

PRESSMAIN (PRESSURISATION) CO LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2007



Company Registration No 1372991 (England and Wales)

PRESSMAIN (PRESSURISATION) CO LIMITED

COMPANY INFORMATION

Directors	D V Taylor M A Taylor R E Sumner D L Bouffler G Wilkinson (Appointed 1 May 2007)
Secretary	R E Summer
Company number	1372991
Registered office	AGM House London Road Copford Colchester Essex CO6 1GT
Auditors	Beaumont Seymour & Co 47 Butt Road Colchester Essex CO3 3BZ
Business address	130 Princess Road Manchester M16 7BY

PRESSMAIN (PRESSURISATION) CO LIMITED

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PRESSMAIN (PRESSURISATION) CO LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2007

The directors present their report and financial statements for the year ended 30 September 2007

Principal activities and review of the business

The principal activity of the company continued to be that of design, manufacture and repair of water pressurisation equipment

Results and dividends

The results for the year are set out on page 4

Directors

The following directors have held office since 1 October 2006

D V Taylor

M A Taylor

R E Sumner

D L Bouffler

G Wilkinson

(Appointed 1 May 2007)

Directors' interests

The directors' interests in the shares of the holding company were as stated below

	Ordinary £1 shares of £1 each	
	30 September 2007	1 October 2006
D V Taylor	307,550	307,550
M A Taylor	33,054	33,054
R E Sumner	15,022	15,022
D L Bouffler	-	-
G Wilkinson	-	-

Auditors

Beaumont Seymour & Co were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting

PRESSMAIN (PRESSURISATION) CO LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

Directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 proper accounting records that 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 1985. 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 of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



R E Sumner

Director

20 December 2007

PRESSMAIN (PRESSURISATION) CO LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF PRESSMAIN (PRESSURISATION) CO LIMITED

We have audited the financial statements of Pressmain (Pressurisation) Co Limited on pages 4 to 14 for the year ended 30 September 2007. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.


Beaumont Seymour & Co

20 December 2007

**Chartered Certified Accountants
Registered Auditor**

47 Butt Road
Colchester
Essex
CO3 3BZ

PRESSMAIN (PRESSURISATION) CO LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2007

		2007	2 months ended 30 September 2006
	Notes	£	£
Turnover	2	1,796,059	267,620
Cost of sales		(1,220,915)	(181,342)
Gross profit		575,144	86,278
Administrative expenses		(519,555)	(73,371)
Operating profit	3	55,589	12,907
Other interest receivable and similar income	4	1,192	68
Interest payable and similar charges	5	(555)	-
Profit on ordinary activities before taxation		56,226	12,975
Tax on profit on ordinary activities	6	(16,353)	(4,306)
Profit for the year	16	39,873	8,669
Dividends	7	(45,000)	(8,000)
Retained (loss)/profit for the year	16	(5,127)	669

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

PRESSMAIN (PRESSURISATION) CO LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	8	1,351,710		1,344,187	
Current assets					
Stocks	9	127,864		116,452	
Debtors	10	416,986		345,871	
Cash at bank and in hand		133,523		61,708	
		<u>678,373</u>		<u>524,031</u>	
Creditors: amounts falling due within one year	11	<u>(559,095)</u>		<u>(395,164)</u>	
Net current assets			119,278		128,867
Total assets less current liabilities			1,470,988		1,473,054
Creditors amounts falling due after more than one year	12		(9,736)		-
Provisions for liabilities	13		(1,299)		(1,605)
			<u>1,459,953</u>		<u>1,471,449</u>
Capital and reserves					
Called up share capital	15		2,000		2,000
Revaluation reserve	16		885,289		891,658
Profit and loss account	16		572,664		577,791
Shareholders' funds	17		<u>1,459,953</u>		<u>1,471,449</u>

Approved by the Board and authorised for issue on 20 December 2007


R E Sumner
Director

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Leasehold	Straight line over the life of the lease
Plant and machinery	15% Reducing balance
Fixtures, fittings & equipment	15-25% Reducing balance
Motor vehicles	25% Reducing balance

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value

1.7 Revenue recognition

Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

1 Accounting policies (continued)

1 9 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1 10 Cashflow statement

In accordance with the exemptions provided under FRS 1, no cashflow statement has been prepared.

