

VALPIPE INTERNATIONAL LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1995



A05 *AW7BFQF8* 577

COMPANIES HOUSE 06/11/96

COMPANIES HOUSE 31/10/96

VALPIPE INTERNATIONAL LIMITED

COMPANY INFORMATION

Director	J I Arana
Secretary	J Arana Aguirre
Company Number	1476203
Registered Office	Unit 6 Phoenix Court Hawkins Road Colchester Essex CO2 8JY
Auditors	Louis Pace & Co. 7a Magdalen Street St. Botolph's Circus Colchester Essex CO1 2JT
Bankers	National Westminster Bank plc 25 High Street Colchester Essex CO1 1DT Barclays Bank plc 9 High Street Colchester Essex CO1 1DD Barclays Bank SA Alameda Recalde, 36 48009 BILBAO Spain

VALPIPE INTERNATIONAL LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1995

The director presents his report together with the audited accounts for the year ended 31st December 1995.

Principal Activities

The company's principal activity continued to be that of selling engineering equipment.

Director

The director who served during the year and his beneficial interest in the company's issued share capital was:
Ordinary shares of £1 each

J I Arana

31st December 1995
99,999

1st January 1995
999

Political and Charitable Contributions

The company made no political or charitable contributions during the year.

Issue of Shares

99,000 ordinary shares of £1 each were issued during the year, unpaid at the year end.

Director's Responsibilities

Company law requires the director to prepare accounts for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these accounts the director is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

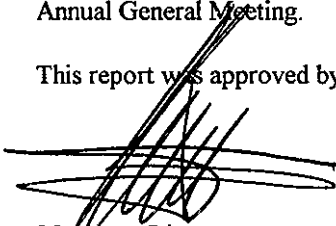
Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable him to ensure the accounts comply with the Companies Act 1985. He is 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.

Auditors

The Auditors, Louis Pace & Co. Chartered Accountants, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

This report was approved by the board on 21st October 1996, taking advantage of special exemptions available to small companies.



J I Arana, Director

AUDITORS' REPORT TO THE

DIRECTOR OF VALPIPE INTERNATIONAL LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 4 to 7 together with the accounts of VALPIPE INTERNATIONAL LIMITED prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1995.

Respective Responsibilities of Director and Auditors

The director is responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 2 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of Opinion

We have carried out procedures we considered necessary to confirm, by reference to the audited accounts, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those accounts. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full accounts.

Opinion

In our opinion the company is entitled under Sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st December 1995, and the abbreviated accounts have been properly prepared in accordance with that Schedule.

Other Information

On 21st October 1996 we reported, as auditors of VALPIPE INTERNATIONAL LIMITED, to the members on the accounts prepared under section 226 of the Companies Act 1985 for the year ended 31st December 1995, and our audit report was as follows:

Respective Responsibilities of Director and Auditors

As described on page 2 the company's director is responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 the information in the accounts.

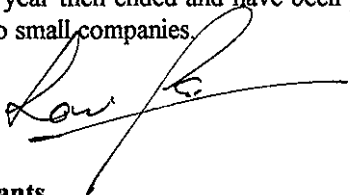
AUDITORS' REPORT TO THE

DIRECTOR OF VALPIPE INTERNATIONAL LIMITED

PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December 1995 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



**Louis Pace & Co.
Chartered Accountants
and Registered Auditors**

7a Magdalen Street
St. Botolph's Circus
Colchester

Essex

CO1 2JT

21st October 1996

VALPIPE INTERNATIONAL LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST DECEMBER 1995

	Notes	1995	1994
		£	£
Fixed Assets	2		
Tangible Fixed Assets		6,166	16,668
Fixed Asset Investments		1	-
		<u>6,167</u>	<u>16,668</u>
Current Assets			
Stock and work in progress		22,550	26,926
Debtors	3	991,792	668,637
Cash at bank and in hand		63,272	56,158
		<u>1,077,614</u>	<u>751,721</u>
Creditors: Amounts Falling Due Within One Year		<u>(1,082,239)</u>	<u>(840,200)</u>
Net Current Liabilities		<u>(4,625)</u>	<u>(88,479)</u>
Total Assets Less Current Liabilities		<u>1,542</u>	<u>(71,811)</u>
Capital and Reserves			
Share capital - equity	4	100,000	1,000
Profit and loss account		(98,458)	(72,811)
Shareholders' Funds		<u>1,542</u>	<u>(71,811)</u>

The director has taken advantage, in the preparation of these accounts, of special exemptions applicable to small companies under Schedule 8 Part I of the Companies Act 1985 on the grounds that, in the opinion of the director, the company qualifies as a small company and is entitled to make use of the special exemptions.

In preparing these abbreviated accounts the director has taken advantage of the exemptions conferred by Schedule 8 Part III A of the Companies Act 1985, and has done so on the grounds that, in his opinion, the company qualifies as a small company and is entitled to make use of the exemptions.

These accounts were approved by the board on 21st October 1996 and signed on its behalf.


J. J. Arana
Director

VALPIPE INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1995

1 Accounting Policies

Basis of Accounting

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention except that freehold properties are shown at their revalued amounts.

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments by reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Motor vehicles	25% per annum on cost
Fixtures and fittings	25% per annum on written down value
Computer equipment	25% per annum on written down value

Investments

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.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Where exchange differences result from the translation of foreign currency borrowings raised to acquire foreign assets they are taken to reserves and offset against the differences arising from the translation of those assets. All other exchange differences are dealt with through the profit and loss account.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss Account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and Loss Account on a straight line basis over the lease term.

VALPIPE INTERNATIONAL LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1995

5 Exceptional Items

1995	1994
£	£
(21,700)	(12,077)
(21,700)	(12,077)

Other exceptional items

Loss on trade investment. This represents the balance of called up share capital due on cancelled share capital, which was subscribed to in the previous year in an unlisted company registered in Spain.

6 Transactions with Director

The company trades with other companies in which Mr J I Arana is a substantial shareholder and a director. The trade is on normal commercial terms and in the case of the companies which share the same premises involves the sharing of establishment costs.

The value of these transactions are as follows for each company:

Fluval (UK) Ltd	Purchases	£17,141	Sales	£706,971	Balance (net debtor)	£69,906
BEP (UK) Int. Ltd	Management charges	£24,000	Sales	£9,882	Purchases	£6,376
					Balance (net creditor)	£18,209