

REGISTERED NUMBER: 2952082 (England and Wales)

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003

FOR

CLEAN AIR LTD



CLEAN AIR LTD

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FOR THE YEAR ENDED 31ST DECEMBER 2003**

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CLEAN AIR LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2003

DIRECTORS: W K Collier
D Norris
I J Heatherington

SECRETARY: W K Collier

REGISTERED OFFICE: The Britannia Suite
St James' Buildings
79 Oxford Street
Manchester
M1 6FR

REGISTERED NUMBER: 2952082 (England and Wales)

AUDITORS: Ryans
Chartered Accountants
and Registered Auditors
67 Chorley Old Road
Bolton
BL1 3AJ

BANKERS: Barclays Bank PLC
The Wellsprings
Victoria Square
Bolton
BL1 1FH

SOLICITORS: Wacks Caller
Steam Packet House
76 Cross Street
Manchester
M2 4JU

CLEAN AIR LTD

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2003

The directors present their report with the accounts of the company for the year ended 31st December 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and assembly of type tested fume cupboards and associated extraction and filtration systems.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

DIVIDENDS

Interim dividends totalling £400,009 have been paid in the year. The directors recommend that no final dividend be paid.

DIRECTORS

The directors during the year under review were:

W K Collier
D Norris
I J Heatherington

The beneficial interests of the directors holding office on 31st December 2003 in the issued share capital of the company were as follows:

	31.12.03	1.1.03
Ordinary £1 shares		
W K Collier	51	51
D Norris	49	49
I J Heatherington	-	-

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.

CLEAN AIR LTD

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2003**

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.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'W K Collier', written in a cursive style.

W K Collier - Secretary

2nd July 2004

**REPORT OF THE INDEPENDENT AUDITORS TO
CLEAN AIR LTD
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages five to eighteen, together with the full financial statements of the company for the year ended 31st December 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A 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 Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to eighteen are properly prepared in accordance with that provision.



Ryans
Chartered Accountants
and Registered Auditors
67 Chorley Old Road
Bolton
BL1 3AJ

2nd July 2004

CLEAN AIR LTD

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2003**

		<u>2003</u>	<u>2002</u>
	Notes	£	£
GROSS PROFIT		1,440,736	1,029,837
Administrative expenses		<u>1,132,748</u>	<u>756,171</u>
OPERATING PROFIT	3	307,988	273,666
Interest receivable and similar income		<u>2,510</u>	<u>10,284</u>
		310,498	283,950
Interest payable and similar charges	4	<u>5,040</u>	<u>5,395</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		305,458	278,555
Tax on profit on ordinary activities	5	<u>58,787</u>	<u>57,723</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		246,671	220,832
Dividends	6	<u>400,099</u>	<u>546,938</u>
		(153,428)	(326,106)
Retained profit brought forward		<u>530,918</u>	<u>857,024</u>
RETAINED PROFIT CARRIED FORWARD		<u>£377,490</u>	<u>£530,918</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these abbreviated accounts

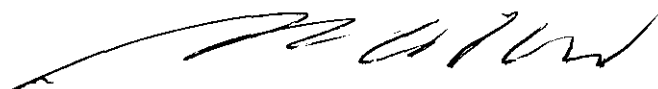
CLEAN AIR LTD

**ABBREVIATED BALANCE SHEET
31ST DECEMBER 2003**

		<u>2003</u>		<u>2002</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	7		801		963
Tangible assets	8		<u>161,341</u>		<u>80,624</u>
			162,142		81,587
CURRENT ASSETS:					
Stocks	9	180,886		109,600	
Debtors	10	924,978		573,245	
Cash at bank and in hand		<u>540,388</u>		<u>512,390</u>	
		1,646,252		1,195,235	
CREDITORS: Amounts falling due within one year	11	<u>1,429,017</u>		<u>721,061</u>	
NET CURRENT ASSETS:			<u>217,235</u>		<u>474,174</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			379,377		555,761
CREDITORS: Amounts falling due after more than one year	12		-		(24,743)
PROVISIONS FOR LIABILITIES AND CHARGES:	14		<u>(1,787)</u>		<u>-</u>
			<u>£377,590</u>		<u>£531,018</u>
CAPITAL AND RESERVES:					
Called up share capital	15		100		100
Profit and loss account			<u>377,490</u>		<u>530,918</u>
SHAREHOLDERS' FUNDS:	17		<u>£377,590</u>		<u>£531,018</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



