

B.I.S. VALVES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

Registered no. 826821

STEPHEN PENNY AND PARTNERS
898-902 WIMBORNE ROAD
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B.I.S. VALVES LIMITED

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B.I.S. VALVES LIMITED

AUDITORS' REPORT TO B.I.S. VALVES LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 6 for the year ended 31 December 2002 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 6 properly prepared in accordance with those provisions.



STEPHEN PENNY AND PARTNERS
Registered Auditors

Date: 12th June 2003

898-902 WIMBORNE ROAD
MOORDOWN
BOURNEMOUTH
BH9 2DW

B.I.S. VALVES LIMITED

ABBREVIATED BALANCE SHEET AT 31 DECEMBER 2002

	Note	2002 £	2001 £
FIXED ASSETS	2		
Tangible assets		395,137	423,766
CURRENT ASSETS			
Stocks		179,780	199,828
Debtors		242,544	361,760
Cash at bank and in hand		102,909	58,143
		<u>525,233</u>	<u>619,731</u>
CREDITORS			
Amounts falling due within one year		<u>215,765</u>	<u>274,501</u>
NET CURRENT ASSETS		<u>309,468</u>	<u>345,230</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>704,605</u>	<u>768,996</u>
CREDITORS			
Amounts falling due after more than one year	3	363,928	72,236
PROVISIONS FOR LIABILITIES AND CHARGES		(42,868)	(53,007)
NET ASSETS		<u><u>297,809</u></u>	<u><u>643,753</u></u>
CAPITAL AND RESERVES			
Called up share capital	4	294,490	1,000
Other reserves		306,510	-
Profit and loss account		(303,191)	642,753
SHAREHOLDERS' FUNDS		<u><u>297,809</u></u>	<u><u>643,753</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board on 11th June 2003

ON BEHALF OF THE BOARD

MR D.J. KELLY - DIRECTOR



The annexed notes form part of these financial statements.

B.I.S. VALVES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Turnover

The company's turnover represents the value, excluding Value Added Tax, of goods and services supplied to customers during the year.

Basis of Preparation of Financial Statements

The full financial statements from which these abbreviated accounts have been extracted, have been prepared in accordance with the Financial Reporting Standard for Small Entities (effective June 2002) under the historical cost convention.

The effect of events in relation to the year ended 31 December 2002 which occurred before the date of approval of the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31 December 2002 and of the results for the year ended on that date.

Depreciation

Depreciation has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates:

Freehold buildings	- 2% per annum of cost
Leasehold property	- equal instalments over the period of the lease
Plant and machinery	- 15% per annum of cost
Computer equipment	- 25% per annum of cost

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Deferred Taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may crystallise.

Research and Development

Expenditure on research and development is written off against profits for the year in which it is incurred.

B.I.S. VALVES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONT)

Leasing

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges, are included in creditors.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension Costs

The company operates a pension scheme for the benefit of all its employees. The scheme is a defined contribution scheme, and the contributions are charged against profits as they are paid.

B.I.S. VALVES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONT)

2. FIXED ASSETS

	Tangible fixed assets £
Cost	
At 1 January 2002	756,484
Additions	19,537
Revaluations	-
Disposals	-
Intra group transfers	-
At 31 December 2002	<u>776,021</u>
Depreciation	
At 1 January 2002	332,717
Charge for the year	48,167
Disposals	-
Revaluations	-
Intra group transfers	-
At 31 December 2002	<u>380,884</u>
Net book value	
At 31 December 2002	<u>395,137</u>
At 31 December 2001	<u>423,766</u>

3. CREDITORS

Included in creditors are the following:

	2002 £	2001 £
Repayable by instalments amounts falling due after five years	<u>178,795</u>	<u>-</u>

At 31 December 2002, liabilities amounting to £425,730 (2001 - £120,476) were secured.

B.I.S. VALVES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002 (CONT)

4. SHARE CAPITAL

	2002 £	2001 £
Authorised		
1,000,000 ordinary shares of £1 each	1,000,000	1,000
	=====	=====
Allotted, called up and fully paid		
294,490 ordinary shares of £1 each	294,490	1,000
	=====	=====

During the year the company increased its authorised share capital from £1,000 to £1,000,000 by the creation of 999,000 ordinary shares of £1 each. Each new share ranks pari passu with the existing ordinary shares. The company also issued 600,000 bonus issue shares at £1 each to the directors at the rate of 600 for every ordinary share already held at 28th August 2002. The £600,000 was paid out of the company's accumulated revenue reserves.

5. TRANSACTIONS WITH DIRECTORS

Transactions with Directors

The company's premises at unit 19 and 22, Kingfisher Park, Three Cross Road, West Moors, Wimborne, Dorset are leased from the Directors' Retirement Benefit Scheme at an annual rental of £15,000 and £6,350 respectively. The trustees of the scheme are Mr D.J. Kelly and Mr M.D. Smith.