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REGISTERED NUMBER: 01403551 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2010
FOR
4C GROUP LIMITED**



4C GROUP LIMITED (REGISTERED NUMBER. 01403551)

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FOR THE YEAR ENDED 31ST MARCH 2010**

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4C GROUP LIMITED (REGISTERED NUMBER 01403551)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2010**

The directors present their report with the financial statements of the company for the year ended 31st March 2010

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of managing its subsidiary companies and trading in combustion components. The subsidiaries' principal activities continued to be the manufacture, import and export of combustion components and the development and supply of products in the water management industry.

REVIEW OF BUSINESS

The year's results for the company are summarised on page 4.

The directors have continued to concentrate their efforts on developing the subsidiary companies performance, resulting in net profit after taxation and dividends of £400,040 (2009 £447,322)

At the end of the year, the company's reserves have increased to £2,887,011 (2009 £2,486,971)

DIVIDENDS

Interim dividends of £701,150 have been distributed in the year (2009 £299,410)

The directors have not yet decided whether a final dividend will be paid.

The total dividends distributed in the year were £701,150.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st April 2009 to the date of this report.

Mr H A Beer
Mr R Fenner

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.

4C GROUP LIMITED (REGISTERED NUMBER: 01403551)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST MARCH 2010**

AUDITORS

The auditors, Boler Wiseman, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:


Mr P Guppy - Secretary

Date 24 AUGUST 2010

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF 4C GROUP LIMITED

We have audited the financial statements of 4C Group Limited for the year ended 31st March 2010 on pages four to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 one, 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 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.

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 31st March 2010 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.

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.

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.



Mr Graham Mark Wiseman FCA (Senior Statutory Auditor)
for and on behalf of Boler Wiseman
Registered Auditor
8 Tollgate
Stanbridge Earls
Romsey
Hampshire
SO51 0HE

Date 24 - 09 - 2010

4C GROUP LIMITED (REGISTERED NUMBER 01403551)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2010**

	Notes	2010 £	2009 £
TURNOVER		2,311,872	1,604,686
Cost of sales		1,006,910	571,602
GROSS PROFIT		1,304,962	1,033,084
Administrative expenses		1,235,887	714,108
OPERATING PROFIT	3	69,075	318,976
Income from shares in group undertakings		907,266	474,691
Interest receivable and similar income		22,776	67,786
		930,042	542,477
		999,117	861,453
Amounts written off investments	4	(100,000)	-
		1,099,117	861,453
Interest payable and similar charges	5	3,599	3,568
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,095,518	857,885
Tax on profit on ordinary activities	6	(5,672)	111,153
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		1,101,190	746,732

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements

4C GROUP LIMITED (REGISTERED NUMBER: 01403551)

BALANCE SHEET
31ST MARCH 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	8	109,253	84,246
Investments	9	1,150,000	1,050,000
		<u>1,259,253</u>	<u>1,134,246</u>
CURRENT ASSETS			
Debtors	10	599,789	254,049
Cash at bank and in hand		1,886,528	1,654,464
		<u>2,486,317</u>	<u>1,908,513</u>
CREDITORS			
Amounts falling due within one year	11	856,954	430,788
NET CURRENT ASSETS		<u>1,629,363</u>	<u>1,477,725</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,888,616</u>	<u>2,611,971</u>
PROVISIONS FOR LIABILITIES	12	1,605	125,000
NET ASSETS		<u>2,887,011</u>	<u>2,486,971</u>
CAPITAL AND RESERVES			
Called up share capital	13	7,580	7,580
Share premium	14	425	425
Profit and loss account	14	2,879,006	2,478,966
SHAREHOLDERS' FUNDS	19	<u>2,887,011</u>	<u>2,486,971</u>

The financial statements were approved by the Board of Directors on its behalf by

24 August 2010 and were signed on

Director

The notes form part of these financial statements

4C GROUP LIMITED (REGISTERED NUMBER 01403551)**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2010**