W K Collier - Director

Approved by the Board on 2nd July 2004

The notes form part of these abbreviated accounts

CLEAN AIR LTD

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2003**

		<u>2003</u>		<u>2002</u>	
	Notes	£	£	£	£
Net cash inflow from operating activities	1		506,205		406,746
Returns on investments and servicing of finance	2		(2,530)		4,889
Taxation			(57,723)		(80,738)
Capital expenditure	2		(116,506)		(9,259)
Equity dividends paid			(400,099)		(546,938)
			(70,653)		(225,300)
Financing	2		<u>98,651</u>		<u>56,930</u>
Increase/(Decrease) in cash in the period			<u>£27,998</u>		<u>£(168,370)</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase/(Decrease) in cash in the period		27,998		(168,370)	
Cash outflow from decrease in debt and lease financing		<u>36,521</u>		<u>11,777</u>	
Change in net funds resulting from cash flows			<u>64,519</u>		<u>(156,593)</u>
Movement in net funds in the period			64,519		(156,593)
Net funds at 1st January			<u>475,869</u>		<u>632,462</u>
Net funds at 31st December			<u>£540,388</u>		<u>£475,869</u>

The notes form part of these abbreviated accounts

CLEAN AIR LTD

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2003**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2003 £	2002 £
Operating profit	307,988	273,666
Depreciation charges	46,020	38,236
Loss on sale of fixed assets	-	2,078
Profit on sale of fixed assets	(10,067)	(91)
(Increase)/Decrease in stocks	(71,286)	14,418
Increase in debtors	(351,733)	(124,999)
Increase in creditors	<u>585,283</u>	<u>203,438</u>
Net cash inflow from operating activities	<u>506,205</u>	<u>406,746</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2003 £	2002 £
Returns on investments and servicing of finance		
Interest received	2,510	10,284
Interest paid	(62)	(1,800)
Interest element of hire purchase payments	<u>(4,978)</u>	<u>(3,595)</u>
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(2,530)</u>	<u>4,889</u>
Capital expenditure		
Purchase of tangible fixed assets	(189,821)	(9,813)
Sale of tangible fixed assets	<u>73,315</u>	<u>554</u>
Net cash outflow for capital expenditure	<u>(116,506)</u>	<u>(9,259)</u>
Financing		
Capital element of hire purchase payments	(36,523)	(11,778)
Amount introduced by directors	<u>135,174</u>	<u>68,708</u>
Net cash inflow from financing	<u>98,651</u>	<u>56,930</u>

The notes form part of these abbreviated accounts

CLEAN AIR LTD

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2003**

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/03 £	Cash flow £	At 31/12/03 £
Net cash:			
Cash at bank and in hand	<u>512,390</u>	<u>27,998</u>	<u>540,388</u>
	<u>512,390</u>	<u>27,998</u>	<u>540,388</u>
Debt:			
Hire purchase	<u>(36,521)</u>	<u>36,521</u>	<u>-</u>
	<u>(36,521)</u>	<u>36,521</u>	<u>-</u>
Total	<u>475,869</u>	<u>64,519</u>	<u>540,388</u>

Analysed in Balance Sheet

Cash at bank and in hand	512,390	540,388
Hire purchase		
within one year	(11,778)	-
after one year	<u>(24,743)</u>	<u>-</u>
	<u>475,869</u>	<u>540,388</u>

The notes form part of these abbreviated accounts

CLEAN AIR LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Intangible fixed assets

