

Report of the Directors and
Financial Statements for the Year Ended 31 March 2013
for
Torishima Service Solutions Europe Ltd

SC376021

TUESDAY



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Torishima Service Solutions Europe Ltd

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for the Year Ended 31 March 2013

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Torishima Service Solutions Europe Ltd

Company Information
for the Year Ended 31 March 2013

DIRECTORS:

G Clocherty
G Ashe
J K Frew
R Okada
Y Tsuaki

REGISTERED OFFICE:

Sunnyside Works
Gartsherrie Road
Coatbridge
ML5 2DJ

REGISTERED NUMBER:

SC376021 (Scotland)

AUDITORS:

Richard G. Beattie & Co.
Chartered Accountants
Registered Auditor
121 Moffat Street
Glasgow
G5 0ND

Torishima Service Solutions Europe Ltd

Report of the Directors
for the Year Ended 31 March 2013

The directors present their report with the financial statements of the company for the year ended 31 March 2013.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of engineering services within the pump manufacturing industry.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2012 to the date of this report.

G Clocherty
G Ashe
J K Frew
R Okada
Y Tsuaki

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 then apply them consistently;
- make judgements 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

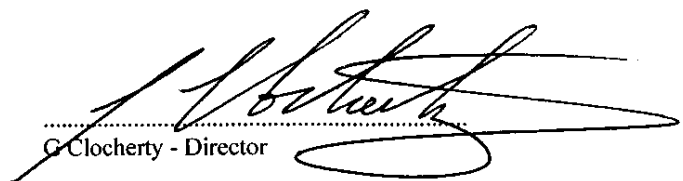
The auditors, Richard G. Beattie & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

Torishima Service Solutions Europe Ltd

Report of the Directors
for the Year Ended 31 March 2013

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:


.....
G. Clocherty - Director

Date:

27th December 2013

Report of the Independent Auditors to the Members of
Torishima Service Solutions Europe Ltd

We have audited the financial statements of Torishima Service Solutions Europe Ltd for the year ended 31 March 2013 on pages six to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on 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 March 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

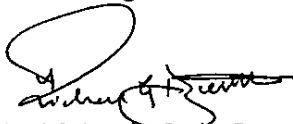
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
Torishima Service Solutions Europe Ltd

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; 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' exemption in preparing the Report of the Directors.



Richard G Beattie, Chartered Accountant
Senior Statutory Auditor

Richard G Beattie (Senior Statutory Auditor)
for and on behalf of Richard G. Beattie & Co.
Chartered Accountants
Registered Auditor
121 Moffat Street
Glasgow
G5 0ND

Date: 31/12/13

Torishima Service Solutions Europe Ltd

Profit and Loss Account
for the Year Ended 31 March 2013

	Notes	31.3.13 £	£	31.3.12 £	£
TURNOVER			3,004,558		3,017,184
Cost of sales			1,825,796		1,837,205
GROSS PROFIT			1,178,762		1,179,979
Distribution costs		15,129		15,782	
Administrative expenses		1,093,834		966,740	
			1,108,963		982,522
			69,799		197,457
Other operating income			78,861		54,123
OPERATING PROFIT	2		148,660		251,580
Interest receivable and similar income			324		387
			148,984		251,967
Interest payable and similar charges			4,500		6,674
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			144,484		245,293
Tax on profit on ordinary activities	3		16,060		-
PROFIT FOR THE FINANCIAL YEAR			128,424		245,293

The notes form part of these financial statements

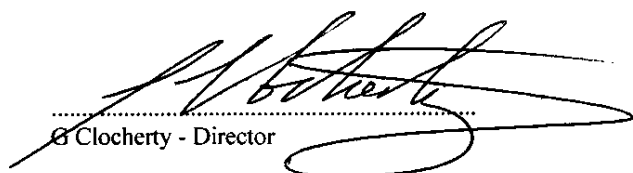
Torishima Service Solutions Europe Ltd (Registered number: SC376021)

