AS Fire and Rescue Equipment Limited

Financial statements

For the year ended 31 March 2010

Company No. 4840869

Index to the financial statements

Report of the directors

The directors present their report and financial statements of the company for the year ended 31 March 2010

Principal activity

The principal activity of the company during the year was the design, manufacture, repair and marketing of ladders and other fire fighting equipment The directors consider the result for the year to be a reasonable reflection of the company's performance in the year

Key performance indicators

Management consider turnover, profitability and headcount to be key performance indicators for the business These are monitored on a regular basis

Future developments

The directors believe that the domestic market will be challenging and significant investment has been made to develop growth opportunities overseas and that this should sustain profitability in the financial year ended 31 March 2011 The directors anticipate that financial performance will be flat in comparison to FY09 and that the growth in overseas markets will off set the decline in the UK market Fortunately a substantial proportion of revenues are generated from the oil industry which continues to be buoyant and is largely insulated from the forecast reduction in UK government public expenditure which will adversely affect a key market being the UK Fire and Rescue Market

Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements

The directors have not recommended a dividend (2009 £nil)

Financial risk management objectives and policies

The directors constantly monitor the risks and uncertainties facing the company with particular reference to the exposure to price, credit, liquidity and cash flow risk They are confident that there are suitable policies in place and there are no material risks and uncertainties which have not been considered

Directors

The directors who served the company during the year were as follows

MJ Shannon (resigned 5 July 2010)
RF Flynn (resigned 4 October 2010)

SD Brown was appointed as a director on 4 October 2010

No director had during or at the end of the year, any material interest in a contract which was significant in relation to the company's business

Report of the directors (continued)

Directors' responsibilities

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 year 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 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

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

ON BEHALF OF THE BOARD

RF Flynn
Director
15 September 2010
Company registration number 4840869

Independent auditor's report to the members of AS Fire and Rescue Equipment Limited

We have audited the financial statements of AS Fire and Rescue Equipment Limited for the year ended 31 March 2010 which comprise the principal accounting policies, the profit and loss account, the balance sheet and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 auditor's 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 auditor

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/UKNP

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditor's report to the members of AS Fire and Rescue Equipment Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Grant Thornton UK LLP

Robert Napper FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Slough

13 December 2010

Principal accounting policies (continued)

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and under the historical cost convention The directors have reviewed the accounting policies adopted by the company and consider them to be the most appropriate

Consolidation

The company is exempt from producing consolidated accounts under s400 of the Companies Act 2006, as it is a wholly owned subsidiary of AssetCo plc, and consolidated accounts for AssetCo plc are publicly available These accounts present information about AS Fire and Rescue Equipment Limited as an individual entity and not as a group of companies

Going concern

The financial position of the company, its cash flows and its liquidity position are described in the financial risk management objectives and policies section of the report of the directors

The directors have reviewed the company's business plan and forecasts for a period of at least 12 months from the signing of these financial statements and have discussed and evaluated relationships with key suppliers and customers As a result the Directors believe that the Company has adequate resources to continue operations for the foreseeable future and accordingly continue to adopt the going concern basis in preparing the financial statements

Goodwill

Goodwill represents the excess of cost of acquisition over the fair value of separable net assets acquired Goodwill is amortised through the profit and loss account in equal instalments over its estimated useful economic life The directors have reviewed the useful economic life of goodwill and consider amortisation periods of 3-20 years to be appropriate

Investments

Investments held as fixed assets are stated at cost less any provision for impairment in value

Turnover

Turnover represents net goods and services invoiced to customers during the year, less returns, and excluding Value Added Tax Where invoices are raised in advance of goods being supplied the income is deferred until the goods are made available to the customer

Tangible fixed assets and depreciation

Depreciation is provided on a straight line basis at 15 -50% which are relative to their estimated useful lives

Stock

Stock and work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items The cost of products manufactured consists of direct materials and labour costs, together with the relevant production overheads Cost is calculated using the first-in, first-out method

Principal accounting policies (continued)

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Pension scheme

AssetCo plc, the company's ultimate holding company, operates a defined contribution scheme The assets of the scheme are held separately to those of the company Contributions by the company are charged to the profit and loss account as they become payable

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date All exchange differences are recognised in the profit and loss account

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, these financial statements are classified as financial liabilities Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited directly to equity

Profit and loss account

	Note	2010 £	2009 £
Turnover			
Continuing operations	1	**6,597,244**	8,210,026
Cost of sales		**(3,724,794)**	(3,118,797)
Gross profit		**2,872,450**	5,091,229
Administrative expenses		**(1,496,926)**	(2,835,177)
Goodwill amortisation	7	**(174,493)**	(158,374)
Operating profit		**1,201,031**	2,097,678
Interest payable	3	**(76,875)**	(144,568)
Interest receivable	3	**-**	1,601
Profit on ordinary activities before taxation	2	**1,124,156**	1,954,711
Tax on profit on ordinary activities	6	**(365,711)**	(577,851)
Profit for the financial year	17	**758,445**	1,376,860

