

PUMP SERVICE & ENGINEERING LIMITED

DIRECTORS : Mr. J.S. Hutton
Mrs. K. Hutton

SECRETARY : Mrs. K. Hutton

REGISTERED OFFICE : Unit 16,
Charlestown Industrial Estate,
Robinson Street,
Ashton-under-Lyne,
Lancashire.
OL6 8NS.

REGISTERED NUMBER : 00763001 - England and Wales

ANNUAL REPORT AND ACCOUNTS - 31ST AUGUST 2000

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| | Accounts, comprising - |
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PUMP SERVICE & ENGINEERING LIMITED

DIRECTORS' REPORT

The directors submit their report and the company accounts for the year ended 31st August 2000.

Principle activity

The principle activity of the company is the sale, repair and servicing of pumps.

Business review and going concern

There was a slight reduction in turnover during the year as compared with the previous year. Operating costs increased leading to a loss for the year. In the opinion of the directors, the company is a going concern at 31st August 2000.

Dividend

The directors do not recommend the payment of a dividend in respect of the year ended 31st August 2000.

Directors and their interests

The directors and their shareholdings were:-

	<u>Number of Shares</u>	
	<u>At 31st August 2000</u>	<u>At 31st August 1999</u>
J.S. Hutton	999	999
K. Hutton	1	1

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view. In preparing those financial statements, the directors are required to:

select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

prepare the financial statements on the going concern basis unless it is not appropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of a fraud and other irregularities.

BY ORDER OF THE BOARD,

J.S. HUTTON,



Chairman.

11th April 2001

PUMP SERVICE & ENGINEERING LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST AUGUST 2000

	<u>Notes</u>	£	1999 £
TURNOVER			
Continuing operations		312,265	<u>317,730</u>
Change in stocks of finished goods	2,072		(2,396)
Raw materials & consumables	<u>168,396</u>		<u>176,407</u>
		170,468	<u>174,011</u>
GROSS PROFIT		141,797	<u>143,719</u>
Staff Costs	7	86,022	72,487
Other external charges		46,476	46,313
Depreciation		6,739	5,673
Deficit on sale of motor vehicle		<u>1,551</u>	<u>159</u>
OTHER OPERATING COSTS		140,788	<u>124,632</u>
OPERATING PROFIT			
Continuing operations		1,009	19,087
Interest payable	8	(5,457)	(5,370)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	9	(4,448)	13,717
Taxation		-	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(4,448)	13,717
Accumulated losses brought forward		(17,744)	(31,461)
ACCUMULATED LOSSES CARRIED FORWARD		<u>£(22,192)</u>	<u>£(17,744)</u>

The notes on pages 4 to 6 form part of these accounts.

PUMP SERVICE & ENGINEERING LIMITED

BALANCE SHEET AS AT 31ST AUGUST 2000

	<u>Notes</u>		£	1999 £
<u>FIXED ASSETS</u>				
Tangible Assets	2		38,979	<u>33,867</u>
<u>CURRENT ASSETS</u>				
Stocks	3	26,448		28,520
Debtors	4	<u>62,583</u>		<u>57,157</u>
		89,031		85,677
CREDITORS: amounts falling due within one year	5	<u>(107,017)</u>		<u>(94,496)</u>
NET CURRENT ASSETS			(17,986)	<u>(8,819)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			20,993	25,048
CREDITORS: amounts falling due after more than one year	5		(42,185)	<u>(41,792)</u>
NET ASSETS			<u>£(21,192)</u>	<u>£(16,744)</u>
<u>CAPITAL AND RESERVES</u>				
Called-up Share Capital		1,000		1,000
Profit and Loss Account		<u>(22,192)</u>		<u>(17,744)</u>
			£(21,192)	<u>£(16,744)</u>

The directors' statements required by Section 249B(4) are shown on the following page, which forms part of this balance sheet.

PUMP SERVICE & ENGINEERING LIMITED

BALANCE SHEET (Continued)

STATEMENT BY THE DIRECTORS IN ACCORDANCE WITH
THE COMPANIES ACT 1985 (AUDIT EXEMPTION)
REGULATIONS 1994

The directors state:

- (a) for the year in question the company was entitled to the exemption conferred by subsection (1) of section 249A.
- (b) no notice has been deposited under subsection (2) of section 249B in relation to its accounts for the financial year.
- (c) that the directors acknowledge their responsibilities for -
 - (i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.



