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**ELECTRO-FLOW
CONTROLS LIMITED**

**ABBREVIATED
FINANCIAL STATEMENTS**

31ST MARCH 1999

SIMPSON FORSYTH & CO
Chartered Accountants & Registered Auditors
52 Queen's Road
Aberdeen
AB15 4YE



ELECTRO-FLOW CONTROLS LIMITED
ABBREVIATED FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 1999

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ELECTRO-FLOW CONTROLS LIMITED

AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 4, together with the financial statements of the company for the year ended 31st March 1999 prepared under Section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 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 sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and 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 financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



52 Queen's Road
Aberdeen
AB15 4YE

SIMPSON FORSYTH & CO
Chartered Accountants
& Registered Auditors


8th December 1999

ELECTRO-FLOW CONTROLS LIMITED**ABBREVIATED BALANCE SHEET****31ST MARCH 1999**

	Note	1999	1998
	2	£	£
FIXED ASSETS			
Tangible assets		44,317	63,929
Investments		310	310
		<u>44,627</u>	<u>64,239</u>
CURRENT ASSETS			
Stocks		116,269	274,312
Debtors		259,076	466,628
Cash at bank and in hand		18,104	28,810
		<u>393,449</u>	<u>769,750</u>
CREDITORS: Amounts falling due within one year		<u>(395,950)</u>	<u>(783,076)</u>
NET CURRENT LIABILITIES		<u>(2,501)</u>	<u>(13,326)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>42,126</u>	<u>50,913</u>
CREDITORS: Amounts falling due after more than one year		<u>(4,711)</u>	<u>(11,261)</u>
		<u>37,415</u>	<u>39,652</u>
CAPITAL AND RESERVES			
Called-up equity share capital	3	17,000	17,000
Profit and loss account		20,415	22,652
SHAREHOLDERS' FUNDS		<u>37,415</u>	<u>39,652</u>

These accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

These financial statements were approved by the directors on the 8th December 1999 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 1999

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 1999).

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:

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.

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 1999****2. FIXED ASSETS**

	Tangible Fixed Assets	Investments	Total
	£	£	£
COST			
At 1st April 1998	182,201	310	182,511
Additions	14,219	-	14,219
Disposals	(31,996)	-	(31,996)
At 31st March 1999	<u>164,424</u>	<u>310</u>	<u>164,734</u>
DEPRECIATION			
At 1st April 1998	118,272	-	118,272
Charge for year	25,437	-	25,437
On disposals	(23,602)	-	(23,602)
At 31st March 1999	<u>120,107</u>	<u>-</u>	<u>120,107</u>
NET BOOK VALUE			
At 31st March 1999	<u>44,317</u>	<u>310</u>	<u>44,627</u>
At 31st March 1998	<u>63,929</u>	<u>310</u>	<u>64,239</u>

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

	1999	1998
	£	£
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	1999	1998
	£	£
Ordinary share capital	<u>17,000</u>	<u>17,000</u>