All operations of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

Balance sheet

	Note	2010 £	2009 £
Fixed assets			
Intangible assets	7	**2,296,373**	2,470,866
Tangible assets	8	**80,448**	179,533
Investments	9	**927,658**	927,658
		3,304,479	3,578,057
Current assets			
Stock and work in progress	10	**844,753**	1,405,312
Debtors	11	**1,990,774**	2,609,858
Cash at bank and in hand		**1,358,703**	195
		4,194,230	4,015,365
Creditors: amounts falling due within one year	12	**(3,682,033)**	(4,235,191)
Net current assets/(liabilities)		**512,197**	(219,826)
Total assets less current liabilities		**3,816,676**	3,358,231
Creditors: amounts falling due after one year	13	**(600,000)**	(900,000)
		3,216,676	2,458,231
Capital and reserves			
Called-up equity share capital	16	**1**	1
Profit and loss account	17	**3,216,675**	2,458,230
Shareholders' funds	18	**3,216,676**	2,458,231

These financial statements were approved by the directors on 15 September 2010 and are signed on their behalf by

RF Flynn
Director

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements

1 Analysis of turnover

By geographical market

	2010 £	%	2009 £	%
UK	**4,760,928**	**72**	7,173,470	87
Rest of world	**1,836,316**	**28**	1,036,556	13
	6,597,244	**100**	8,210,026	100

By division

	2010 £	2009 £
AS Fire & Rescue Equipment	**3,397,183**	4,870,144
Collins Youldon	**3,200,061**	3,339,882
	6,597,244	8,210,026

2 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting)

	2010 £	2009 £
Amortisation of goodwill	**174,493**	158,374
Depreciation of tangible fixed assets	**102,754**	110,919
Profit on foreign exchange	**(22,131)**	(25,597)
Profit on sale of assets	-	(2,576)

All audit fees were borne by the parent company for the year ended 31 March 2010

3 Net interest payable

	2010 £	2009 £
Bank loan and overdraft interest	**(76,875)**	(144,568)
Interest received	**-**	1,601
	(76,875)	(142,967)

4 Remuneration of directors

During the year no director (2009 no director) participated in the defined contribution pension scheme Directors' remuneration is paid by the company's ultimate parent company AssetCo plc

5 Staff numbers and costs

The average number of employees of the company (including Executive and Non-Executive Directors) during the year analysed by category were as follows

	2010 No	2009 No
Manufacturing	**56**	39
Sales and marketing	**2**	2
Administration	**14**	20
	72	61

The aggregate payroll costs of these employees were as follows

	2010 £	2009 £
Wages and salaries	**1,545,153**	1,859,550
Social security costs	**153,617**	212,767
Pension costs	**26,043**	83,631
	1,724,813	2,155,948

6 Tax on profit on ordinary activities

	2010	2009
	£	£
Current tax		
Corporation tax based on the results for the period	**371,260**	603,003
Deferred tax:		
Net origination and reversal of timing differences	**(5,549)**	(25,152)
Tax on profit on ordinary activities	**365,711**	577,851

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained as follows

	2010	2009
	£	£
Profit on ordinary activities before tax	**1,124,156**	1,954,711
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 28%)	**314,764**	547,319
Effect of		
Expenses not deductible for tax purposes	**41,032**	41,140
Capital allowances for the period in excess of depreciation	**15,464**	14,544
Group relief	-	(603,003)
Amounts paid for group relief	-	603,003
Current tax charge for the period	**371,260**	603,003

7 Intangible fixed assets

	Purchased goodwill £
Cost	
At 1 April 2009 and 31 March 2010	**3,278,193**
Amortisation	
At 1 April 2009	**807,327**
Charge for the year	**174,493**
At 31 March 2010	**981,820**
Net book value	
At 31 March 2010	**2,296,373**
At 31 March 2009	2,470,866

8 Tangible fixed assets

	Computer equipment £	Office equipment £	Plant & equipment £	Vehicles £	Total £
Cost					
At 1 April 2009	110,514	72,207	520,416	54,389	757,526
Additions	-	-	4,144	-	4,144
Disposals	-	(8,809)	-	-	(8,809)
At 31 March 2010	110,514	63,398	524,560	54,389	752,861
Depreciation					
At 1 April 2009	90,246	67,115	371,313	49,319	577,993
Charge for year	12,458	4,037	82,116	4,143	102,754
Eliminated on disposal	-	(8,334)	-	-	(8,334)
At 31 March 2010	102,704	62,818	453,429	53,462	672,413
Net book value					
At 31 March 2010	**7,810**	**580**	**71,131**	**927**	**80,448**
At 31 March 2009	20,268	5,092	149,103	5,070	179,533

9 Investments

Cost and Net Book Value	£
At 1 April 2009 and 31 March 2010	927,658

As at the balance sheet date the company held directly or indirectly the following investments in subsidiary undertakings

