

Pumping Services (G.B.) Ltd

Abbreviated accounts

For the year ended 31 December 1995

Registered number 813276



Pumping Services (G.B.) Ltd

Directors' report and financial statements

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Pumping Services (G.B.) Ltd

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 1995.

Principal activities

The principal activity of the company is the sale and repair of pumps.

Business review

The results for the year are shown on page 6 of the financial statements.

Future business developments

On 1 April 1996 the whole of the share capital of the company was acquired by Verder Limited.

Following the acquisition the trade and assets of the company were transferred to Verder Limited, and the company ceased to trade.

Proposed dividend

The directors do not recommend the payment of a dividend and the profit of £7,210 is to be transferred to reserves.

Significant changes in fixed assets

The movements in fixed assets during the year are set out in note 7 to the financial statements.

Taxation status

The company is a close company under the provisions of the Income and Corporation Taxes Act 1988.

Directors and directors' interests

The directors who held office during the year were as follows:

A Verder
J Kok
M Heap

The directors who held office at the end of the year had no interests in the shares of the company.

Pumping Services (G.B.) Ltd

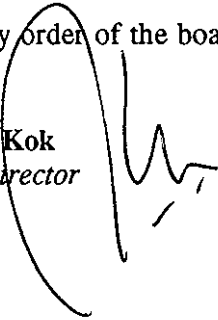
Directors' report

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG as auditors of the company, is to be proposed at the forthcoming Annual General Meeting.

By order of the board

J Kok
Director

A handwritten signature in black ink, appearing to be 'J Kok', written over a large, loopy oval shape.

Whitehouse Street
Jack Lane
LEEDS
LS10 1AD

28 May 1996

Pumping Services (G.B.) Ltd

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



1 The Embankment
Neville Street
Leeds
LS1 4DW

Auditors' report to the directors of Pumping Services (G.B.) Limited

Pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985

We have examined the abbreviated accounts set out on pages 6 to 21 together with the financial statements of Pumping Services (G.B.) Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1996.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section B of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1995, and the abbreviated accounts on pages 6 to 21 have been properly prepared in accordance with that Schedule.

Other information

On 28 May 1996 we reported, as auditors of Pumping Services (G.B.) Limited to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1995, and our report was as follows:



1 The Embankment
Neville Street
Leeds
LS1 4DW

Auditors' report to the directors of Pumping Services (G.B.) Limited

Pursuant to paragraph 24 of Schedule 8 to the Companies Act 1985

"We have audited the financial statements on pages 5 to 20.

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on these statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

KPMG.

KPMG
Registered Auditors

28 May 1996

Pumping Services (G.B.) Ltd

Profit and loss account
for the year ended 31 December 1995

	Note	Continuing operations	
		1995	1994
		£	£
Gross profit		1,136,417	1,009,753
Distribution costs		(137,650)	(101,306)
Administrative expenses		(877,796)	(890,439)
Other operating income		2,529	8,315
Operating profit		123,500	26,323
Other interest receivable and similar income		20,388	9,900
Exceptional amounts written off investments		(89,673)	(327,061)
Interest payable and similar charges	5	(47,005)	(90,553)
Profit/(loss) on ordinary activities before taxation	2-4	7,210	(381,391)
Tax on profit/(loss) on ordinary activities	6	-	-
Profit/(loss) for the financial year		7,210	(381,391)

Note of historical cost profits and losses

	1995	1994
	£	£
Profit/(loss) on ordinary activities before taxation	7,210	(381,391)
Difference between historical cost depreciation charge and the actual charge calculated on the revalued amount	4,779	11,515
Difference between the historical cost profit and the loss on disposal calculated on the revalued amount	-	24,030
Historical cost profit/(loss) on ordinary activities before taxation	11,989	(345,846)

A statement of movements on reserves is shown in note 14 to the accounts.

The company has no gains or losses for the accounting period other than the profit/(loss) for the year.