	Notes	2010 £	2009 £
Net cash inflow from operating activities	1	120,528	826,045
Returns on investments and servicing of finance	2	926,443	538,909
Taxation		(70,528)	(69,021)
Capital expenditure and financial investment	2	(43,229)	(164,990)
Equity dividends paid		(701,150)	(299,410)
Increase in cash in the period		<u>232,064</u>	<u>831,533</u>
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>232,064</u>	<u>831,533</u>
Change in net funds resulting from cash flows		<u>232,064</u>	<u>831,533</u>
Movement in net funds in the period		232,064	831,533
Net funds at 1st April		<u>1,654,464</u>	<u>822,931</u>
Net funds at 31st March		<u>1,886,528</u>	<u>1,654,464</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2010

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2010 £	2009 £
Operating profit	69,075	318,976
Depreciation charges	18,220	19,485
(Increase)/Decrease in debtors	(338,461)	502,697
Increase/(Decrease) in creditors	371,694	(15,113)
Net cash inflow from operating activities	120,528	826,045

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2010 £	2009 £
Returns on investments and servicing of finance		
Interest received	22,776	67,786
Interest paid	(3,599)	(3,568)
Dividends received	907,266	474,691
Net cash inflow for returns on investments and servicing of finance	926,443	538,909
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(43,229)	(14,990)
New loan in year	-	(150,000)
Net cash outflow for capital expenditure and financial investment	(43,229)	(164,990)

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 4 09 £	Cash flow £	At 31 3 10 £
Net cash			
Cash at bank and in hand	1,654,464	232,064	1,886,528
	<u>1,654,464</u>	<u>232,064</u>	<u>1,886,528</u>
Total	<u>1,654,464</u>	<u>232,064</u>	<u>1,886,528</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2010**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents the net invoiced value of goods arising from ordinary activities net of discounts and 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

Freehold property	- 4% on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Research and development

Expenditure on research and development is written off in the year in which it is incurred

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets held under hire purchase agreements, which transfer substantially all the risks and rewards of ownership to the company, are capitalised. The capital element of the related obligations is included in creditors. The interest element of obligations is charged to the profit and loss account on the basis of amounts payable during the year.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable in respect of employees of the company are charged in the company's profit and loss account.

Consolidation

The financial statements contain information about 4C Group Limited as an individual company and do not contain consolidated information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements because the group it heads qualifies as a medium-sized group.

Investments and investment income

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

Investment income comprises dividends and interest receivable and is accounted for on a receivable basis.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

2 STAFF COSTS

	2010	2009
	£	£
Wages and salaries	841,708	395,357
Social security costs	94,298	61,282
Other pension costs	17,016	16,209
	<u>953,022</u>	<u>472,848</u>

The average monthly number of employees during the year was as follows

	2010	2009
Administration	4	4
Sales	3	3
	<u>7</u>	<u>7</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	2010	2009
	£	£
Other operating leases	31,538	31,466
Depreciation - owned assets	18,221	19,485
Auditors' remuneration	11,000	12,000
Auditors' remuneration for non audit work	22,754	5,605
Foreign exchange differences	246	14,340
	<u>261,161</u>	<u>166,775</u>

The number of directors to whom retirement benefits were accruing was as follows

	2010	2009
Money purchase schemes	<u>1</u>	<u>1</u>

The amount of contributions paid in respect of the group's defined contribution pension scheme were £17,016 (2009 £16,209)

Information regarding the highest paid director for the year ended 31st March 2010 is as follows

	2010
	£
Emoluments etc	<u>244,339</u>

4 AMOUNTS WRITTEN OFF INVESTMENTS

	2010	2009
	£	£
Amounts written off investment	<u>(100,000)</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Bank interest	52	3,295
Interest payable HMRC	3,547	273
	<u>3,599</u>	<u>3,568</u>

