGNED DOCUMENTS

Task	Initials	Date
Scan full and filleted accounts into VC		
Scan CT approval letter into VC		
Scan Letter of rep & mins into VC		
Signed accs, man rep let and minute to Caseware and tell Manager and Partner this is complete		

COMPANIES HOUSE

Task	Initials	Date
Send filleted accounts to Companies House,(if hard copy is being submitted) or confirm with accounts staff that the accounts have been Webfiled and accepted by Companies House.		
Complete 'Actual Date' for Accounts to Registrar' milestone in APS		

HMRC

Task	Initials	Date
Generate ixbrl file		
Agree signed CT approval letter to CT600		
Test file CT600 – if any issues refer to accounts staff		
File CT600		
Complete 'Actual Date' for 'Return to HMRC'.		

CLIENT

Task	Initials	Date
Send or email final copy of accounts to the client.		
Include closing journals in letter/email to client if required.		
Arrange for client records to be returned, if applicable.		