Balance Sheet
31 March 2013

	Notes	31.3.13 £	31.3.12 £
FIXED ASSETS			
Tangible assets	4	264,187	233,574
CURRENT ASSETS			
Stocks	5	47,363	55,344
Debtors	6	893,518	731,047
Cash at bank and in hand		548,916	254,830
		<u>1,489,797</u>	<u>1,041,221</u>
CREDITORS			
Amounts falling due within one year	7	<u>517,032</u>	<u>900,842</u>
NET CURRENT ASSETS		<u>972,765</u>	<u>140,379</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,236,952</u>	<u>373,953</u>
CREDITORS			
Amounts falling due after more than one year	8	(150,000)	(150,000)
ACCRUALS AND DEFERRED INCOME	9	<u>(858,687)</u>	<u>(124,112)</u>
NET ASSETS		<u><u>228,265</u></u>	<u><u>99,841</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	10,000	10,000
Profit and loss account	11	<u>218,265</u>	<u>89,841</u>
SHAREHOLDERS' FUNDS		<u><u>228,265</u></u>	<u><u>99,841</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 27/12/2013 and were signed on its behalf by:


G Clocherty - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2013

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

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

Plant and machinery	- 10% on cost
Fixtures and fittings	- 20% on cost
IT/Phone equipment	- 33% on cost

Stocks

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.3.13	31.3.12
	£	£
Depreciation - owned assets	51,436	26,915
Loss on disposal of fixed assets	2,562	-
Pension costs	15,129	15,782
	<u>79,127</u>	<u>42,707</u>
Directors' remuneration and other benefits etc	<u>103,151</u>	<u>98,315</u>

3. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.13	31.3.12
	£	£
Current tax:		
UK corporation tax	16,060	-
	<u>16,060</u>	<u>-</u>
Tax on profit on ordinary activities	<u>16,060</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2013

4. TANGIBLE FIXED ASSETS

	Property renovations £	Plant and machinery £	Fixtures and fittings £	IT/Phone equipment £	Totals £
COST					
At 1 April 2012	35,112	190,701	8,997	37,733	272,543
Additions	8,436	75,592	-	583	84,611
Disposals	-	(3,293)	-	-	(3,293)
At 31 March 2013	43,548	263,000	8,997	38,316	353,861
DEPRECIATION					
At 1 April 2012	1,934	15,356	2,728	18,951	38,969
Charge for year	7,725	29,131	1,812	12,768	51,436
Eliminated on disposal	-	(731)	-	-	(731)
At 31 March 2013	9,659	43,756	4,540	31,719	89,674
NET BOOK VALUE					
At 31 March 2013	33,889	219,244	4,457	6,597	264,187
At 31 March 2012	33,178	175,345	6,269	18,782	233,574

5. STOCKS

	31.3.13 £	31.3.12 £
Stocks	34,131	16,016
Work-in-progress	13,232	39,328
	47,363	55,344

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.13 £	31.3.12 £
Trade debtors	718,976	614,711
VAT	-	45,836
Prepayments & other debtors	174,542	70,500
	893,518	731,047

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.13 £	31.3.12 £
Trade creditors	317,760	858,584
Tax	16,060	-
Social security and other taxes	23,940	21,774
VAT	10,651	-
Accrued & other creditors	148,621	20,484
	517,032	900,842

Torishima Service Solutions Europe Ltd

Notes to the Financial Statements - continued
for the Year Ended 31 March 2013

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.13	31.3.12
	£	£
THQ Loan	<u>150,000</u>	<u>150,000</u>

9. **ACCRUALS AND DEFERRED INCOME**

	31.3.13	31.3.12
	£	£
Deferred income	<u>858,687</u>	<u>124,112</u>

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31.3.13	31.3.12
Number:	Class:	Nominal value:	£	£
10,000	ordinary	1	<u>10,000</u>	<u>10,000</u>

11. **RESERVES**

	Profit and loss account £
At 1 April 2012	89,841
Profit for the year	<u>128,424</u>
At 31 March 2013	<u>218,265</u>

12. **RELATED PARTY DISCLOSURES**

The company entered into transactions within the normal course of business during the year with Torishima Europe Limited, Torishima Service Solutions FZCO, Torishima Service Solutions Dubai, Torishima Europe Projects Limited, Torishima Pumps (India) Private Limited and Tori- Well Technologies Ltd all of which are under the common control of the parent company, Torishima Pumps Mfg Co Limited, with which the company transacted.

