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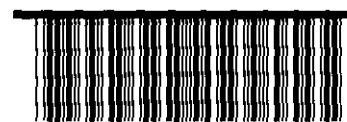
Registrar's Copy

Company No: 3346356

BRYAN DONKIN VALVES LIMITED

Abbreviated Accounts

Year ended 30 September 2001



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COMPANIES HOUSE

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17/07/02

PKF

PANNELL HOUSE
159 CHARLES STREET
LEICESTER LE1 1LD

PKF

BRYAN DONKIN VALVES LIMITED

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BRYAN DONKIN VALVES LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2001

The directors submit their report and the financial statements for the year ended 30 September 2001.

Results and dividends

The profit for the year, after taxation, amounted to **£1,256,203** (2000 - £365,077).

The directors recommend a dividend of £550,000 leaving a balance of £706,203 which is transferred to retained reserves.

Principal activity and review of business

The company's principal activity was the manufacture of gas valves.

The directors consider that the result for the year and the company's financial position at 30 September 2001 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 the shares of the company or in any other group undertakings incorporated in Great Britain, were as follows:

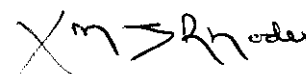
N A Kjaer
V Hojberg
G M Carson
B J Sims
E Finch

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 9 to the financial statements.

By order of the board



M J Rhodes
Secretary

18 December 2001

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

We have examined the abbreviated accounts, which comprise the Abbreviated Profit and Loss Account, the Balance Sheet and the related notes, together with the financial statements of the company for the year ended 30 September 2001 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 of companies and whether the accounts to be delivered 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 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.

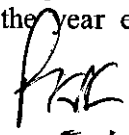
Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985 and the abbreviated accounts are properly prepared in accordance with that provision.

Other information

On Transactions with related parties we reported as auditors to the members of the company on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 September 2001 and our report:

Leicester
18 December 2001


PKF
Registered Auditors

BRYAN DONKIN VALVES LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2001

	Notes	2001 £	2000 £
GROSS PROFIT		3,377,281	1,981,867
Administrative expenses		<u>(1,547,130)</u>	<u>(1,399,804)</u>
OPERATING PROFIT	2	1,830,151	582,063
Interest receivable and similar income	5	31,705	25,422
Interest payable and similar charges	6	<u>(67,121)</u>	<u>(83,547)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,794,735	523,938
TAXATION	7	<u>(538,532)</u>	<u>(158,861)</u>
PROFIT FOR THE FINANCIAL YEAR		1,256,203	365,077
DIVIDENDS	8	<u>(550,000)</u>	<u>(200,000)</u>
		<u>706,203</u>	<u>165,077</u>

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.

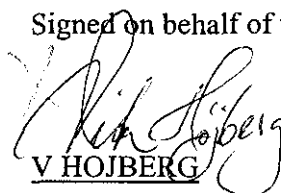
BRYAN DONKIN VALVES LIMITED
BALANCE SHEET
30 SEPTEMBER 2001

	Notes	2001 £	2000 £
FIXED ASSETS			
Tangible	9	586,542	482,415
CURRENT ASSETS			
Stocks	10	774,078	729,643
Debtors	11	1,540,705	1,222,433
Cash at bank and in hand		705,488	431,845
		<u>3,020,271</u>	<u>2,383,921</u>
CREDITORS: amounts falling due within one year	12	<u>(1,064,828)</u>	<u>(834,146)</u>
NET CURRENT ASSETS		<u>1,955,443</u>	<u>1,549,775</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,541,985</u>	<u>2,032,190</u>
CREDITORS: amounts falling due after more than one year	13	(700,000)	(900,000)
PROVISIONS FOR LIABILITIES AND CHARGES	15	<u>(55,639)</u>	<u>(52,047)</u>
NET ASSETS		<u><u>1,786,346</u></u>	<u><u>1,080,143</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	200,000	200,000
Profit and loss account	17	1,586,346	880,143
SHAREHOLDERS' FUNDS	18	<u><u>1,786,346</u></u>	<u><u>1,080,143</u></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 18 December 2001

Signed on behalf of the board of directors


V HOJBERG

Director

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2001

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) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

(c) 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

(d) 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.

(e) 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 based on estimated selling price allowing for all further costs of completion and disposal.

(f) 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.

(g) Deferred taxation

Provision is made for deferred tax using the liability method to the extent that it is probable that a liability will crystallise.

(h) 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 2001

2 OPERATING PROFIT

The operating profit is stated after charging:

	2001 £	2000 £
Depreciation of tangible fixed assets:		
- owned by the company	90,942	87,737
Audit fees	6,900	6,750
Operating lease rentals:		
- plant & machinery	17,128	13,968
- land and buildings	106,000	98,333
	<u>106,000</u>	<u>98,333</u>

3 DIRECTORS' EMOLUMENTS AND BENEFITS

	2001 £	2000 £
Aggregate emoluments	60,109	57,732
Contributions to money purchase pension schemes	2,547	2,455
	<u>2,547</u>	<u>2,455</u>

No directors (2000 - none) were members of company pension schemes.

