

**Report of the Directors and  
Financial Statements  
for the Year Ended 31 July 2007  
for  
Ewbank Products Limited**

THURSDAY



\*AWXP6W82\*

A59

10/01/2008

332

COMPANIES HOUSE

**Ewbank Products Limited**

**Contents of the Financial Statements  
for the Year Ended 31 July 2007**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors</b>	<b>4</b>
<b>Profit and Loss Account</b>	<b>6</b>
<b>Balance Sheet</b>	<b>7</b>
<b>Notes to the Financial Statements</b>	<b>8</b>
<b>Trading and Profit and Loss Account</b>	<b>13</b>

**Ewbank Products Limited**

**Company Information**  
**for the Year Ended 31 July 2007**

**DIRECTORS**

J N Baseley  
K Pavia  
T G Hopper  
R N Keighley

**SECRETARY:**

R N Keighley

**REGISTERED OFFICE.**

Opus Park  
Moorfield Road  
Slyfield Industrial Estate  
Guildford  
Surrey  
GU1 1SZ

**REGISTERED NUMBER**

3312633 (England and Wales)

**AUDITORS:**

Roffe Swayne  
Registered Auditors &  
Chartered Accountants  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
GU7 1LQ

## **Ewbank Products Limited**

### **Report of the Directors for the Year Ended 31 July 2007**

The directors present their report with the financial statements of the company for the year ended 31 July 2007

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the manufacture and sale of electrical and non-electrical domestic cleaning equipment and associated items

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1 August 2006 to the date of this report

J N Baseley  
K Pavia  
T G Hopper

Other changes in directors holding office are as follows

R N Keighley was appointed as a director after 31 July 2007 but prior to the date of this report

C H Webber ceased to be a director after 31 July 2007 but prior to the date of this report

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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

- 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

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

#### **AUDITORS**

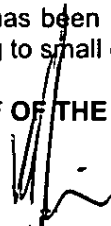
The auditors, Roffe Swayne, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

**Ewbank Products Limited**

**Report of the Directors  
for the Year Ended 31 July 2007**

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

**ON BEHALF OF THE BOARD**

  
K Pavia - Director

Date 21<sup>st</sup> DECEMBER 2007

## **Report of the Independent Auditors to the Shareholders of Ewbank Products Limited**

We have audited the financial statements of Ewbank Products Limited for the year ended 31 July 2007 on pages six to twelve. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 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 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 auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

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 Report of the Directors 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 Report of the Directors 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.

**Report of the Independent Auditors to the Shareholders of  
Ewbank Products Limited**

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 July 2007 and of its loss 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 Report of the Directors is consistent with the financial statements



Roffe Swayne  
Registered Auditors &  
Chartered Accountants  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
GU7 1LQ

Date      4 / 1 / 08

**Ewbank Products Limited**  
**Profit and Loss Account**  
**for the Year Ended 31 July 2007**

	Notes	2007 £	2006 £
<b>TURNOVER</b>	2	1,430,397	1,907,204
Cost of sales		<u>1,062,011</u>	<u>1,390,954</u>
<b>GROSS PROFIT</b>		368,386	516,250
Administrative expenses		<u>626,111</u>	<u>636,389</u>
<b>OPERATING LOSS</b>	3	(257,725)	(120,139)
Interest receivable and similar income		<u>1,743</u>	<u>2,941</u>
		(255,982)	(117,198)
Interest payable and similar charges		<u>17,348</u>	<u>8,481</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(273,330)	(125,679)
Tax on loss on ordinary activities	4	<u>-</u>	<u>16,535</u>
<b>LOSS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>(273,330)</u>	<u>(142,214)</u>

The notes form part of these financial statements



**Ewbank Products Limited**

**Balance Sheet  
31 July 2007**

	Notes	2007 £	2006 £
<b>FIXED ASSETS</b>			
Intangible assets	5	-	-
Tangible assets	6	27,575	43,184
		<u>27,575</u>	<u>43,184</u>
<b>CURRENT ASSETS</b>			
Stocks		142,497	181,067
Debtors	7	360,213	466,129
Cash at bank		19,149	74,529
		<u>521,859</u>	<u>721,725</u>
<b>CREDITORS</b>			
Amounts falling due within one year	8	519,171	461,316
		<u>519,171</u>	<u>461,316</u>
<b>NET CURRENT ASSETS</b>		2,688	260,409
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>30,263</u>	<u>303,593</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	104,600	104,600
Share premium	12	455,400	455,400
Profit and loss account	12	(529,737)	(256,407)
<b>SHAREHOLDERS' FUNDS</b>		<u>30,263</u>	<u>303,593</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board of Directors on 21<sup>st</sup> December 2007 and were signed on its behalf by

  
J N Baseley - Director

**Notes to the Financial Statements  
for the Year Ended 31 July 2007**

**1 ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The company is reporting a loss of £273,330 for the year ended 31 July 2007. The directors have prepared detailed profit and loss account, balance sheet and cash flow forecasts for the period to 31 December 2008. The achievement of these forecasts is dependent on meeting sales targets and the timing of resultant cash flows. These accounts are prepared on the going concern basis on the assumption that the company continues to receive support from its parent company. The parent company has confirmed that this support will continue for the foreseeable future.