1 11 Related party transactions

The company has taken advantage of the exemptions available under FRS 8 whereby subsidiary undertakings do not have to disclose inter group transactions if 90% or more of their shares are controlled within the group.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2 months ended 30 September	
	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	14,560	2,420
Loss on disposal of tangible assets	863	-
Auditors' remuneration	2,450	2,050

4 Investment income	2 months ended 30 September	
	2007	2006
	£	£
Bank interest	1,192	68

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

		2 months ended 30 September	
		2007	2006
		£	£
5	Interest payable		
	Hire purchase interest	555	-
		<u>555</u>	<u>-</u>
		2 months ended 30 September	
		2007	2006
		£	£
6	Taxation		
	Domestic current year tax		
	U K corporation tax	16,659	4,208
		<u>16,659</u>	<u>4,208</u>
	Current tax charge	16,659	4,208
	Deferred tax		
	Deffered tax charge current period / year	(306)	98
		<u>(306)</u>	<u>98</u>
		<u>16,353</u>	<u>4,306</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	56,226	12,975
		<u>56,226</u>	<u>12,975</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20 00% (2006 - 30 00%)	11,245	3,893
		<u>11,245</u>	<u>3,893</u>
	Effects of		
	Non deductible expenses	710	-
	Depreciation add back	3,085	725
	Capital allowances	(2,146)	(410)
	Other tax adjustments	3,765	-
		<u>5,414</u>	<u>315</u>
	Current tax charge	16,659	4,208
		<u>16,659</u>	<u>4,208</u>
7	Dividends	2007	2006
		£	£
	Ordinary interim paid	45,000	8,000
		<u>45,000</u>	<u>8,000</u>

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

8 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 October 2006	1,325,000	45,029	42,392	10,500	1,422,921
Additions	-	-	4,947	24,367	29,314
Disposals	-	-	(9,017)	(3,150)	(12,167)
At 30 September 2007	1,325,000	45,029	38,322	31,717	1,440,068
Depreciation					
At 1 October 2006	1,575	35,905	31,995	9,258	78,733
Revaluation	6,369	-	-	-	6,369
On disposals	-	-	(8,456)	(2,848)	(11,304)
Charge for the year	3,084	1,369	3,780	6,327	14,560
At 30 September 2007	11,028	37,274	27,319	12,737	88,358
Net book value					
At 30 September 2007	1,313,972	7,755	11,003	18,980	1,351,710
At 30 September 2006	1,323,425	9,124	10,396	1,242	1,344,187

Comparable historical cost for the land and buildings included at valuation

	£
Cost	
At 1 October 2006 & at 30 September 2007	432,282
Depreciation based on cost	
At 1 October 2006	1,575
Charge for the year	9,453
At 30 September 2007	11,028
Net book value	
At 30 September 2007	421,254
At 30 September 2006	430,707

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

8 Tangible fixed assets

(continued)

Included above are assets held under finance leases or hire purchase contracts as follows

	Motor vehicles £
Net book values	
At 30 September 2007	15,009
Depreciation charge for the year	
At 30 September 2007	5,003

9 Stocks and work in progress

2007

2006

£

£

Work in progress	11,028	16,310
Finished goods and goods for resale	116,836	100,142
	<u>127,864</u>	<u>116,452</u>

10 Debtors

2007

2006

£

£

Trade debtors	381,834	310,218
Amounts owed by parent and fellow subsidiary undertakings	15,545	-
Other debtors	800	-
Prepayments and accrued income	18,807	35,653
	<u>416,986</u>	<u>345,871</u>

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

11 Creditors amounts falling due within one year	2007 £	2006 £
Bank loans and overdrafts	76,761	-
Net obligations under hire purchase contracts	6,149	-
Trade creditors	104,176	190,996
Amounts owed to parent and fellow subsidiary undertakings	236,010	118,952
Amounts owed to subsidiary undertakings	2,872	-
Corporation tax	16,087	8,228
Other taxes and social security costs	49,625	40,417
Directors' current accounts	-	650
Other creditors	650	-
Accruals and deferred income	66,765	35,921
	<u>559,095</u>	<u>395,164</u>

The bankers have the following securities -

- (i) A right of set-off incorporated in all legal mortgages, life policies, mortgage debentures and guarantees,
- (ii) A first legal mortgage over the freehold property,
- (iii) An unscheduled mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company,
- (iv) A composite guarantee between the following - Aquatronic Group Management Plc, Aquatech Limited, Acorn Mechanical Services Limited, AGM Metalwork Limited, AGM Pump Services Limited, O S Locke limited, Engineering Safety Inspection Services Limited and Pressmain (Pressurisation) Co Limited

12 Creditors amounts falling due after more than one year	2007 £	2006 £
Net obligations under hire purchase contracts	<u>9,736</u>	<u>-</u>
Net obligations under hire purchase contracts		
Repayable within one year	15,885	-
	<u>15,885</u>	<u>-</u>
Included in liabilities falling due within one year	(6,149)	-
	<u>9,736</u>	<u>-</u>

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

13 Provisions for liabilities and charges

	Deferred tax liability £
Balance at 1 October 2006	1,605
Profit and loss account	(306)
	<u>1,299</u>
Balance at 30 September 2007	<u>1,299</u>

