

BARR + WRAY GROUP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2008

Company Registration Number SC276252

SATURDAY



SOEPW76S

SCT

07/02/2009

1220

COMPANIES HOUSE

Tenon Limited
Accountants and Business Advisers
2 Blythwood Square
Glasgow
G2 4AD

BARR + WRAY GROUP LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2008

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditor's report to the members	4 to 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 to 13

BARR + WRAY GROUP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 30 SEPTEMBER 2008

The board of directors	D Gunn I Montgomerie N MacDonald A A MacDonald
Company secretary	I Montgomerie
Business address	324 Drumoyne Road Glasgow G51 4DY
Registered office	324 Drumoyne Road Glasgow G51 4DY
Auditor	Tenon Audit Limited Registered Auditor 2 Blythswood Square Glasgow G2 4AD
Accountants	Tenon Limited Accountants and Business Advisers 2 Blythswood Square Glasgow G2 4AD
Bankers	Clydesdale Bank plc 20 Waterloo Street Glasgow G2 6DB

BARR + WRAY GROUP LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2008

The directors present their report and the financial statements of the company for the year ended 30 September 2008.

Principal activity and business review

The principal activity of the company during the year was that of a holding company.

The results for the year and the financial position of the company are shown in the annexed financial statements. The results of the trading subsidiary, Barr + Wray Limited, for the year to 30 September 2008 are disclosed in note 7 to the financial statements.

The order book at the end of September 2008 provides the opportunity for continued growth in 2009.

Results and dividends

The profit for the year amounted to £419,063. Particulars of dividends paid are detailed in note 6 to the financial statements.

Financial risk management objectives and policies

The company finances its operations through a bank loan. Management's objectives are to:

- retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due;
- match the repayment schedule of any external borrowings with the expected future cash flows arising from the group's trading activities.

Hedge accounting is not used by the company.

The company's borrowings are in a variable rate loan which allow the company to take advantage of any falls in the UK base interest rate. The directors are comfortable that the group has sufficient headroom to absorb any further base rate rises without materially affecting its financial commitments.

Directors

The directors who served the company during the year were as follows:

D Gunn
I Montgomerie
N MacDonald
G C Carey
A A MacDonald

G C Carey resigned as a director on 31 December 2007.

Directors' responsibilities

The directors are responsible for preparing the Annual Report 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). 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 these financial statements, the directors are required to:

BARR + WRAY GROUP LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2008

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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 which 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.

In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

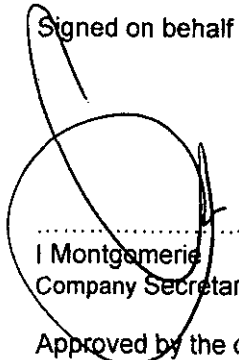
Purchase of own shares

The company purchased 18,750 of its £1 shares on 28 March 2008 for a consideration of £299,063. The shares were purchased from a former director for the purposes of his exit from the business. At the time of purchase this represented 9.38% of the called up share capital.

Auditor

A resolution to re-appoint Tenon Audit Limited as the company's auditor will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Signed on behalf of the directors


.....
I Montgomerie
Company Secretary

Approved by the directors on 27/1/09

BARR + WRAY GROUP LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARR +
WRAY GROUP LIMITED
YEAR ENDED 30 SEPTEMBER 2008

We have audited the financial statements of Barr + Wray Group Limited on pages 6 to 13 for the year ended 30 September 2008. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 an auditor's report 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 auditor

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

BARR + WRAY GROUP LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BARR +
WRAY GROUP LIMITED** *(continued)*

YEAR ENDED 30 SEPTEMBER 2008

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 2008 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.

Tenon Audit Limited

Tenon Audit Limited
Registered Auditor
2 Blythwood Square
Glasgow
G2 4AD

Date:- 4/2/09

BARR + WRAY GROUP LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2008

	Note	2008 £	2007 £
Turnover		—	—
Administrative expenses		(18,600)	(20,688)
Other operating income	2	<u>37,157</u>	<u>47,631</u>
Operating profit		18,557	26,943
Income from shares in group undertakings	4	420,563	100,000
Interest payable and similar charges	5	<u>(20,057)</u>	<u>(26,943)</u>
Profit on ordinary activities before taxation		419,063	100,000
Tax on profit on ordinary activities		—	—
Profit for the financial year		<u>419,063</u>	<u>100,000</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 9 to 13 form part of these financial statements.