J.S. HUTTON
Director

11th April 2001

PUMP SERVICE & ENGINEERING LIMITED

NOTES TO THE ACCOUNTS

31ST AUGUST 2000

1. ACCOUNTING POLICIES

The accounting policies followed in dealing with the items considered material in relation to the company's accounts are:

Basis of accounting

The accounts have been prepared under the Historical Cost Convention.

Depreciation

Fixed Assets are shown at cost less accumulated depreciation. Depreciation has been calculated to write off the cost over their estimated lives at the following rates, using the reducing balance method.

Motor Vehicles	-	25%
Plant & Machinery	-	20%
Office Equipment	-	20%

Stocks

Stocks are valued at the lower of cost or net realisable value.

2. TANGIBLE FIXED ASSETS

	Plant, Equipment & Vehicles £
COST	
At 1st September 1999	45,917
Additions	30,800
Cost of Sales	(23,495)
COST at 31st August 2000	£53,222
DEPRECIATION	
At 1st September 1999	12,050
Depreciation on Sales	(4,546)
Depreciation for the year	6,739
ACCUMULATED DEPRECIATION at 31st August 2000	£14,243
NET BOOK VALUE at 31st August 2000	£38,979
NET BOOK VALUE at 31st August 1999	£33,867

3. STOCKS

		1999
Work-in-Progress	500	500
Finished Goods	25,948	28,020
	£26,448	£28,520

4. DEBTORS

Trade Debtors	£62,583	£57,157
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PUMP SERVICE & ENGINEERING LIMITED

NOTES TO THE ACCOUNTS (Continued)

31ST AUGUST 2000

5. CREDITORS

Amounts falling due within one year:

Bank overdraft	7,703	8,895
Trade Creditors	81,100	67,953
Amount due on hire purchase	12,649	13,866
Interest	3,365	1,682
Accruals	2,200	2,100
	<u>£107,017</u>	<u>£94,496</u>

Amounts falling due after more than one year:

Directors Loan Account	1,777	4,676
Amount due on hire purchase	19,379	16,087
Pension Fund Loans	<u>21,029</u>	<u>21,029</u>
	<u>£42,185</u>	<u>£41,792</u>

6. CALLED-UP SHARE CAPITAL

Authorised

1,000 Ordinary Shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
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Issued & Fully Paid

1,000 Ordinary Shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
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7. STAFF COSTS

Wages & Salaries	75,844	62,479
Social Security Costs	6,578	5,408
Pension Fund Contributions	<u>3,600</u>	<u>4,600</u>
	<u>£86,022</u>	<u>£72,487</u>

The average weekly number of persons employed by the company during the year was as follows:

Office & Management	<u>2</u>	<u>2</u>
Production & Sales	<u>3</u>	<u>3</u>

8. INTEREST PAYABLE

On loans repayable within five years:

Pension Fund Loan Interest	690	690
Bank Interest	507	378
Hire Purchase Interest	<u>3,268</u>	<u>3,310</u>
	<u>4,465</u>	<u>4,378</u>

On loans repayable in more than five years:

Pension Fund Loan Interest	<u>992</u>	<u>992</u>
	<u>£5,457</u>	<u>£5,370</u>

PUMP SERVICE & ENGINEERING LIMITED

NOTES TO THE ACCOUNTS (Continued)

31ST AUGUST 2000

	£	1999 £
9. <u>LOSS ON ORDINARY ACTIVITIES</u>		
The loss is stated after charging:		
Directors' Remuneration:		
Salaries	33,300	21,900
Pension Fund Contributions	<u>3,600</u>	<u>4,600</u>
	<u>£36,900</u>	<u>£26,500</u>
10. <u>CAPITAL COMMITMENTS</u>		
At 31st August 2000 the company had no capital commitments. (1999: Nil).		
11. <u>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</u>		
(Loss)/Profit for the financial year	(4,448)	<u>13,717</u>
Total recognised gains and losses for the financial year	<u>£(4,448)</u>	<u>£13,717</u>
12. <u>RECONCILIATION OF MOVEMENT ON SHAREHOLDERS' FUNDS</u>		
(Loss)/Profit for the financial year	(4,448)	13,717
Shareholders' Funds at 31st August 1999	<u>(17,744)</u>	<u>(31,461)</u>
Shareholders' Funds at 31st August 2000	<u>£(22,192)</u>	<u>£(17,744)</u>