Pumping Services (G.B.) Ltd

Balance sheet
at 31 December 1995

	Note	1995		1994	
		£	£	£	£
Fixed assets					
Tangible assets	7		519,011		565,542
Investments	8		12,433		102,106
			<u>531,444</u>		<u>667,648</u>
Current assets					
Stocks	9	344,791		366,928	
Debtors	10	1,508,694		1,078,282	
Cash at bank and in hand		46,771		671	
		<u>1,900,256</u>		<u>1,445,881</u>	
Creditors: amounts falling due within one year	11	(1,297,815)		(825,206)	
				<u>602,441</u>	<u>620,675</u>
Net current assets					
			1,133,885		1,288,323
Total assets less current liabilities					
Creditors: amounts falling due after more than one year	12		(413,403)		(575,051)
			<u>720,482</u>		<u>713,272</u>
Net assets					
Capital and reserves					
Called up share capital	13		964,331		964,331
Revaluation reserve	14		163,392		168,392
Profit and loss account	14		(407,241)		(419,451)
			<u>720,482</u>		<u>713,272</u>
Shareholders' funds					
Equity			(233,849)		(241,059)
Non-equity			954,331		954,331
	19		<u>720,482</u>		<u>713,272</u>

The directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a medium-sized company.

These financial statements were approved by the board of directors on 28 May 1996 and were signed on its behalf by:


A. Verder
Director

Pumping Services (G.B.) Ltd

Cash flow statement for the year ended 31 December 1995

	Note	1995		1994	
		£	£	£	£
Net cash inflow/(outflow) from operating activities	20		78,302		(6,835)
Return on investments and servicing of finance					
Interest paid		24,471		72,523	
Interest element of finance lease rental payments		2,146		8,140	
Net cash outflows from return on investments and servicing of finance			(26,617)		(80,663)
Investing activities					
Purchase of tangible fixed assets		13,536		72,653	
Sale of tangible fixed assets		(9,100)		(47,699)	
Purchase of fixed asset investments		-		429,167	
Net cash outflow from investing activities			(4,436)		(454,121)
Net cash inflow/(outflow) before financing			47,249		(541,619)
Financing					
Repayment of amounts borrowed		(453,490)		(63,989)	
New loans		465,449		209,789	
Capital element of finance lease rental payments		(12,426)		(42,838)	
Share issue		-		954,331	
New finance lease contracts		-		38,774	
Net cash (outflow)/inflow from financing			(467)		1,096,067
Increase in cash and cash equivalents	21		46,782		554,448

Pumping Services (G.B.) Ltd

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, modified to include the revaluation of land and buildings.

Basis of consolidation

In accordance with Section 228(1) of the Companies Act 1985, Pumping Services (G.B.) Ltd is exempt from the requirement to prepare group accounts as it is the wholly owned subsidiary of an EC group. The financial statements present information about the undertaking as an individual undertaking and not about its group.

Fixed assets and depreciation

Depreciation is provided by the company to write off the cost or valuation less the estimated residual value of tangible fixed assets by instalments over their estimated useful economic lives as follows:

Freehold buildings	-	4 % per annum on cost
Leasehold property	-	over the period of the lease of 99 years on a straight line basis
Plant and equipment	-	10 % and 15 % per annum on a reducing balance basis
Fixtures and fittings	-	15 % per annum on a reducing balance basis
Motor vehicles	-	25 % per annum on a reducing balance basis
Computer equipment	-	33 % per annum on cost

No depreciation is provided on freehold land.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Leases

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the profit and loss account on a straight line basis over the life of the lease.

Pumping Services (G.B.) Ltd

Notes (continued)

1 Accounting policies (continued)

Pension costs

The company operates a money purchase scheme. The amount charged represents the contributions payable to the scheme in respect of the year.

Stocks

Stocks are stated at the lower of latest purchase price and net realisable value after making due allowance for obsolete and slow moving items. For work in progress, cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Deferred taxation

Provision is made by the liability method for all timing differences which are expected to be reversed in the foreseeable future.