The deferred tax liability is made up as follows

	2007 £	2006 £
Accelerated capital allowances	<u>1,299</u>	<u>1,605</u>

14 Pension costs

Defined contribution

	2007 £	2006 £
Contributions payable by the company for the year	<u>9,200</u>	<u>792</u>

15 Share capital

	2007 £	2006 £
Authorised		
25,000 Ordinary £1 shares of £1 each	<u>25,000</u>	<u>25,000</u>
Allotted, called up and fully paid		
2,000 Ordinary £1 shares of £1 each	<u>2,000</u>	<u>2,000</u>

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

16 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 October 2006	891,658	577,791
Profit for the year	-	39,873
Dividends paid	-	(45,000)
Depreciation written back	(6,369)	-
Balance at 30 September 2007	<u>885,289</u>	<u>572,664</u>

17 Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Profit for the financial year	39,873	8,669
Dividends	(45,000)	(8,000)
Depreciation written back	(6,369)	(1,060)
Net (depletion in)/addition to shareholders' funds	(11,496)	(391)
Opening shareholders' funds	<u>1,471,449</u>	<u>1,471,840</u>
Closing shareholders' funds	<u>1,459,953</u>	<u>1,471,449</u>

18 Directors' emoluments

	2007 £	2006 £
Emoluments for qualifying services	62,524	16,784
Company pension contributions to money purchase schemes	4,200	-
	<u>66,724</u>	<u>16,784</u>

PRESSMAIN (PRESSURISATION) CO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2007

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2007 Number	2006 Number
Directors	4	4
Production	20	15
Administration	3	4
	<u>27</u>	<u>23</u>

Employment costs

	2007 £	2006 £
Wages and salaries	579,191	92,529
Social security costs	62,547	9,714
Other pension costs	9,200	792
	<u>650,938</u>	<u>103,035</u>

20 Control

The ultimate controlling party is D V Taylor a director of Aquatronic Group Management plc ,

21 Post balance sheet events

On 30 September 2007 the company ceased all trading activities. These activities were taken over by Aquatech Pressmain Limited, a fellow subsidiary company on 1 October 2007.

PRESSMAIN (PRESSURISATION) CO LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2007

		2007		2 months ended 30 September 2006
	£	£	£	£
Turnover				
Sales		1,782,399		265,230
Rent receivable		4,831		2,390
Other income		8,829		-
		<u>1,796,059</u>		<u>267,620</u>
Cost of sales				
Opening stock and work in progress	116,452		135,520	
Purchases	807,092		97,012	
Wages and salaries (excl NI)	351,625		53,475	
Employer's NI contributions	33,256		5,179	
Vehicle leasing charges	19,154		3,192	
Carriage and transport	21,200		3,416	
	<u>1,348,779</u>		<u>297,794</u>	
Closing stock and work in progress	(116,836)		(100,142)	
Closing stock of work in progress	(11,028)		(16,310)	
		<u>(1,220,915)</u>		<u>(181,342)</u>
Gross profit	32 02%	575,144	32 24%	86,278
Administrative expenses		<u>(519,555)</u>		<u>(73,371)</u>
Operating profit		55,589		12,907
Other interest receivable and similar income				
Bank interest received		1,192		68
Interest payable				
Hire purchase interest paid		<u>(555)</u>		<u>-</u>
Profit before taxation	3 13%	<u>56,226</u>	4 85%	<u>12,975</u>

PRESSMAIN (PRESSURISATION) CO LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2007

		2 months ended 30 September
	2007	2006
	£	£
Administrative expenses		
Wages and salaries (excl N I)	165,042	22,270
Directors' remuneration	62,524	16,784
Employer's N I contributions	29,291	4,535
Directors' pension costs	4,200	-
Staff pension costs	5,000	792
Staff bonuses	40,356	-
Commissions payable	3,804	-
Rates	17,987	3,991
Insurance	19,978	2,138
Light and heat	9,605	748
Cleaning	-	322
Repairs and maintenance	9,853	1,162
Service charge payable	68,010	-
Printing, postage and stationery	4,108	1,582
Advertising	6,619	120
Telephone	9,401	1,794
Hire of equipment	1,962	-
Motor running expenses	22,045	5,884
Travelling expenses	9,797	690
Legal and professional fees	603	12
Accountancy	5,860	3,690
Audit fees	2,450	2,050
Bank charges	1,215	750
Bad and doubtful debts	1,357	-
Staff welfare	-	1,455
Sundry expenses	3,065	182
Amortisation	3,084	515
Depreciation	11,476	1,905
Losses on disposal of tangibles	863	-
	<u>519,555</u>	<u>73,371</u>