

FILTRATION ENGINEERING LIMITED

**The Mill
Brock Road
Chorley
Lancashire
PR6 0DB**

Accounts for the year ended 31 March 1995

PREMIER ACCOUNTS



FILTRATION ENGINEERING LTD

DIRECTORS REPORT

ACTIVITIES

During the first year of trading the company performed well. The company purchased almost all its products from the associated company, Lefco Ltd. Therefore Filtration Engineering Ltd operated as the sales and marketing function. A good position has been established within the market place during the first year of operation. New business leads have been struck with large corporates and it is envisaged that this position can be further strengthened in 1995. The net profit before tax was equal to 33% of the turnover.

RESULTS AND DIVIDENDS

Profitability during the first year of trading was acceptable and the directors consider that this level of achievement will act as a good platform for further growth in 1995/96. A proposed dividend was declared, payable to the two principal shareholders.

DIRECTORS

The Share Capital of £100 consisted of the following:-

Mr R S Wray	70 Shares at £1 each
Mr M A Smith	30 Shares at £1 each

Both directors also hold directorships in the associated company, Lefco Ltd.

AUDITORS

A resolution proposing the re-appointment of Premier Accounts, Sale will be put to the members at the Annual General Meeting.

PREMIER ACCOUNTS



FILTRATION ENGINEERING LTD

AUDITORS REPORT
TO THE DIRECTORS OF FILTRATION ENGINEERING LTD

We have audited the financial statements for the first year of trading. In addition to the normal auditing procedures we have satisfied ourselves that the practices being used are consistent and reflect a true and fair position of the business to date.

The information provided by Filtration Engineering Ltd to substantiate their accounts was concisely prepared and a full reconciliation with the cash and bank statements was made. The directors assurances were requested in certain instances and found to be properly reflected in the records.

Mention has been made of the company associated to Filtration Engineering Ltd, namely Lefco Ltd. We are satisfied that all transactions between the two companies have been dealt with in a precise manner and do not in any way distort the accounts of either company.

It is therefore my belief that these accounts give a true and fair view of the state of the company's affairs and have been prepared to comply with the Companies Acts.

T E Williams A C M A
Premier Accounts
92 Carrington Lane
Sale
Cheshire
M33 5NG

Williams

FILTRATION ENGINEERING LTD

STATUTORY PROFIT AND LOSS ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1995

	£
TURNOVER	302830
<u>Less</u> COST OF SALES	132146

	170684
<u>Less</u> Administration Costs	69782

PROFIT BEFORE TAX	100902
Taxation	25226

PROFIT AFTER TAX	75676
Proposed Dividends	36820

RETAINED PROFIT FOR THE YEAR	38856
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Note

Administration costs do not include any charges for Director remuneration or Audit fees. These have been borne by the associated company Lefco Ltd and a management charge to cover costs of this nature has been administered from that company.

PREMIER ACCOUNTS



FILTRATION ENGINEERING LTD

BALANCE SHEET AS AT 31 MARCH 1995

£

WORKING CAPITAL

Debtors	84305	
Bank deposits	<u>44432</u>	128737

Less

Creditors and Accruals	55464	
Taxation Reserve	26067	
Proposed Dividends	<u>8250</u>	<u>89781</u>
		<u>38956</u>

CAPITAL

Share Capital		100
Profit and Loss Account		<u>38856</u>
		<u>38956</u>

PREMIER ACCOUNTS



FILTRATION ENGINEERING LTD

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The accounts comply with the normal standards required for Limited Companies. Stock and Work in Progress values have been based on the lower of cost or net realisable value.

2. SHARE CAPITAL

Ordinary Shares of £1 each

Authorised	Issued and Fully Paid
100	100
Issued shares - Mr R S Wray	70
- Mr M A Smith	30

3. EMPLOYMENT COSTS

All sub-contractors have produced evidence of their exemption certificates thereby eliminating the necessity to deduct tax at source. Wage costs and directors remuneration have been borne by the associated company, Lefco Ltd.

4. CORPORATION TAX

U K Corporation tax at the small companies rate of 25% has been provided on the adjusted results of the company.

5. CREDITORS

Trade creditors are short term which should be repaid within six months. The Taxation Reserve covers the liability for VAT, Corporation tax and ACT due.

6. PROFIT AND LOSS ACCOUNT

The retained profit of £38856 for the year has been placed into reserve. This is the first year of operation for the company.

PREMIER ACCOUNTS