Turnover

Turnover represents the amounts excluding value added tax derived from the provision of goods to third party UK customers during the year.

2 Profit/(loss) on ordinary activities before taxation

	1995	1994
	£	£
<i>Profit/(loss) on ordinary activities before taxation is stated after charging</i>		
Exceptional item	89,673	327,061
Auditors' remuneration		
- audit services	9,500	9,250
Depreciation	51,172	49,879
Vehicle hire	37,014	43,959

The exceptional item relates to the provision for amounts written off for the diminution in value of fixed asset investments.

Pumping Services (G.B.) Ltd

Notes (continued)

3 Remuneration of directors

The emoluments, excluding pension contributions of the chairman were £nil (1994: £nil) and those of the highest paid director were £35,172 (1994: £32,300).

The emoluments, excluding pension contributions, of the directors (including the chairman and highest paid directors) were within the following ranges:

			Number of directors	
			1995	1994
£0	-	£15,000	2	2
£30,000	-	£35,000	-	1
£35,000	-	£40,000	1	-

4 Staff numbers and costs

The average number of persons employed by the group (including directors) during the period, analysed by category, was as follows:

			Number of employees	
			1995	1994
Office management			18	21
Workshop			5	7
Stores and distribution			5	4
			<u>28</u>	<u>32</u>

The aggregate payroll costs of these persons were as follows:

			1995	1994
			£	£
Wages and salaries			354,426	468,302
Social security costs			40,523	50,063
Other pension costs			15,056	18,987
			<u>410,005</u>	<u>537,352</u>

Pumping Services (G.B.) Ltd

Notes (continued)

5 Interest payable and similar charges

	1995 £	1994 £
On bank loans, overdrafts and other loans wholly repayable within five years	2,474	36,643
On all other loans payable to group undertakings	42,385	45,770
Hire purchase charges	2,146	8,140
	<u>47,005</u>	<u>90,553</u>

6 Taxation

	1995 £	1994 £
Adjustment relating to an earlier year	-	-
	<u>-</u>	<u>-</u>

Corporation tax losses amounting to approximately £377,000 (1994: £525,000) are carried forward and can be utilised against future trading profits of the company.

No provision has been made for deferred taxation (1994: £nil).

Pumping Services (G.B.) Ltd

Notes (continued)

7 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
<i>Cost or valuation</i>				
At 1 January 1995	482,839	211,612	60,197	754,648
Additions	-	13,536		13,536
Disposals	-	(150)	(21,368)	(21,518)
	<u>482,839</u>	<u>224,998</u>	<u>38,829</u>	<u>746,666</u>
At 31 December 1995	482,839	224,998	38,829	746,666
<i>Depreciation</i>				
At 1 January 1995	38,739	127,839	22,528	189,106
Charge for year	19,314	23,494	8,364	51,172
On disposals	-	(150)	(12,473)	(12,623)
	<u>58,053</u>	<u>151,183</u>	<u>18,419</u>	<u>227,655</u>
At 31 December 1995	58,053	151,183	18,419	227,655
<i>Net book value</i>				
At 31 December 1995	<u>424,786</u>	<u>73,815</u>	<u>20,410</u>	<u>519,011</u>
At 31 December 1994	<u>444,100</u>	<u>83,773</u>	<u>37,669</u>	<u>565,542</u>

The net book value of land and buildings comprises:

	1995 £	1994 £
Freehold	80,550	86,423
Long leasehold	344,236	357,677
	<u>424,786</u>	<u>444,100</u>

The land and buildings were revalued on 31 July 1991 on an open market basis. In the opinion of the directors the valuation at 31 December 1995 had not diminished.