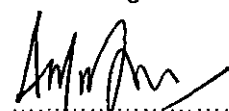
BARR + WRAY GROUP LIMITED

BALANCE SHEET

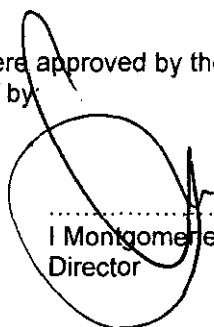
30 SEPTEMBER 2008

	Note	2008 £	£	2007 £	£
Fixed assets					
Investments	7		771,799		771,799
Current assets					
Cash at bank		11		1	
Creditors: Amounts falling due within one year	8	(101,327)		(102,110)	
Net current liabilities			(101,316)		(102,109)
Total assets less current liabilities			670,483		669,690
Creditors: Amounts falling due after more than one year	9		(470,483)		(469,690)
			<u>200,000</u>		<u>200,000</u>
Capital and reserves					
Called-up share capital	11		181,250		200,000
Other reserves	12		18,750		-
Shareholders' funds	14		<u>200,000</u>		<u>200,000</u>

These financial statements were approved by the directors and authorised for issue on 27/1/09 and are signed on their behalf by:



A A MacDonald
Director



I Montgomerie
Director

The notes on pages 9 to 13 form part of these financial statements.

BARR + WRAY GROUP LIMITED
CASH FLOW STATEMENT
YEAR ENDED 30 SEPTEMBER 2008

		2008		2007	
	Note	£	£	£	£
Net cash inflow from operating activities	15		17,774		26,943
Returns on investments and servicing of finance					
Income from group undertakings		420,563		100,000	
Interest paid		<u>(20,057)</u>		<u>(26,943)</u>	
Net cash inflow from returns on investments and servicing of finance			400,506		73,057
Equity dividends paid			<u>(120,000)</u>		<u>(100,000)</u>
Cash inflow before financing			298,280		-
Financing					
Purchase of own equity shares		(18,750)		-	
Premium on purchase of own equity shares		(280,313)		-	
Repayment of bank loans		(100,000)		(100,000)	
Amounts advanced from group undertakings		<u>100,793</u>		<u>100,000</u>	
Net cash outflow from financing			<u>(298,270)</u>		-
Increase in cash	15		<u>10</u>		-

The notes on pages 9 to 13 form part of these financial statements.

BARR + WRAY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2008

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, or a right to receive repayments of tax.

Deferred tax is measured on a non-discounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement.

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period to the due date for repayment of the financial liability.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. A financial liability is any contractual arrangement for an entity to deliver cash to the holder of the associated financial instrument.

Fixed asset investments

Fixed asset investments are included at cost less provision for permanent impairment.

2. Other operating income

	2008	2007
	£	£
Management charges receivable	37,157	47,631

3. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	2008	2007
	£	£
Aggregate emoluments	17,100	20,688

BARR + WRAY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2008

4. Income from shares in group undertakings

	2008 £	2007 £
Dividend received from Barr + Wray Holdings Limited	420,563	100,000

5. Interest payable and similar charges

	2008 £	2007 £
Interest payable on bank borrowing	20,057	26,943

6. Dividends

Equity dividends

	2008 £	2007 £
Paid during the year		
Equity dividends on ordinary shares	120,000	100,000

7. Investments

**Shares in
group
undertakings
£**

Cost	
At 1 October 2007 and 30 September 2008	771,799
Net book value	
At 30 September 2008	771,799
At 30 September 2007	771,799

The company owns 100% of the issued share capital of the companies listed below

Nature of business

Barr + Wray Holdings Limited - Holding company
Barr + Wray Limited - Water engineering
Barr + Wray FZ LLC - Water engineering (incorporated in the United Arab Emirates)

	2008 £	2007 £
Aggregate capital and reserves		
Barr + Wray Holdings Limited	656,583	656,583
Barr + Wray Limited	2,548,547	2,225,862
Barr + Wray FZ LLC	Statutory accounts not yet available	

Profit and (loss) for the year

Barr + Wray Holdings Limited	420,563	100,000
Barr + Wray Limited	805,168	558,030
Barr + Wray FZ LLC	Statutory accounts not yet available	

