

ELECTRO-FLOW CONTROLS LIMITED

**ABBREVIATED
FINANCIAL STATEMENTS
FOR
31ST MARCH 2001**

SIMPSON FORSYTH

Chartered Accountants
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ELECTRO-FLOW CONTROLS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2001

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ELECTRO-FLOW CONTROLS LIMITED**ABBREVIATED BALANCE SHEET****31ST MARCH 2001**

	Note	2001	2000
		£	£
FIXED ASSETS	2		
Tangible assets		73,867	76,284
Investments		-	-
		<u>73,867</u>	<u>76,284</u>
CURRENT ASSETS			
Stocks		113,310	111,518
Debtors		187,669	115,889
Cash at bank and in hand		3,377	8,714
		<u>304,356</u>	<u>236,121</u>
CREDITORS: Amounts falling			
Due within one year		<u>(342,798)</u>	<u>(254,206)</u>
NET CURRENT LIABILITIES		(38,442)	(18,085)
TOTAL ASSETS LESS CURRENT LIABILITIES		35,425	58,199
CREDITORS: Amounts falling due			
After more than one year		(334)	(4,332)
		<u>35,091</u>	<u>53,867</u>

The balance sheet continues on the following page.
The notes on page 1 form part of these financial statements.

ELECTRO-FLOW CONTROLS LIMITED**ABBREVIATED BALANCE SHEET** *(continued)***31ST MARCH 2001**

	Note	2001 £	2000 £
CAPITAL AND RESERVES			
Called-up equity share capital	3	34,000	34,000
Profit and Loss Account		1,091	19,867
SHAREHOLDERS' FUNDS		<u>35,091</u>	<u>53,867</u>

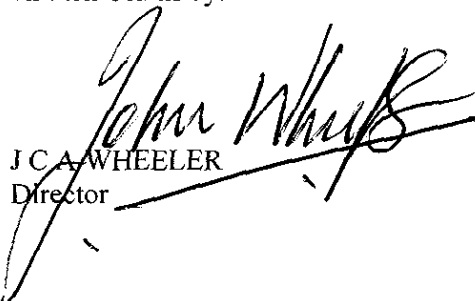
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors on the 29th November 2001 and are signed on their behalf by:


J C A WHEELER
Director

ELECTRO-FLOW CONTROLS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2001

1. ACCOUNTING POLICIES

Basis of accounting

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).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Development costs	- 33% straight line
Plant & Machinery	- 25% straight line
Fixtures & Fittings	- 25% straight line
Motor Vehicles	- 25% straight line
Equipment	- 33% straight line

Stocks

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

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account on a straight line basis.

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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

ELECTRO-FLOW CONTROLS LIMITED**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS****YEAR ENDED 31ST MARCH 2001****1. ACCOUNTING POLICIES** *(continued)***Deferred government grants**

Government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

2. FIXED ASSETS

	Tangible Fixed Assets £
COST	
At 1st April 2000	181,697
Additions	6,586
At 31st March 2001	<u><u>188,283</u></u>
DEPRECIATION	
At 1st April 2000	105,413
Charge for year	9,003
At 31st March 2001	<u><u>114,416</u></u>
NET BOOK VALUE	
At 31st March 2001	<u><u>73,867</u></u>
At 31st March 2000	<u><u>76,284</u></u>

3. SHARE CAPITAL**Authorised share capital:**

	2001 £	2000 £
50,000 Ordinary shares of £1.00 each	<u><u>50,000</u></u>	<u><u>50,000</u></u>

Allotted, called up and fully paid:

	2001 £	2000 £
Ordinary share capital brought forward	34,000	17,000
Issue of ordinary shares	-	17,000
	<u><u>34,000</u></u>	<u><u>34,000</u></u>