4 STAFF COSTS

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

	2001 £	2000 £
Wages and salaries	1,644,388	1,480,533
Social security costs	154,822	130,299
Other pension costs	69,468	74,423
	<u>1,868,678</u>	<u>1,685,255</u>

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

	No	No
Production	51	58
Administration	6	7
Technical	16	15
	<u>73</u>	<u>80</u>

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	2001 £	2000 £
Interest receivable from group companies	20,708	-
Other interest receivable	10,997	25,422
	<u>31,705</u>	<u>25,422</u>

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2001

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Bank loans and overdrafts	67,121	83,547

7 TAXATION

	2001 £	2000 £
UK corporation tax		
Current tax on income for the year	534,940	157,000
Adjustments in respect of prior periods	-	(364)
Total UK taxation	534,940	156,636
Deferred tax		
Current tax on income for the year	3,592	2,225
	538,532	158,861

8 DIVIDENDS

	2001 £	2000 £
Ordinary shares		
Interim paid	550,000	200,000
of which:		
Dividends on equity shares	550,000	200,000

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2001

9 TANGIBLE FIXED ASSETS

	Plant and machinery £	Office and computer equipment £	Motor vehicles £	Total £
Cost				
At 1 October 2000	564,950	131,301	33,108	729,359
Additions	195,069	-	-	195,069
At 30 September 2001	<u>760,019</u>	<u>131,301</u>	<u>33,108</u>	<u>924,428</u>
Depreciation				
At 1 October 2000	187,135	43,309	16,500	246,944
Charge for year	60,594	23,748	6,600	90,942
At 30 September 2001	<u>247,729</u>	<u>67,057</u>	<u>23,100</u>	<u>337,886</u>
Net book amount				
At 30 September 2001	<u>512,290</u>	<u>64,244</u>	<u>10,008</u>	<u>586,542</u>
At 30 September 2000	<u>377,815</u>	<u>87,992</u>	<u>16,608</u>	<u>482,415</u>

10 STOCKS

	2001 £	2000 £
Raw materials	677,929	676,370
Work in progress	43,459	29,095
Finished goods	52,690	24,178
	<u>774,078</u>	<u>729,643</u>

11 DEBTORS

	2001 £	2000 £
Due within one year		
Trade debtors	3,156	1,305
Amounts due from group undertakings	1,504,080	1,217,373
Prepayments & accrued income	33,469	3,755
	<u>1,540,705</u>	<u>1,222,433</u>

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2001

12 CREDITORS

	2001 £	2000 £
Amounts falling due within one year		
Bank loans and overdrafts (note 14)	100,000	100,000
Trade creditors	386,800	335,742
Amounts owed to group undertakings	24,474	10,220
Corporation tax	317,835	120,000
Other creditors	199,707	184,988
Accruals and deferred income	36,012	83,196
	<u>1,064,828</u>	<u>834,146</u>

13 CREDITORS

	2001 £	2000 £
Amounts falling due after more than one year		
Bank loans (note 14)	<u>700,000</u>	<u>900,000</u>

14 LOANS

Loans fall due for payment as follows:

	2001 £	2000 £
Bank loans		
Within one year	100,000	100,000
Between one and two years	100,000	600,000
Between two and five years	600,000	300,000
	<u>800,000</u>	<u>1,000,000</u>

The bank loans are guaranteed by the holding company and will be fully repaid by 31 July 2006.

15 PROVISIONS FOR LIABILITIES AND CHARGES

	Deferred taxation £	Pension provisions £	Other provisions £	Total £
At 1 October 2000	52,047	-	-	52,047
Charged to profit and loss	3,592	-	-	3,592
At 30 September 2001	<u>55,639</u>	<u>-</u>	<u>-</u>	<u>55,639</u>

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2001

15 PROVISIONS FOR LIABILITIES AND CHARGES (continued)

Deferred tax is analysed as follows:

	Provided		Not provided	
	2001	2000	2001	2000
	£	£	£	£
Capital allowances	55,639	52,047	-	-

16 SHARE CAPITAL

	Authorised	Allotted, called up and fully paid	
	£	No	£
At 1 October 2000 and 30 September 2001 Ordinary shares of £1 each	500,000	200,000	200,000

17 RESERVES

	£
Profit and loss account	
At 1 October 2000	880,143
Profit for the year	1,256,203
Dividends	(550,000)
At 30 September 2001	1,586,346

18 SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Shareholders' funds at 1 October 2000	1,080,143	915,066
Profit for the year	1,256,203	365,077
Dividends	(550,000)	(200,000)
Shareholders' funds at 30 September 2001	1,786,346	1,080,143

19 OTHER COMMITMENTS

At 30 September 2001 the company had annual commitments under operating leases as follows:

	Land and buildings		Other	
	2001	2000	2001	2000
	£	£	£	£
Expiry date:				
Within one year	22,000	33,000	-	-

BRYAN DONKIN VALVES LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 2001

20 TRANSACTIONS WITH RELATED PARTIES

N A Kjaer is a director and major shareholder of AVK Gummi A/S. Bryan Donkin Valves Limited bought goods and services amounting to **£29,236** from this company during the year.

At the year end **£32** (2000 £NIL) was payable to the company. All transactions were made on terms negotiated between N A Kjaer and Mr Madsen, the General Manager of and other shareholder in AVK Gummi A/S.

As Bryan Donkin Values 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
Denmark

21 PENSION COSTS

The company contributes to individual personal money purchase pension scheme.

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

22 PARENT UNDERTAKINGS

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