6 TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows

	2010	2009
	£	£
Current tax		
UK corporation tax	-	70,528
Group relief	(7,277)	-
Prior year tax	-	40,625
Total current tax	<u>(7,277)</u>	<u>111,153</u>
Deferred tax		
Accelerated capital allowances	6,388	-
Available losses	(4,783)	-
Total deferred tax	<u>1,605</u>	<u>-</u>
Tax on profit on ordinary activities	<u>(5,672)</u>	<u>111,153</u>

UK corporation tax has been charged at 21% (2009 - 27.66%)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

6 TAXATION - continued

Factors affecting the tax (credit)/charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2010 £	2009 £
Profit on ordinary activities before tax	1,095,518	857,885
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2009 - 27.689%)	230,059	237,540
Effects of		
Dividends not subject to Corporation Tax	(190,526)	(131,437)
Provision written back on investments	(21,000)	-
Permanently disallowed items	1,165	287
Re prior year	-	40,625
Available losses	4,783	-
Directors remuneration now paid	(26,250)	(34,611)
Depreciation less capital allowances	(5,508)	(1,251)
Current tax (credit)/charge	(7,277)	111,153

7 DIVIDENDS

	2010 £	2009 £
Ordinary shares of £1 each		
Interim	701,150	299,410

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

8 TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1st April 2009	211,000	2,708	300,911
Additions	-	-	37,807
At 31st March 2010	211,000	2,708	338,718
DEPRECIATION			
At 1st April 2009	163,060	1,462	287,921
Charge for year	3,940	369	6,294
Eliminated on disposal	-	-	-
At 31st March 2010	167,000	1,831	294,215
NET BOOK VALUE			
At 31st March 2010	44,000	877	44,503
At 31st March 2009	47,940	1,246	12,990

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st April 2009	12,200	124,822	651,641
Additions	-	5,422	43,229
Disposals	-	(3,137)	(3,137)
At 31st March 2010	12,200	127,107	691,733
DEPRECIATION			
At 1st April 2009	3,813	111,140	567,396
Charge for year	3,050	4,568	18,221
Eliminated on disposal	-	(3,137)	(3,137)
At 31st March 2010	6,863	112,571	582,480
NET BOOK VALUE			
At 31st March 2010	5,337	14,536	109,253
At 31st March 2009	8,387	13,682	84,245

9 FIXED ASSET INVESTMENTS

	2010 £	2009 £
Shares in group undertakings	300,000	200,000
Loans to group undertakings	850,000	850,000
	<u>1,150,000</u>	<u>1,050,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

9 FIXED ASSET INVESTMENTS - continued

Additional information is as follows

	Shares in group undertakings £
COST	
At 1st April 2009 and 31st March 2010	300,000
PROVISIONS	
At 1st April 2009	100,000
Provision written back	(100,000)
At 31st March 2010	-
NET BOOK VALUE	
At 31st March 2010	300,000
At 31st March 2009	200,000

The company's investments at the balance sheet date in the share capital of companies include the following

Albion Applications Limited

Nature of business Combustion Components

	% holding	2010 £	2009 £
Class of shares	100.00		
Ordinary			
Aggregate capital and reserves		1,028,034	1,077,266
Profit for the year		858,034	717,266

Albion Distribution Limited

Nature of business Combustion components

	% holding	2010 £	2009 £
Class of shares	100.00		
Ordinary			
Aggregate capital and reserves		564,327	407,020
Profit for the year		157,307	168,462

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

9 FIXED ASSET INVESTMENTS - continued

Albion Water Management Limited

Nature of business Combustion components

Class of shares	% holding	2010	2009
Ordinary	100.00	£	£
Aggregate capital and reserves		134,846	114,837
Profit for the year		20,009	24,171
			Loans to group undertakings £
At 1st April 2009 and 31st March 2010			850,000

10 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Trade debtors	478,092	235,572
Amounts owed by group undertakings	78,162	7,457
Other debtors	27,525	1,038
Tax	7,277	-
Prepayments and accrued income	8,733	9,982
	599,789	254,049

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010	2009
	£	£
Trade creditors	27,535	55,348
Amounts owed to group undertakings	302,106	52,088
Tax	-	70,528
Social security and other taxes	367,038	133,324
VAT	97,488	24,481
Other creditors	9,872	18,000
Accruals and deferred income	52,915	77,019
	856,954	430,788

