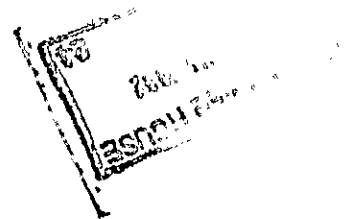


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AMAZON FILTERS LIMITED
ACCOUNTS
FOR THE YEAR ENDED 28 FEBRUARY 1992



AMAZON FILTERS LIMITED
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YEAR ENDED 28 FEBRUARY 1992

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AMAZON FILTERS LIMITED
COMPANY INFORMATION
YEAR ENDED 28 FEBRUARY 1992

DIRECTORS: M.K. Pizzey
C.L. Pizzey

SECRETARY: C.L. Pizzey

TRADING ADDRESS: B2, Ivanhoe Road
Hogwood Industrial Estate
Finchampstead, Wokingham
Berkshire RG11 4QZ

REGISTERED OFFICE: Veritas House
Chertsey Road
Woking
Surrey GU21 5BD

AUDITORS: Roberts McLennan
Chartered Accountants
Veritas House
Chertsey Road
Woking
Surrey GU21 5BD

AMAZON FILTERS LIMITED
REPORT OF THE DIRECTORS
YEAR ENDED 28 FEBRUARY 1992

The directors present their report and the accounts of the company for the year ended 28 February 1992.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturing and marketing of engineering products.

REVIEW OF BUSINESS

The results of the company for the year are set out in detail on page 4.

DIVIDEND

A dividend of 7,500p (1991-0p) per share was declared and paid during the year.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year and their interests in the share capital of the company at the beginning and end of the year were as follows:

		Number of shares	
		28.2.1992	28.2.1991
M.K. Pizzey	Ordinary £1	50	50
C.L. Pizzey	Ordinary £1	50	50

FIXED ASSETS

The movements in tangible fixed assets during the year are set out in note 8 to the accounts.

CLOSE COMPANY

The company is a close company within the meaning of section 414 of the Income and Corporation Taxes Act 1988.

AUDITORS

The auditors, Roberts McLennan, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD:

C.L. Pizzey
SECRETARY: C.L. Pizzey

Dated: 20.6.92

REPORT OF THE AUDITORS
TO THE MEMBERS OF
AMAZON FILTERS LIMITED

We have audited the accounts on pages 4 to 14 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at 28 February 1992 and of the profit and of the source and application of funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Roberts McLennan

Roberts McLennan
Chartered Accountants
Veritas House
Chertsey Road
Woking
Surrey GU21 5BD

Dated: 26 JUNE 1992

AMAZON FILTERS LIMITED
 PROFIT AND LOSS ACCOUNT
 YEAR ENDED 28 FEBRUARY 1992

	Note	1992 £	1991 £
TURNOVER	2	604,032	475,993
COST OF SALES		<u>(353,287)</u>	<u>(307,576)</u>
GROSS PROFIT		250,745	168,417
Administrative expenses		<u>(205,491)</u>	<u>(148,454)</u>
OPERATING PROFIT	3	45,254	19,963
Interest payable	5	<u>(17,074)</u>	<u>(12,089)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		28,180	7,874
Tax on ordinary activities before taxation	6	<u>(8,114)</u>	<u>(2,366)</u>
PROFIT FOR THE YEAR		20,066	5,508
Dividends	7	<u>(7,500)</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR		12,566	5,507
Deficit brought forward		<u>(3,023)</u>	<u>(8,531)</u>
RETAINED PROFIT/DEFICIT CARRIED FORWARD		<u>9,543</u>	<u>(3,023)</u>

The notes on pages 7-14 form part of these Accounts.

AMAZON FILTERS LIMITED

BALANCE SHEET

AT 28 FEBRUARY 1992

	Note	1992 £	1991 £
FIXED ASSETS			
Tangible assets	8	<u>54,587</u>	<u>42,838</u>
CURRENT ASSETS			
Stocks	9	42,623	52,932
Debtors	10	155,473	116,073
Cash at bank and in hand		300	300
		<u>198,396</u>	<u>169,305</u>
CREDITORS - amounts falling due within one year	11	<u>(202,690)</u>	<u>(168,272)</u>
NET CURRENT LIABILITIES/ASSETS		<u>(4,294)</u>	<u>1,033</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		50,293	43,871
CREDITORS - amounts falling due after more than one year	12	<u>(40,650)</u>	<u>(46,794)</u>
NET ASSETS/LIABILITIES		<u>9,643</u>	<u>£ (2,923)</u>
CAPITAL AND RESERVES			
Called up share capital	14	100	100
Profit and loss account		9,543	(3,023)
		<u>9,643</u>	<u>£ (2,923)</u>

M.K. Pizzey

C.L. Pizzey

Dated: 26-6-92

The notes on pages 7-14 form part of these Accounts.