On the basis of the forecasts produced, and continuing support from the parent company, the directors consider it appropriate to prepare the financial statements on a going concern basis.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

**Turnover**

Turnover represents net sales, excluding value added tax, and net of sales rebates.

**Intangible fixed assets**

Intangible fixed assets comprise brands, patents, trade marks and intellectual property rights and are stated at net book value.

The directors consider that the intangible fixed assets had a useful economic life of four years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	- 20% to 50% straight line
Fixtures and fittings	- 20% to 50% straight line
Motor vehicles	- 25% straight line
Tools, dies and moulds	- 50% straight line
Improvements to property	- over the lease term

**Stocks**

Stocks are 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.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

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

**Pensions**

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

**2 TURNOVER**

Exports accounted for 2.7% of the turnover (2006: 3.3%).

**Ewbank Products Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2007**

**3 OPERATING LOSS**

The operating loss is stated after charging/(crediting)

	2007	2006
	£	£
Depreciation - owned assets	47,057	69,839
Goodwill amortisation	-	25,000
Auditors' remuneration	8,004	8,404
Pension costs	10,851	17,252
Foreign exchange gain	(1,814)	(11,126)
	<u>          </u>	<u>          </u>
Directors' emoluments and other benefits etc	<u>          </u>	<u>          </u>

**4 TAXATION**

**Analysis of the tax charge**

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

	2007	2006
	£	£
Deferred tax	<u>          </u>	16,535
Tax on loss on ordinary activities	<u>          </u>	<u>16,535</u>

**5 INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 August 2006 and 31 July 2007	<u>100,000</u>
<b>AMORTISATION</b>	
At 1 August 2006 and 31 July 2007	<u>100,000</u>
<b>NET BOOK VALUE</b>	
At 31 July 2007	<u>          </u>
At 31 July 2006	<u>          </u>

**Ewbank Products Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2007**

**6 TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Tooling £
<b>COST</b>			
At 1 August 2006	14,098	47,724	321,543
Additions	-	-	31,448
At 31 July 2007	14,098	47,724	352,991
<b>DEPRECIATION</b>			
At 1 August 2006	7,515	36,895	308,538
Charge for year	3,756	10,325	28,728
At 31 July 2007	11,271	47,220	337,266
<b>NET BOOK VALUE</b>			
At 31 July 2007	2,827	504	15,725
At 31 July 2006	6,583	10,829	13,005

	Motor vehicles £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 August 2006	16,158	93,028	492,551
Additions	-	-	31,448
At 31 July 2007	16,158	93,028	523,999
<b>DEPRECIATION</b>			
At 1 August 2006	3,391	93,028	449,367
Charge for year	4,248	-	47,057
At 31 July 2007	7,639	93,028	496,424
<b>NET BOOK VALUE</b>			
At 31 July 2007	8,519	-	27,575
At 31 July 2006	12,767	-	43,184

**7 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Trade debtors	282,223	337,633
Amounts owed by group undertakings	45,755	98,985
Prepayments and accrued income	32,235	29,511
	360,213	466,129

**Ewbank Products Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2007**

**8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007	2006
	£	£
Trade creditors	220,175	193,044
Social security and other taxes	19,990	20,394
Other creditors and accruals	84,293	144,753
Invoice discounting advance	194,713	103,125
	<u>519,171</u>	<u>461,316</u>

**9 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	2007	2006
	£	£
Expiring		
In more than five years	<u>72,250</u>	<u>71,500</u>

The parent company, Earlex Limited provides rent guarantees on behalf of the company in respect of the lease of the industrial units

**10 SECURED DEBTS**

The following secured debts are included within creditors

	2007	2006
	£	£
Invoice discounting advance	<u>194,713</u>	<u>103,125</u>

Amounts owed under the invoice discounting arrangement are secured by way of a fixed and floating charge against the assets of the company. The parent company, Earlex Limited, also provides a guarantee on these debts

**11 CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid

Number	Class	Nominal value	2007	2006
			£	£
104,600	Ordinary	£1	<u>104,600</u>	<u>104,600</u>

**12 RESERVES**

	Profit and loss account	Share premium	Totals
	£	£	£
At 1 August 2006	(256,407)	455,400	198,993
Deficit for the year	<u>(273,330)</u>		<u>(273,330)</u>
At 31 July 2007	<u>(529,737)</u>	<u>455,400</u>	<u>(74,337)</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 July 2007**

**13 PENSION COMMITMENTS**

The company contributes to a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension charge represents contributions payable by the company to the funds and amounted to £10,851 (2006 £17,252).

There was an amount of £1,576 (2006 £7,599) outstanding and payable to the scheme at the balance sheet date.

**14 ULTIMATE PARENT COMPANY**

The ultimate parent company is Earlex Limited, a company incorporated in England and Wales. A copy of the company's accounts can be obtained from the registered address at Opus Park, Moorfield Road, Slyfield Industrial Estate, Guildford, Surrey, GU1 1SZ.

**15 RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption conferred by FRS8 'Related Party Disclosures' not to disclose transactions with members of the group headed by Earlex Limited on the grounds that it is a wholly owned subsidiary of Earlex Limited which prepares consolidated accounts.

**16 CONTROLLING PARTY**

The company is owned and controlled by Earlex Limited, the ultimate parent company.