Name of company	Holding	Proportion of voting rights held	Nature of Business
Speed 5019 Limited	Ordinary shares	100%	Dormant
Fire Guns Ltd *	Ordinary shares	100%	Dormant
Asfare No 1 Ltd *	Ordinary shares	100%	Dormant
Sacol Group 1990 Ltd *	Ordinary shares	100%	Dormant
AS America Inc **	Common stock	100%	Royalty payments from shutter sales
AS Security BV***	Ordinary shares	100%	Sales

* Held by a subsidiary
** Incorporated in USA - This entity was non-trading for the year ended 31 March 2010
*** Incorporated in Netherlands

The aggregate capital and reserves and the profit for the period for the subsidiaries are

	Share capital and Reserves £	Profit/(loss) for period £
Speed 5019 Limited	903,584	-
Fire Guns Ltd *	1	-
Asfare No 1 Ltd *	1,607,834	-
Sacol Group 1990 Ltd *	329,291	-
AS America Inc **	(206,865)	-
AS Security BV***	(11,620)	(9,915)

The carrying value of investments is reviewed annually by the directors for potential impairment The carrying value of the investments is in the opinion of the directors, fairly stated at 31 March 2010

10 Stock and work in progress

	2010 £	2009 £
Raw materials and finished goods	844,753	1,405,312

11 Debtors

	2010 £	2009 £
Trade debtors	**923,147**	1,411,869
Amounts owed by subsidiary undertakings	**1,028,077**	1,157,807
Other debtors	**-**	7,202
Deferred tax asset (note 15)	**30,701**	25,152
Prepayments and accrued income	**8,849**	7,828
	1,990,774	2,609,858

12 Creditors: amounts falling due within one year

	2010 £	2009 £
Bank loans and overdraft	**1,199,075**	562,829
Trade creditors	**306,163**	1,004,197
Corporation tax	**371,260**	-
Amounts due to group undertakings	**1,607,835**	2,210,837
Social security and other taxes	**131,144**	354,746
Other creditors	**7,693**	9,843
Accruals	**58,863**	92,739
	3,682,033	4,235,191

13 Creditors: amounts falling due after more than one year

	2010 £	2009 £
Bank loans	**600,000**	900,000

14 Bank loans

Creditors include bank loans and overdrafts which are due for repayment as follows

	2010 £	2009 £
Amounts repayable		
In one year	**1,199,075**	562,829
In more than one year but not more than two years	**300,000**	300,000
In more than two years but not more than five years	**300,000**	600,000
	1,799,075	1,462,829

The bank loan is secured on the assets of the company and its subsidiary undertakings Interest is charged on the loan at 1 60% above LIBOR

15 Provision for liabilities and charges

Deferred tax asset

	2010 £	2009 £
At beginning of period	**25,152**	-
Credit for the period	**5,549**	25,152
Net deferred tax asset (included in debtors, note 11)	**30,701**	25,152

	2010 £	2009 £
The deferred tax asset comprises		
Accelerated capital allowances	**30,701**	25,152

Other provision

	2010 £	2009 £
As at 1 April	-	532,085
Additions	-	-
Utilised in year	-	(532,085)
As at 31 March	-	-

16 Share capital

Authorised

	2010	2009
5,000 Ordinary shares of £1 each	**5,000**	5,000

Allotted, called up and fully paid

	2010		2009	
	No	**£**	No	£
Ordinary shares of £1 each	**1**	**1**	1	1

17 Profit and loss account

	2010	2009
	£	£
Balance brought forward	**2,458,230**	1,081,370
Profit for the financial year	**758,445**	1,376,860
Balance carried forward	**3,216,675**	2,458,230

18 Reconciliation of movements in shareholders' funds

	2010	2009
	£	£
Profit for the financial year	**758,445**	1,376,860
Opening shareholders' funds	**2,458,231**	1,081,371
Closing shareholders' funds	**3,216,676**	2,458,231

19 Related party transactions

The company has been under the direct control of AssetCo plc since 30 March 2007

The company has taken advantage of the exemption under paragraph 3c of FRS 8 'Related Party Disclosures' from disclosing transactions with other companies within the group headed by AssetCo plc

20 Operating lease commitments

At 31 March 2010 and 31 March 2009 the company had no annual commitments under non-cancellable operating leases

21 Ultimate parent company

The ultimate and immediate parent company is AssetCo plc, a company listed on the AIM and incorporated in England and Wales

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by AssetCo plc

22 Contingent liabilities

There is a contingent liability in respect of bank borrowings of group companies which have been secured by inter company cross guarantees and applies to AssetCo Engineering Limited, Todd Research Limited, Supply 999 Limited, Papworth Specialist Vehicles Limited, AssetCo Fire and Rescue Limited, AssetCo Resource Limited, AssetCo Managed Services Limited, AssetCo Municipal Limited, AssetCo London Limited, AssetCo Lincoln Limited and AssetCo Specialist Vehicles Limited

23 Capital commitments

The company had no outstanding capital commitments at 31 March 2010 and 31 March 2009

24 Pension scheme

AssetCo plc operates a defined contribution pension scheme The assets of the scheme are held separately to those of the company The pension cost charge for the year represents contributions payable by the company amounting to £26,043 (2009 £83,631)