Trade marks and designs were acquired during the year ended 31st December 2001 and will be amortised over periods of 10 years and 5 years respectively.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Buildings	- over the lease period
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Office equipment	- 20% and 25% on cost

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

CLEAN AIR LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003

2. STAFF COSTS

	2003	2002
	£	£
Wages and salaries	1,325,395	894,280
Social security costs	150,590	98,424
Other pension costs	28,836	28,034
	<u>1,504,821</u>	<u>1,020,738</u>

The average monthly number of employees during the year was as follows:

	2003	2002
Management	4	4
Administration	4	4
Technical	4	4
Production	<u>22</u>	<u>16</u>
	<u>34</u>	<u>28</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2003	2002
	£	£
Hire of plant and machinery	9,258	6,676
Vehicle leasing	5,592	-
Depreciation - owned assets	45,858	14,932
Depreciation - assets on hire purchase contracts	-	23,067
(Profit)/Loss on disposal of fixed assets	(10,067)	1,987
Trade marks and designs written off	162	162
Trading name written off	-	75
Auditors' remuneration	<u>3,000</u>	<u>2,390</u>
Directors' emoluments	<u>739,688</u>	<u>476,644</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2003	2002
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2003	2002
	£	£
Emoluments etc	352,415	217,315
Pension contributions to money purchase schemes	<u>6,000</u>	<u>6,000</u>

CLEAN AIR LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2003	2002
	£	£
Inland revenue interest	-	1,800
HMCE interest	62	-
Hire purchase interest	<u>4,978</u>	<u>3,595</u>
	<u>5,040</u>	<u>5,395</u>

5. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2003	2002
	£	£
Current tax:		
UK corporation tax	57,000	57,723
Deferred taxation	<u>1,787</u>	<u>-</u>
Tax on profit on ordinary activities	<u>58,787</u>	<u>57,723</u>

UK corporation tax has been charged at 19% (2002 - 19.25%).

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2003	2002
	£	£
Profit on ordinary activities before tax	<u>305,458</u>	<u>278,555</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2002 - 19.250%)	58,037	53,622
Effects of:		
Disallowed expenses	1,355	996
Accelerated capital allowances	(2,439)	2,930
Other timing differences	<u>47</u>	<u>175</u>
Current tax charge	<u>57,000</u>	<u>57,723</u>

CLEAN AIR LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003**

6. DIVIDENDS

	2003 £	2002 £
Equity shares:		
Interim - ordinary	<u>400,099</u>	<u>546,938</u>

7. INTANGIBLE FIXED ASSETS

	<u>Trade marks and designs</u> £
COST:	
At 1st January 2003	
and 31st December 2003	<u>1,260</u>
AMORTISATION:	
At 1st January 2003	297
Charge for year	<u>162</u>
At 31st December 2003	<u>459</u>
NET BOOK VALUE:	
At 31st December 2003	<u>801</u>
At 31st December 2002	<u>963</u>

CLEAN AIR LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003**

8. TANGIBLE FIXED ASSETS

	<u>Buildings</u>	<u>Plant and machinery</u>	<u>Fixtures and fittings</u>
	£	£	£
COST:			
At 1st January 2003	547	16,407	20,384
Additions	52,282	14,625	3,407
Disposals	<u>-</u>	<u>(2,186)</u>	<u>(1,500)</u>
At 31st December 2003	<u>52,829</u>	<u>28,846</u>	<u>22,291</u>
DEPRECIATION:			
At 1st January 2003	-	8,649	11,376
Charge for year	7,088	4,259	3,505
Eliminated on disposals	<u>-</u>	<u>(1,718)</u>	<u>(975)</u>
At 31st December 2003	<u>7,088</u>	<u>11,190</u>	<u>13,906</u>
NET BOOK VALUE:			
At 31st December 2003	<u>45,741</u>	<u>17,656</u>	<u>8,385</u>
At 31st December 2002	<u>547</u>	<u>7,757</u>	<u>9,008</u>