12 PROVISIONS FOR LIABILITIES

	2010	2009
	£	£
Deferred tax		
Accelerated capital allowances	6,388	-
Available losses	(4,783)	-
	1,605	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

		2010 £	2009 £
Other provisions			
Other provisions		-	125 000
		<u>-</u>	<u>125 000</u>
Aggregate amounts		1,605	125,000
		<u>1,605</u>	<u>125,000</u>
		Deferred tax £	Other provisions £
Balance at 1st April 2009		-	125,000
Accelerated capital allowances		6,388	-
Losses carried forward		(4,783)	-
Remuneration now paid		-	(125,000)
		<u>-</u>	<u>(125,000)</u>
Balance at 31st March 2010		1,605	-
		<u>1,605</u>	<u>-</u>
13 CALLED UP SHARE CAPITAL			
Allotted issued and fully paid			
Number Class	Nominal value	2010 £	2009 £
7,580 Ordinary	£1	7,580	7,580
		<u>7,580</u>	<u>7,580</u>
14 RESERVES			
	Profit and loss account £	Share premium £	Totals £
At 1st April 2009	2,478 966	425	2,479,391
Profit for the year	1,101 190		1,101,190
Dividends	(701,150)		(701,150)
	<u>2,879,006</u>	<u>425</u>	<u>2,879,431</u>
At 31st March 2010	2,879,006	425	2,879,431
	<u>2,879,006</u>	<u>425</u>	<u>2,879,431</u>
15 ULTIMATE PARENT COMPANY			

The company's ultimate parent undertaking is Albion 4C Limited a company incorporated in England. Copies of its accounts are available from its registered office 8 Tollgate, Stanbridge Earls, Romsey, SO51 0HE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

16 CONTINGENT LIABILITIES

The bank facilities of other group undertakings have been cross-guaranteed by the company, and are secured by a legal mortgage over the freehold property and fixed and floating charges over the assets of the company

The amounts outstanding on these facilities at the balance sheet date were

	2010	2009
	£	£
4C Group Ltd	-	-
Albion Applications Ltd	1,088,263	729,724
Albion Distribution Ltd	76,267	281,955
Albion Water Management Ltd	-	43,508

17 RELATED PARTY DISCLOSURES

At the balance sheet date the company had balances with fellow group companies as follows

	2010	2009
	£	£
Due from/(to) Albion 4C Ltd	1,190	1,095
Due from/(to) Albion Water Management Ltd	10,215	2,723
Due from/(to) Albion Applications Ltd	(302,105)	(52,088)
Due from/(to) Albion Distribution Ltd	3,229	2,816
Loan to Albion Applications Ltd	500,000	500,000
Loan to Albion Water Management Ltd	62,122	-
Loan to Albion Distribution Ltd	350,000	350,000

The company dealt with its fellow group companies as follows

	2010	2009
	£	£
ALBION APPLICATIONS LTD		
Management charges to	230,423	257,049
Purchases from	919,891	501,586
Administration charges to	71,000	65,000
Interest charges to	12,500	45,550
ALBION WATER MANAGEMENT LTD		
Management charges to	18,467	20,598
Administration charges to	20,900	16,500
ALBION DISTRIBUTION LTD		
Management charges to	53,579	50,639
Administration charges to	3,600	-
Interest charges to	8,750	11,386
Purchases from	8,229	-

18 ULTIMATE CONTROLLING PARTY

In the opinion of the directors the shareholders of Albion 4C Limited are the controlling party

4C GROUP LIMITED (REGISTERED NUMBER 01403551)

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST MARCH 2010

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010	2009
	£	£
Profit for the financial year	1 101,190	746,732
Dividends	(701,150)	(299,410)
Net addition to shareholders' funds	400,040	447,322
Opening shareholders' funds	2 486,971	2,039,649
Closing shareholders' funds	2,887,011	2,486,971