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Registrar's Copy

Company No: 33 46 356

BRYAN DONKIN VALVES LIMITED

Abbreviated Accounts

Year ended 30 September 2000

PKF
PANNELL HOUSE
150 CHARLES STREET
LEICESTER LE1 1LD



A04
COMPANIES HOUSE

ACUSCYRN

0298
08/03/01

PKF

BRYAN DONKIN VALVES LIMITED

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BRYAN DONKIN VALVES LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2000

The directors submit their report and the financial statements for the year ended 30 September 2000.

Results and dividends

The profit for the year, after taxation, amounted to £365,077.

A dividend of £200,000 was paid during the year . The directors do not recommend the payment of a further dividend.

Principal activity and review of business

The principal activity of the company during the year was the manufacture of gas valves.

The directors consider that the result for the year and the company's financial position at 30 September 2000 are both satisfactory.

The outlook for the current year remains encouraging.

Directors

The directors who served during the year, none of whom had any interest in other group undertakings incorporated in Great Britain, were as follows:

N A Kjaer
V Hojberg
G M Carson
B J Sims
E Finch

K Pederson resigned as a director on 18 October 1999.

As the company is the wholly owned subsidiary of a body corporate incorporated outside Great Britain it is exempt from the requirement to disclose the interests of the directors in group companies incorporated outside Great Britain.

Fixed assets

Details of tangible fixed assets are shown in note 8 to the financial statements.

BRYAN DONKIN VALVES LIMITED

**DIRECTORS' REPORT (continued)
YEAR ENDED 30 SEPTEMBER 2000**


Auditors

Pannell Kerr Forster changed its name to PKF on 1 November 2000 and has signed its audit report in its new name. PKF is eligible for re-appointment as auditor to the company and a resolution proposing its re-appointment will be proposed at the Annual General Meeting.

By order of the board

M J Rhodes

Secretary

A handwritten signature in dark ink, appearing to read 'M J Rhodes', is written over the printed name.

29 November 2000

**AUDITORS' REPORT TO
BRYAN DONKIN VALVES LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 4 to 12 together with the financial statements of the company for the year ended 30 September 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A 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 section 246A(3) of the Act to the registrar and whether the accounts are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 section 246A(3) of the Companies Act 1985 and the abbreviated accounts on pages 4 to 12 are properly prepared in accordance with that provision.



PKF

LEICESTER
29 November 2000

Registered Auditors

BRYAN DONKIN VALVES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2000

	Notes	2000 £	1999 £
GROSS PROFIT		1,981,867	2,242,295
Administrative expenses		(1,399,804)	(1,327,332)
OPERATING PROFIT	2	582,063	914,963
Interest receivable		25,422	9,415
Interest payable and similar charges	5	(83,547)	(101,493)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		523,938	822,885
TAXATION	6	(158,861)	(249,985)
PROFIT FOR THE FINANCIAL YEAR		365,077	572,900
DIVIDENDS	7	(200,000)	(100,000)
		165,077	472,900

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the profit and loss account.

BRYAN DONKIN VALVES LIMITED

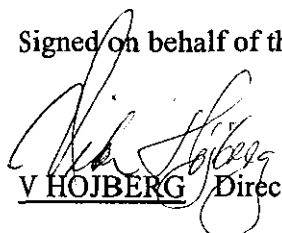
BALANCE SHEET 30 SEPTEMBER 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible	8	482,415	657,341
CURRENT ASSETS			
Stocks	9	729,643	709,721
Debtors	10	1,222,433	1,224,249
Cash at bank and in hand		431,845	390,929
		<u>2,383,921</u>	<u>2,324,899</u>
CREDITORS: amounts falling due within one year	11	(834,146)	(917,352)
NET CURRENT ASSETS		<u>1,549,775</u>	<u>1,407,547</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,032,190</u>	<u>2,064,888</u>
CREDITORS: amounts falling due after more than one year	12	(900,000)	(1,100,000)
PROVISIONS FOR LIABILITIES AND CHARGES	14	(52,047)	(49,822)
NET ASSETS		<u>1,080,143</u>	<u>915,066</u>
CAPITAL AND RESERVES			
Called up share capital	15	200,000	2
Profit and loss account	16	880,143	915,064
SHAREHOLDERS' FUNDS	17	<u>1,080,143</u>	<u>915,066</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the board on 29 November 2000

Signed on behalf of the board of directors


V HOJBERG Director

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2000

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	10 years
Motor vehicles	5 years
Office and computer equipment	5 years

(c) Finance and operating leases

Assets acquired under finance leases or hire purchase are treated as tangible fixed assets and depreciation is provided accordingly. The present value of future rentals is shown as a liability and the interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the capital balance outstanding.