	<u>Motor vehicles</u>	<u>Office equipment</u>	<u>Totals</u>
	£	£	£
COST:			
At 1st January 2003	107,030	15,629	159,997
Additions	111,077	8,430	189,821
Disposals	<u>(128,430)</u>	<u>-</u>	<u>(132,116)</u>
At 31st December 2003	<u>89,677</u>	<u>24,059</u>	<u>217,702</u>
DEPRECIATION:			
At 1st January 2003	50,623	8,723	79,371
Charge for year	26,950	4,056	45,858
Eliminated on disposals	<u>(66,175)</u>	<u>-</u>	<u>(68,868)</u>
At 31st December 2003	<u>11,398</u>	<u>12,779</u>	<u>56,361</u>
NET BOOK VALUE:			
At 31st December 2003	<u>78,279</u>	<u>11,280</u>	<u>161,341</u>
At 31st December 2002	<u>56,406</u>	<u>6,906</u>	<u>80,624</u>

CLEAN AIR LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003**

8. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<u>Motor vehicles</u>
	£
COST:	
At 1st January 2003	85,198
Disposals	<u>(85,198)</u>
At 31st December 2003	—
DEPRECIATION:	
At 1st January 2003	39,476
Eliminated on disposals	<u>(39,476)</u>
At 31st December 2003	—
NET BOOK VALUE:	
At 31st December 2003	—
At 31st December 2002	<u><u>45,721</u></u>

9. STOCKS

	2003	2002
	£	£
Stock & work in progress	<u>180,886</u>	<u>109,600</u>

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Trade debtors	900,258	556,509
Prepayments	24,720	15,707
Other debtors	<u>—</u>	<u>1,029</u>
	<u><u>924,978</u></u>	<u><u>573,245</u></u>

CLEAN AIR LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003**

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003 £	2002 £
Hire purchase contracts (see note 13)	-	11,778
Trade creditors	357,279	205,441
Directors' current accounts	203,882	68,708
V.A.T.	122,354	67,580
Social security & other taxes	32,577	27,367
Taxation	57,000	57,723
Accrued expenses	<u>655,925</u>	<u>282,464</u>
	<u>1,429,017</u>	<u>721,061</u>

**12. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2003 £	2002 £
Hire purchase contracts (see note 13)	<u>-</u>	<u>24,743</u>

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	2003 £	2002 £
	Hire purchase contracts	
Gross obligations repayable:		
Within one year	-	15,373
Between one and five years	<u>-</u>	<u>25,927</u>
	<u>-</u>	<u>41,300</u>
Finance charges repayable:		
Within one year	-	3,595
Between one and five years	<u>-</u>	<u>1,184</u>
	<u>-</u>	<u>4,779</u>
Net obligations repayable:		
Within one year	-	11,778
Between one and five years	<u>-</u>	<u>24,743</u>
	<u>-</u>	<u>36,521</u>

CLEAN AIR LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2003

13. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	2003	2002	2003	2002
	£	£	£	£
Expiring:				
Within one year	-	11,183	-	5,768
Between one and five years	<u>47,855</u>	<u>-</u>	<u>46,703</u>	<u>8,683</u>
	<u>47,855</u>	<u>11,183</u>	<u>46,703</u>	<u>14,451</u>

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2003	2002
	£	£
Deferred taxation	<u>1,787</u>	<u>-</u>

	Deferred tax
	£
Accelerated capital allowances	<u>1,787</u>
Balance at 31st December 2003	<u>1,787</u>

15. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003	2002
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

16. PENSION COMMITMENTS

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £28,836 (2002 - £28,034).

CLEAN AIR LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2003**

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2003	2002
	£	£
Profit for the financial year	246,671	220,832
Dividends	<u>(400,099)</u>	<u>(546,938)</u>
Net reduction of shareholders' funds	(153,428)	(326,106)
Opening shareholders' funds	<u>531,018</u>	<u>857,124</u>
Closing shareholders' funds	<u>377,590</u>	<u>531,018</u>
 Equity interests	 <u>377,590</u>	 <u>531,018</u>