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

BARR + WRAY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2008

8. Creditors: Amounts falling due within one year

	2008	2007
	£	£
Bank loans and overdrafts	100,000	100,000
Accruals and deferred income	1,327	2,110
	<u>101,327</u>	<u>102,110</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2008	2007
	£	£
Bank loans and overdrafts	<u>100,000</u>	<u>100,000</u>

9. Creditors: Amounts falling due after more than one year

	2008	2007
	£	£
Bank loans and overdrafts	125,000	225,000
Amounts owed to group undertakings	345,483	244,690
	<u>470,483</u>	<u>469,690</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2008	2007
	£	£
Bank loans and overdrafts	<u>125,000</u>	<u>225,000</u>

The bank loan is secured by a standard security and floating charge over the company's assets. The loan is repayable in quarterly instalments of £25,000 over 6 years and bears interest at 1.75% over base rate.

10. Related party transactions

During the year the company raised a management fee of £37,157 (2007 - £47,631) to its wholly owned subsidiary, Barr + Wray Limited.

The amounts owed to group undertakings of £345,483 (2007 - £244,690) represent balances due to Barr + Wray Holdings Limited of £72,865 (2007 - £72,865) and £272,618 (2007 - £171,825) to Barr + Wray Limited at 30 September 2008. These balances are unsecured and interest free. The movement in the year represents cash advances from Barr + Wray Limited and management charges raised to that company. Repayment of intra group balances has been indefinitely postponed by all group companies.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

BARR + WRAY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2008

11. Share capital

Authorised share capital:

	2008	2007
	£	£
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>

Allotted, called up and fully paid:

	2008		2007
	No	£	No
			£
Ordinary shares of £1 each	<u>181,250</u>	<u>181,250</u>	<u>200,000</u>
			<u>200,000</u>

12. Other reserves

	2008	2007
	£	£
Capital redemption reserve:		
Purchase of own shares	<u>18,750</u>	<u>-</u>

13. Profit and loss account

	2008	2007
	£	£
Profit for the financial year	419,063	100,000
Equity dividends	(120,000)	(100,000)
Purchase of own shares	(299,063)	-
	<u>-</u>	<u>-</u>
Balance carried forward	<u>-</u>	<u>-</u>

14. Reconciliation of movements in shareholders' funds

	2008		2007
	£	£	£
Profit for the financial year		419,063	100,000
Purchase of own ordinary shares	(18,750)	-	
Premium on purchase of own ordinary shares	(280,313)	-	
Equity dividends	(120,000)	(100,000)	
		<u>(419,063)</u>	<u>(100,000)</u>
Net addition to shareholders' funds		<u>-</u>	<u>-</u>
Opening shareholders' funds		<u>200,000</u>	<u>200,000</u>
Closing shareholders' funds		<u>200,000</u>	<u>200,000</u>

BARR + WRAY GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2008

15. Notes to the statement of cash flows

Reconciliation of operating profit to net cash inflow from operating activities

	2008 £	2007 £
Operating profit	18,557	26,943
Decrease in creditors	(783)	—
Net cash inflow from operating activities	<u>17,774</u>	<u>26,943</u>

Reconciliation of net cash flow to movement in net debt

	2008 £	2007 £
Increase in cash in the period	10	—
Net cash outflow from bank loans	100,000	100,000
Net cash (inflow) from long-term amounts owed to group undertakings	(100,793)	(100,236)
Change in net debt	<u>(783)</u>	<u>(236)</u>
Net debt at 1 October 2007	(569,689)	(569,453)
Net debt at 30 September 2008	<u>(570,472)</u>	<u>(569,689)</u>

Analysis of changes in net debt

	At 1 October 2007 £	Cash flows £	At 30 September 2008 £
Net cash:			
Cash in hand and at bank	1	10	11
Debt:			
Debt due within 1 year	(100,000)	—	(100,000)
Debt due after 1 year	(469,690)	(793)	(470,483)
	<u>(569,690)</u>	<u>(793)</u>	<u>(570,483)</u>
Net debt	<u>(569,689)</u>	<u>(783)</u>	<u>(570,472)</u>

16. Ultimate controlling party

The company was under the control of its ordinary shareholders during the year. No individual shareholder has overall control of the company.