AMAZON FILTERS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

YEAR ENDED 28 FEBRUARY 1992

	1992 £	1991 £
SOURCE OF FUNDS		
Profit on ordinary activities before taxation	28,180	7,874
Adjustment for items not involving the movement of funds		
Depreciation	15,980	12,192
Adjustment on disposal of fixed assets	645	1,992
Total generated from operations	44,805	22,058
Funds from other sources		
Sale of fixed assets	3,000	750
Increase in long term loans	-	13,365
Increase in long term H.P.	354	10,920
	48,159	47,093
APPLICATION OF FUNDS		
Purchase of fixed assets	(31,374)	(30,583)
Repayment of long term loans	(6,498)	-
Taxation paid	(1,434)	-
Dividends paid	(7,500)	-
MOVEMENT IN FUNDS	353	16,510
INCREASE/(DECREASE) IN WORKING CAPITAL		
Stocks	(10,309)	22,469
Debtors	39,400	17,201
Creditors	(56,048)	(19,979)
Cash at bank and in hand	27,310	(3,181)
	353	16,510

The notes on pages 7-14 form part of these Accounts.

AMAZON FILTERS LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 28 FEBRUARY 1992

1. ACCOUNTING POLICIES

a) Accounting convention

The accounts have been prepared under the historical cost convention.

b) Turnover

This represents the invoiced amounts of goods and services provided net of value added tax.

c) Depreciation of tangible assets

Provision is made for depreciation on all tangible fixed assets at rates calculated to write off each asset over its expected useful life, as follows:

Leasehold building		Over remaining life of lease
Office equipment:	15-33.3%	Reducing balance
Plant and machinery:	15.0%	Reducing balance
Motor vehicles:	25.0%	Reducing balance

d) Stocks

Stocks are valued at the lower of cost and net realisable value.

e) Deferred taxation

Deferred taxation is provided at projected future rates only for taxation liabilities arising from timing differences which are expected to reverse.

f) Leases

The cost of assets held under finance leases is included within tangible fixed assets and depreciation is provided at the relevant rate. The capital element of future lease payments is included in creditors.

The cost of operating leases is charged to profit as incurred.

g) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

AMAZON FILTERS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 28 FEBRUARY 1992

h) Debt factoring

The company has entered into a factoring arrangement with a financial institution. The substance of the agreement is that the financial institution makes advances to the company secured on the companies trade debtors. The accounting policy adopted by the company to reflect these transactions is as follows:

- (i) Trade debtors are stated in full.
- (ii) Sums advanced by the factoring institution are shown in other creditors.
- (iii) Interest charged on advances is included in finance costs.
- (iv) Other factoring costs are included in Administrative expenses.

i) Pensions

The company contributes to the Director's Personal Pension plan. Contributions are charged to the profit and loss account when they become due.

2. TURNOVER

The turnover and profit before tax are wholly attributable to the company's main activity.

3. OPERATING PROFIT

1992	1991
£	£

This is stated after charging:

Directors' emoluments	41,482	38,846
Auditors' remuneration	2,310	3,679
Depreciation	15,980	12,192
Adjustment on disposal of fixed assets	645	1,992
Hire of equipment	973	1,453
	<u> </u>	<u> </u>

AMAZON FILTERS LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 28 FEBRUARY 1992

4.	EMPLOYEE INFORMATION	1992 £	1991 £
a)	Staff costs:		
	Wages and salaries	98,751	68,214
	Social security costs	9,585	7,130
	Other pension costs	1,400	1,050
		<u>109,736</u>	<u>76,394</u>
b)	The average weekly number of employees during the year was made up as follows:		
	Directors	2	2
	Employees	4	3
		<u>6</u>	<u>5</u>
5.	INTEREST PAYABLE	1992 £	1991 £
	On bank overdrafts repayable within 5 years	-	2,523
	On loans repayable within 5 years	4,351	4,806
	Hire purchase interest	3,830	2,039
	Factoring interest	8,893	2,721
		<u>17,074</u>	<u>12,089</u>
6.	TAXATION	1992 £	1991 £
	The tax charge on ordinary activities for the year was as follows:		
	UK corporation tax	8,114	2,366
		<u>8,114</u>	<u>2,366</u>
7.	DIVIDENDS	1992 £	1991 £
	Dividend paid:		
	7,500p (1991-0p) per ordinary share	<u>7,500</u>	<u>--</u>

