
ACP WATER TREATMENT LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 1999



ACP WATER TREATMENT LIMITED

Company Information

Directors	A Ripley C B Wakeford
Secretary	A Ripley
Company Number	2902353
Registered Office	5A Southbank Thames Ditton Surrey KT7 0UD
Auditors	Anthony J Williams Chartered Accountants & Registered Auditor Headley House Headley Road Grayshott Hindhead Surrey GU26 6TU

ACP WATER TREATMENT LIMITED

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ACP WATER TREATMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 1999

The directors present their report and the financial statements for the year ended 31 December 1999.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Principal activities

The company's principal activity during the period was the renovation of storage tanks and cooling towers to ensure that the water quality conformed with current legislation..

Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	<u>Ordinary shares of £1 each</u>	
	<u>31/12/99</u>	<u>1/1/99</u>
A Ripley	100	100
C B Wakeford	100	100

Auditors

The auditors, Anthony J Williams, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 15 June 2000 and signed on its behalf.



A Ripley
Secretary

AUDITORS' REPORT TO THE SHAREHOLDERS OF ACP WATER TREATMENT LIMITED

We have audited the financial statements on pages 3 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to 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 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.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


Anthony J Williams

Chartered Accountants & Registered Auditor
Headley House
Headley Road
Grayshott Hindhead
Surrey GU26 6TU

15 June 2000

ACP WATER TREATMENT LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 31 December 1999

	Note	1999 £	1998 £
TURNOVER	1	502,012	397,281
Cost of sales		<u>(176,831)</u>	<u>(143,338)</u>
GROSS PROFIT		325,181	253,943
Administrative expenses		<u>(249,651)</u>	<u>(210,466)</u>
OPERATING PROFIT	2	75,530	43,477
Interest receivable		3,394	5,031
Interest payable		<u>-</u>	<u>(151)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		78,924	48,357
TAX ON PROFIT ON ORDINARY ACTIVITIES	3	<u>(16,450)</u>	<u>(10,513)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		62,474	37,844
DIVIDENDS		<u>(30,000)</u>	<u>(20,000)</u>
RETAINED PROFIT FOR THE YEAR		32,474	17,844
RETAINED PROFIT BROUGHT FORWARD		<u>101,592</u>	<u>83,748</u>
RETAINED PROFIT CARRIED FORWARD		<u>£ 134,066</u>	<u>£ 101,592</u>

The notes on pages 5 to 7 form part of these financial statements.


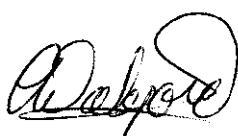
ACP WATER TREATMENT LIMITED

BALANCE SHEET
As at 31 December 1999

	Note	£	1999 £	£	1998 £
FIXED ASSETS					
Tangible fixed assets	4		30,147		31,052
CURRENT ASSETS					
Stocks		2,000		1,000	
Debtors	5	110,990		71,267	
Cash at bank and in hand		130,563		85,352	
			243,553	157,619	
CREDITORS: amounts falling due within one year	6	(139,434)		(86,879)	
NET CURRENT ASSETS			104,119		70,740
TOTAL ASSETS LESS CURRENT LIABILITIES			£ 134,266		£ 101,792
CAPITAL AND RESERVES					
Called up share capital	7		200		200
Profit and loss account			134,066		101,592
SHAREHOLDERS' FUNDS			£ 134,266		£ 101,792

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the board on 15 June 2000 and signed on its behalf.

A Ripley  Director C B Wakeford  Director

The notes on pages 5 to 7 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 1999

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and include the results of the company's operations which are described in the Directors' Report.

1.2 Cash Flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1.

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of value added tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	25%	Straight line basis
Motor vehicles	-	25%	Reducing balance basis
Office equipment	-	25%	Reducing balance basis

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

1.6 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. OPERATING PROFIT

The operating profit is stated after charging:

	1999 £	1998 £
Depreciation of tangible fixed assets		
- owned by the company	10,050	10,479
Auditors' remuneration	1,700	1,650
Directors' emoluments	114,389	90,089
Pension costs	12,480	12,400
	<u>128,619</u>	<u>114,618</u>

ACP WATER TREATMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 1999

3. TAXATION

	1999 £	1998 £
Current year taxation		
UK corporation tax at 20% (1998 - 21%)	£ 16,450	£ 10,513

4. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Equipment £	Motor Vehicles £	Total £
Cost or valuation				
At 1 January 1999	2,712	7,868	49,866	60,446
Additions	-	1,052	9,654	10,706
Disposals	-	-	(6,580)	(6,580)
At 31 December 1999	2,712	8,920	52,940	64,572
Depreciation				
At 1 January 1999	2,712	4,105	22,577	29,394
Charge for the year	-	1,204	8,846	10,050
On disposals	-	-	(5,019)	(5,019)
At 31 December 1999	2,712	5,309	26,404	34,425
Net Book Value				
At 31 December 1999	£ -	£ 3,611	£ 26,536	£ 30,147
At 31 December 1998	£ -	£ 3,763	£ 27,289	£ 31,052

5. DEBTORS

	1999 £	1998 £
Due within one year		
Trade debtors	101,968	64,995
Other debtors	9,022	6,272
	£ 110,990	£ 71,267

ACP WATER TREATMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 1999

6. CREDITORS:
Amounts falling due within one year

	1999 £	1998 £
Trade creditors	6,256	3,129
Corporation tax	16,450	10,513
Other creditors	116,728	73,237
	<u>£ 139,434</u>	<u>£ 86,879</u>

Included within other creditors is an amount of £51,854 (1998 - £34,560) relating to social security and other taxes.

7. CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised		
1,000 Ordinary shares of £1.00 each	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted, called up and fully paid		
200 Ordinary shares of £1.00 each	<u>£ 200</u>	<u>£ 200</u>

8. OTHER COMMITMENTS

At 31 December 1999 the company had annual commitments under non-cancellable operating leases as follows:

	1999 £	1998 £
Expiry date:		
Within 1 year	<u>5,760</u>	<u>3,056</u>