Operating lease rentals are charged in the profit and loss account on a straight line basis over the lease term.

(d) Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price reduced by all costs of completion, marketing, selling and distribution.

(e) 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 ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

(f) Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise. The provision is calculated at the rate of corporation tax which it is anticipated will apply when the tax becomes payable.

(g) Research and development

All expenditure incurred by research and development is charged to revenue as it falls due.

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2000

2 OPERATING PROFIT

	2000 £	1999 £
The operating profit is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the company	87,737	91,750
Audit fees	6,750	6,750
Operating lease rentals:		
- plant & machinery	13,968	13,968
- land and buildings	98,333	98,333
	<u>87,737</u>	<u>91,750</u>

3 DIRECTORS' EMOLUMENTS AND BENEFITS

	£	£
Aggregate emoluments	57,732	55,426
Contributions to money purchase pension schemes	2,455	2,285
	<u>57,732</u>	<u>55,426</u>

The number of directors accruing benefits under a money purchase scheme was one.

4 STAFF COSTS

Staff costs, including directors' emoluments, were as follows:

	£	£
Wages and salaries	1,480,533	1,368,142
Social security costs	130,299	133,828
Other pension costs	74,423	74,332
	<u>1,685,255</u>	<u>1,576,302</u>

The average monthly number of employees, including executive directors, during the year was:

	No.	No.
Production	58	58
Administration	7	7
Technical	15	15
	<u>80</u>	<u>80</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2000 £	1999 £
Bank loans and overdrafts	83,547	101,493
	<u>83,547</u>	<u>101,493</u>

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2000

6 TAXATION

	2000 £	1999 £
Current year taxation		
UK corporation tax at 30% (1999 - 30%)	157,000	234,000
Transfer to deferred taxation	2,225	11,956
	<hr/>	<hr/>
Total UK taxation	159,225	245,956
Adjustments in respect of prior periods		
Corporation tax	(364)	4,029
	<hr/>	<hr/>
	158,861	249,985
	<hr/> <hr/>	<hr/> <hr/>

7 DIVIDENDS

	2000 £	1999 £
Ordinary shares		
Interim paid	200,000	100,000
	<hr/> <hr/>	<hr/> <hr/>

8 TANGIBLE FIXED ASSETS

	Land & buildings £	Plant and machinery £	Office and computer equipment £	Motor vehicles £	Total £
Cost					
At 1 October 1999	-	703,329	114,681	33,108	851,118
Additions	-	-	16,620		16,620
Disposals	-	(138,379)	-		(138,379)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2000	-	564,950	131,301	33,108	729,359
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 October 1999	-	161,823	22,054	9,900	193,777
Charge for year	-	59,882	21,255	6,600	87,737
On disposals	-	(34,570)	-	-	(34,570)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2000	-	187,135	43,309	16,500	246,944
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book amount					
At 30 September 2000	-	377,815	87,992	16,608	482,415
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 September 1999	-	541,506	92,627	23,208	657,341
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2000

9 STOCKS

	2000	1999
	£	£
Raw materials	676,370	638,021
Work in progress	29,095	49,402
Finished goods	24,178	22,298
	<u>729,643</u>	<u>709,721</u>

10 DEBTORS

	2000	1999
	£	£
Due within one year		
Trade debtors	1,305	4,322
Amounts due from group undertakings	1,217,373	1,198,313
Prepayments & accrued income	3,755	21,614
	<u>1,222,433</u>	<u>1,224,249</u>