Sales of £42,176.56(excl vat), £12,440.36, £5,054.85, £340,604.19, £28,428.26, £2,766.5 and £5,904.88 were made to Torishima Europe Limited, Torishima Service Solutions FZCO, Torishima Pumps (India) Private Limited, Torishima Pumps Mfg Co Limited, Torishima Europe Projects Limited, Torishima Service Solutions Dubai and Tori- Well Technologies Ltd respectively during the year.

Outstanding debtor balances of £5,289.38, £1,935.78, £24,975.06 and £2,115.76 were owed by Torishima Europe Limited, Torishima Service Solutions FZCO, Torishima Pumps Mfg Co Limited, and Torishima Europe Projects Limited respectively at the year end.

Purchases of £68,358.65 and £566,314.04 were made from Torishima Europe Limited and Torishima Pumps Mfg Co Limited during the year.

Outstanding creditor balances of £6,184.34 and £27,874.09 were owed to Torishima Europe Limited and Torishima Pumps Mfg Co Limited at the year end.

The company also has an £150,000.00 outstanding loan balance at the year end owed to Torishima Pumps Mfg Co Limited.

Torishima Service Solutions Europe Ltd

Trading and Profit and Loss Account
for the Year Ended 31 March 2013

	31.3.13		31.3.12	
	£	£	£	£
Sales		3,004,558		3,017,184
Cost of sales				
Opening stock	55,344		10,068	
Purchases	1,388,326		1,626,639	
Labour costs	319,681		228,622	
Transportation costs	14,966		26,614	
Commissions	94,843		606	
	1,873,160		1,892,549	
Closing stock	(47,364)		(55,344)	
		1,825,796		1,837,205
GROSS PROFIT		1,178,762		1,179,979
Other income				
Management charges	57,440		42,152	
Scrap resale	315		1,971	
RSA Grant monies	21,106		10,000	
Bank interest received	324		387	
		79,185		54,510
		1,257,947		1,234,489
Expenditure				
Pensions	15,129		15,782	
Rent & rates	61,379		75,311	
Insurance	24,734		15,470	
Light and heat	29,225		37,990	
Directors' salaries	103,151		98,315	
Staff salaries	448,338		415,842	
Hire of equipment	18,189		19,444	
Computer maintenance	9,201		14,811	
Telephone & fax	9,302		9,351	
Postages & carriage	2,330		3,672	
UK entertainment	7,852		1,383	
Travelling	36,583		24,326	
Motor expenses	64,135		48,322	
Flights	18,565		31,926	
Car & van hire	276		5,310	
Overseas entertainment	147		1,079	
Hotels & subsistence	8,589		10,307	
Overseas travel	671		1,952	
Small tools	7,965		-	
Maintenance	43,199		42,071	
Protective clothing & renewals	2,622		446	
Advertising & marketing	10,174		5,766	
Stationery & printing	7,025		5,856	
Training	26,545		13,563	
Sundry expenses	14,783		13,718	
Subscriptions	1,781		1,687	
Cleaning	844		-	
Carried forward	972,734	1,257,947	913,700	1,234,489

This page does not form part of the statutory financial statements

Torishima Service Solutions Europe Ltd

Trading and Profit and Loss Account
for the Year Ended 31 March 2013

	31.3.13		31.3.12	
	£	£	£	£
Brought forward	972,734	1,257,947	913,700	1,234,489
Accountancy	1,529		2,427	
Office Cost	14,876		-	
Legal & professional fees	14,173		38,388	
Directors' pensions paid	5,120		4,944	
Charities	-		1,055	
		1,008,432		960,514
		249,515		273,975
Finance costs				
Bank charges	4,489		1,786	
Exchange rate variances	42,044		(6,693)	
Loan interest	4,500		6,674	
		51,033		1,767
		198,482		272,208
Depreciation				
Property renovations	7,725		1,934	
Plant and machinery	29,131		11,734	
Fixtures and fittings	1,812		1,670	
IT/Phone equipment	12,768		11,577	
		51,436		26,915
		147,046		245,293
Loss on disposal of fixed assets				
Plant and machinery		2,562		-
NET PROFIT		144,484		245,293

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Torishima Service Solutions Europe Ltd

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Torishima Service Solutions Europe Ltd

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