AMAZON FILTERS LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 28 FEBRUARY 1992

8. TANGIBLE FIXED ASSETS

	Short Leasehold property	Office equipment	Plant and machinery	Motor vehicles	Total
	£	£	£	£	£
Cost:					
At 1 March 1991	8,250	4,587	13,693	39,905	66,435
Additions	-	6,239	10,059	15,076	31,374
Disposals	-	-	-	(8,640)	(8,640)
At 28 February 1992	8,250	10,826	23,752	46,341	89,169
Depreciation:					
At 1 March 1991	4,125	2,208	2,763	14,501	23,597
Charge for year	1,375	2,248	3,148	9,209	15,980
Disposals	-	-	-	(4,995)	(4,995)
At 28 February 1992	5,500	4,456	5,911	18,715	34,582
Net book value at 28 February 1992	£ 2,750	£ 6,370	£ 17,841	£ 27,626	£ 54,587
Net book value at 28 February 1991	£ 4,125	£ 2,379	£ 10,930	£ 25,404	£ 42,838

AMAZON FILTERS LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 28 FEBRUARY 1992

Included in the amounts above are the following amounts relating to leased assets and assets which are subject to hire purchase contracts:

	Motor Vehicles £
Cost:	
At 1 March 1991	<u>24,155</u>
At 28 February 1992	<u>39,905</u>
Accumulated depreciation:	
At 1 March 1991	<u>9,791</u>
At 28 February 1992	<u>14,501</u>
Depreciation charged during year	<u>9,209</u>
Net book value:	
At 28 February 1992	<u>£ 27,626</u>
At 28 February 1991	<u>£ 14,364</u>

9. STOCKS	1992 £	1991 £
Raw materials and consumables	42,623	40,533
Work in progress	-	12,399
	<u>42,623</u>	<u>52,932</u>

AMAZON FILTERS LIMITED
NOTES TO THE ACCOUNTS
YEAR ENDED 28 FEBRUARY 1992

10. DEBTORS	1992 £	1991 £
Trade debtors	141,743	107,396
Other debtors	3,800	3,800
Prepayments	3,450	3,186
Directors' current accounts	6,480	1,691
	<u>155,473</u>	<u>116,073</u>
11. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	1992 £	1991 £
Bank loans and overdraft	13,746	41,056
Other loans	13,300	15,300
Hire purchase and finance lease obligations	8,731	8,041
Trade creditors	64,528	76,412
Corporation tax	5,546	2,366
Other taxes and social security costs	10,110	15,742
Other creditors	79,664	3,885
Accruals	4,565	5,470
Advance corporation tax	2,500	-
	<u>202,690</u>	<u>168,272</u>
12. CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1992 £	1991 £
Bank loans	24,125	30,623
Hire purchase and finance lease obligations	16,525	16,171
	<u>40,650</u>	<u>46,794</u>

AMAZON FILTERS LIMITED
 NOTES TO THE ACCOUNTS
 YEAR ENDED 28 FEBRUARY 1992

13. BORROWINGS

	1992 £	1991 £
Bank loans and overdrafts	37,871	71,679
Hire purchase and finance leases	25,256	24,212
Other loans	13,300	15,300
	<u>76,427</u>	<u>111,191</u>
Less amounts falling due within one year	35,777	64,397
	<u>40,650</u>	<u>46,794</u>

Analysis by year of repayment

Bank loans and overdrafts:

Within one year	13,746	41,056
Between two and five years	24,125	30,623

Hire purchase and finance leases:

Within one year	8,731	8,041
Between two and five years	16,525	16,171

Other loans:

Within one year	13,300	15,300
	<u>76,427</u>	<u>111,191</u>

BANK LOAN

The primary bank loan is repayable over eight years by equal instalments from 12th December 1988. The rate of interest on the loan was that prevailing in the market at the time of the advance.

During the year ended 28 February 1991 the company took out another bank loan which is repayable over five years in equal instalments. The rate of interest on the loan is 3.5% above the bank base rate.

SECURITY

The company has granted a fixed and floating charge over its assets and a legal charge over the short leasehold property in order to secure its bank loan and overdraft.

AMAZON FILTERS LIMITED
 NOTES TO THE ACCOUNTS
 YEAR ENDED 28 FEBRUARY 1992

14. SHARE CAPITAL

	Authorised		Allotted, issued and fully paid	
	1992 £	1991 £	1992 £	1991 £
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

15. OTHER FINANCIAL COMMITMENTS

The company has an operating lease on premises expiring between two and five years, on which the annual obligation is £13,220.