11 CREDITORS:

Amounts falling due within one year

	2000	1999
	£	£
Bank loans and overdrafts	100,000	100,000
Trade creditors	335,742	409,193
Amounts owed to group undertakings	10,220	6,131
Corporation tax	120,000	157,000
Other creditors	184,988	197,087
Accruals and deferred income	83,196	47,941
	<u>834,146</u>	<u>917,352</u>

12 CREDITORS:

Amounts falling due after more than one year

	2000	1999
	£	£
Bank loans (note 13)	<u>900,000</u>	<u>1,100,000</u>

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2000

13 LOANS

Loans fall due for payment as follows:

	2000 £	1999 £
Bank loans		
Within one year	100,000	100,000
Between one and two years	600,000	600,000
Between two and five years	300,000	300,000
After more than five years	-	200,000
	<u>1,000,000</u>	<u>1,200,000</u>

The bank loans are guaranteed by the holding company. The bank loans will be fully repaid by 31 July 2006 and attract interest at variable rates.

14 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £
At 1 October 1999	49,822
Charged to profit and loss	2,225
At 30 September 2000	<u>52,047</u>

Deferred tax is analysed as follows:

	Provided		Not provided	
	2000	1999	2000	1999
	£	£	£	£
Accelerated Capital allowances	52,047	49,822	-	-

15 SHARE CAPITAL

	Authorised £	Allotted, called up and fully paid No.	£
At 1 October 1999			
Ordinary shares of £1 each	1,000	2	2
Movements in year:			
Ordinary shares of £1 each	<u>499,000</u>	<u>199,998</u>	<u>199,998</u>
At 30 September 2000			
Ordinary shares of £1 each	<u>500,000</u>	<u>200,000</u>	<u>200,000</u>

On 18 October 1999 the authorised share capital was increased to 500,000 ordinary shares and there was a bonus issue of 199,998 ordinary shares.

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2000

16 RESERVES

Profit and loss account	£
At 1 October 1999	915,064
Profit for the year	365,077
Dividends	(200,000)
Bonus Share Issue	(199,998)
	<hr/>
At 30 September 2000	880,143
	<hr/>

17 SHAREHOLDERS' FUNDS

	2000	1999
	£	£
Shareholders' funds at 1 October 1999	915,066	442,166
Profit for the year	365,077	572,900
Dividends	(200,000)	(100,000)
	<hr/>	<hr/>
Shareholders' funds at 30 September 2000	1,080,143	915,066
	<hr/>	<hr/>

18 OTHER COMMITMENTS

At 30 September 2000 the company had annual commitments under operating leases as follows:

	Land and buildings		Other	
	2000	1999	2000	1999
	£	£	£	£
Expiry date:				
Within 1 year	33,000	-	-	-
Between 1 and 5 years	-	33,333	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2000

19 TRANSACTIONS WITH RELATED PARTIES

As Bryan Donkin Valves Limited is wholly owned by Aage V Kjaers Maskinfabrik A/S and the consolidated accounts are publicly available in Denmark, advantage has been taken of the exemption offered by Financial Reporting Standard 8 from the requirement to disclose transactions with other group companies.

The consolidated accounts are available at the following address:
Erhvervs - og Selskabsstyrelsen
Kampmannsgade 1
1780 København V
Denmark

G. M. Carson was a major shareholder of Aqua-Gas (Valves and Fittings) Limited. Both G. M. Carson and N. J. Kjaer are directors of this company. Aqua-Gas (Valves and Fittings) Limited became a wholly owned subsidiary of Aage V Kjaers Maskinfabrik A/S on 11 February 1999. Bryan Donkin Valves Limited made sales of £1,338,962 to this company to February 1999.

20 PENSION COSTS

The company contributes to individual personal money purchase pension schemes.

The contributions made to the Scheme during the year are shown in note 4 to the financial statements.

21 PARENT UNDERTAKING AND CONTROLLING PARTIES

The ultimate parent undertaking and controlling party is Aage V Kjaers Maskinfabrik A/S, which is registered in Denmark.

The ultimate controlling party is N. A. Kjaer who owns the majority of the shares in Aage V Kjaers Maskinfabrik A/S.