

PUMP SERVICE & ENGINEERING LIMITED

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

SECRETARY : Mrs. K. Hutton

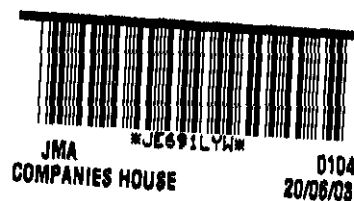
REGISTERED OFFICE : Unit 16,  
Charlestown Industrial Estate,  
Robinson Street,  
Ashton-under-Lyne,  
Lancashire.  
OL6 8NS.

REGISTERED NUMBER : 00763001 - England and Wales

ANNUAL REPORT AND ACCOUNTS - 31ST AUGUST 2002

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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 2002.

### Principle activity

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

### Business review and going concern

The directors are pleased to report an increase in gross profit as compared with the preceding year. The profit before tax is reduced because of increases in overhead expenditure. In the opinion of the directors, the company is a going concern at 31st August 2002.

### Dividend

The directors do not recommend the payment of a dividend in respect of the year ended 31st August 2002.

### Directors and their interests

The directors and their shareholdings were:-

	<u>Number of Shares</u>	
	<u>At 31st August 2002</u>	<u>At 31st August 2001</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.

24th February 2003

PUMP SERVICE & ENGINEERING LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST AUGUST 2002

	<u>Notes</u>	£	2001 £
TURNOVER			
Continuing operations		351,879	<u>362,503</u>
Change in stocks of finished goods	(502)		(1,230)
Raw materials & consumables		<u>175,854</u>	<u>192,977</u>
		175,352	<u>191,747</u>
GROSS PROFIT		176,527	<u>170,756</u>
Staff Costs	7	99,527	90,502
Other external charges		46,760	49,078
Depreciation		15,597	11,205
Profit/(Loss) on sale of motor vehicle		<u>(916)</u>	<u>1,345</u>
OTHER OPERATING COSTS		160,968	<u>152,130</u>
OPERATING PROFIT			
Continuing operations		15,559	18,626
Interest payable	8	(7,063)	(7,925)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	9	8,496	10,701
Taxation		-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		8,496	10,701
Accumulated losses brought forward		(11,491)	(22,192)
ACCUMULATED LOSSES CARRIED FORWARD		<u>£ (2,995)</u>	<u>£(11,491)</u>

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

PUMP SERVICE & ENGINEERING LIMITED

BALANCE SHEET AS AT 31ST AUGUST 2002

	<u>Notes</u>	£	2001 £
<u>FIXED ASSETS</u>			
Tangible Assets	2	46,793	<u>51,900</u>
<u>CURRENT ASSETS</u>			
Stocks	3	28,180	27,678
Debtors	4	<u>85,022</u>	<u>68,058</u>
		113,202	95,736
CREDITORS: amounts falling due within one year	5	<u>(117,237)</u>	<u>(106,255)</u>
NET CURRENT ASSETS		<u>(4,035)</u>	<u>(10,519)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		42,758	41,381
CREDITORS: amounts falling due after more than one year	5	<u>(44,753)</u>	<u>(51,872)</u>
NET ASSETS		<u>£(1,995)</u>	<u>£(10,491)</u>
<u>CAPITAL AND RESERVES</u>			
Called-up Share Capital		1,000	1,000
Profit and Loss Account		<u>(2,995)</u>	<u>(11,491)</u>
		<u>£(1,995)</u>	<u>£(10,491)</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

24th February 2003

PUMP SERVICE & ENGINEERING LIMITED

NOTES TO THE ACCOUNTS

31ST AUGUST 2002

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

	<u>Plant, Equipment &amp; Vehicles</u> £
COST	
At 1st September 2001	70,221
Additions	17,106
Cost of Sales	<u>(10,195)</u>
COST at 31st August 2002	<u>£77,132</u>
DEPRECIATION	
At 1st September 2001	18,321
Depreciation on Sales	<u>(3,579)</u>
Depreciation for the year	<u>15,597</u>
ACCUMULATED DEPRECIATION at 31st August 2002	<u>£30,339</u>
NET BOOK VALUE at 31st August 2002	<u>£46,793</u>
NET BOOK VALUE at 31st August 2001	<u>£51,900</u>

3. STOCKS

	<u>2002</u>	<u>2001</u>
Work-in-Progress	500	1,000
Finished Goods	<u>27,680</u>	<u>26,678</u>
	<u>£28,180</u>	<u>£27,678</u>

4. DEBTORS

Trade Debtors	<u>£85,022</u>	<u>£68,058</u>
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PUMP SERVICE & ENGINEERING LIMITED

NOTES TO THE ACCOUNTS (Continued)

31ST AUGUST 2002

5. CREDITORS

Amounts falling due within one year:

	£	2001 £
Bank overdraft	7,274	9,686
Trade Creditors	89,543	75,460
Amount due on hire purchase	17,920	17,362
Interest	-	1,447
Accruals	2,500	2,300
	<u>£117,237</u>	<u>£106,255</u>

Amounts falling due after more than one year:

Directors Loan Account	74	74
Amount due on hire purchase	24,121	30,769
Pension Fund Loans	20,558	21,029
	<u>£44,753</u>	<u>£51,872</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	85,343	82,682
Social Security Costs	13,684	7,320
Pension Fund Contributions	500	500
	<u>£99,527</u>	<u>£90,502</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	1,682	1,682
Bank Interest	584	723
Hire Purchase Interest	4,797	5,520
	<u>£7,063</u>	<u>£7,925</u>

Contd.

PUMP SERVICE & ENGINEERING LIMITED

NOTES TO THE ACCOUNTS (Continued)

31ST AUGUST 2002

	£	2001 £
<b>9. <u>PROFIT ON ORDINARY ACTIVITY</u></b>		
The profit is stated after charging:		
Directors' Remuneration:		
Salaries	37,135	36,400
Pension Fund Contributions	500	500
	<u>£37,635</u>	<u>£36,900</u>
<b>10. <u>CAPITAL COMMITMENTS</u></b>		
At 31st August 2002 the company had no capital commitments. (2001: Nil).		
<b>11. <u>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</u></b>		
Profit for the financial year	<u>8,496</u>	<u>10,701</u>
Total recognised gains and losses for the financial year	<u>£8,496</u>	<u>£10,701</u>
<b>12. <u>RECONCILIATION OF MOVEMENT ON SHAREHOLDERS' FUNDS</u></b>		
Profit for the financial year	8,496	10,701
Shareholders' Funds at 31st August 2001	(11,491)	(22,192)
Shareholders' Funds at 31st August 2002	<u>£( 2,995)</u>	<u>£(11,491)</u>