Pumping Services (G.B.) Ltd

Notes (continued)

7 Tangible fixed assets (continued)

Particulars relating to revalued assets are given below:

	1995 £	1994 £
<i>Land and buildings</i>		
At 1991 open market value	482,839	482,839
Aggregate depreciation thereon	(58,053)	(38,739)
	<hr/>	<hr/>
Net book value	424,786	444,100
	<hr/>	<hr/>
Historical cost of revalued assets	363,363	363,363
Aggregate depreciation based on historical cost	(83,476)	(68,941)
	<hr/>	<hr/>
Historical cost net book value	279,887	294,422
	<hr/>	<hr/>

The net book value of assets acquired under hire purchase contracts is as follows:

	1995 £	1994 £
Motor vehicles	17,231	22,976
Plant and equipment	-	18,342
	<hr/>	<hr/>

The depreciation charged in the year on these assets is as follows:

	1995 £	1994 £
Motor vehicles	5,744	7,659
Plant and equipment	-	3,237
	<hr/>	<hr/>

Pumping Services (G.B.) Ltd

Notes (continued)

8 Fixed asset investments

	Shares in subsidiary undertaking £
<i>Cost or valuation</i>	
At 1 January 1995	102,106
Additions	-
Amounts written off investments	(89,673)
	<hr/>
At 31 December 1995	12,433
	<hr/>

The companies in which the company's interest is more than 10% are as follows:

	Country of incorporation	Principal activity	Class and percentage of shares held	
<i>Subsidiary undertakings</i>				
Thomas Matthews (Pumps) Limited	England and Wales	Pump distribution	100 %	£1 ordinary
Electrical & Mechanical Systems (Pumps) Limited	Northern Ireland	Pump distribution	100 %	£1 ordinary

9 Stocks

	1995 £	1994 £
Work in progress	24,667	15,627
Finished goods and goods for resale	320,124	351,301
	<hr/>	<hr/>
	344,791	366,928
	<hr/>	<hr/>

Pumping Services (G.B.) Ltd

Notes (continued)

10 Debtors

	Due within one year 1995 £	Due after one year 1995 £	Due within one year 1994 £	Due after one year 1994 £
Trade debtors	718,693	-	702,201	-
Amounts owed by group undertakings	693,049	64,152	254,311	59,400
Other debtors	529	-	3,605	-
Prepayments and accrued income	32,271	-	58,765	-
	<u>1,444,542</u>	<u>64,152</u>	<u>1,018,882</u>	<u>59,400</u>
<i>The amounts owed by group undertakings comprise:</i>				
Parent and fellow subsidiary undertakings	427,067	64,152	117,588	59,400
Subsidiary undertakings	265,982	-	136,723	-
	<u>693,049</u>	<u>64,152</u>	<u>254,311</u>	<u>59,400</u>

Pumping Services (G.B.) Ltd

Notes (continued)

11 Creditors: amounts falling due within one year

	1995	1994
	£	£
Bank loans	10,000	10,682
Obligations under finance leases and hire purchase contracts	6,226	12,419
Trade creditors	323,803	513,453
Amounts owed to group undertakings	847,426	236,562
Other creditors including taxation and social security:		
Other taxes and social security	52,071	39,054
Other creditors	557	388
	<u>52,628</u>	<u>39,442</u>
Accruals and deferred income	57,732	12,648
	<u>1,297,815</u>	<u>825,206</u>
<i>The amounts owed to group undertakings comprise:</i>		
Parent and fellow subsidiary undertakings	847,426	235,801
Subsidiary undertakings	-	761
	<u>847,426</u>	<u>236,562</u>

12 Creditors: amounts falling due after more than one year

	1995	1994
	£	£
Bank loans and overdrafts	10,000	20,000
Obligations under hire purchase contracts	963	7,196
Amounts owed to group undertakings	402,440	547,855
	<u>413,403</u>	<u>575,051</u>
<i>The amounts owed to group undertakings comprise:</i>		
Parent and fellow subsidiary undertakings	<u>402,440</u>	<u>547,855</u>

The amount owed to other group undertakings is represented by a loan from Verder Holdings (UK) Limited. The interest on the loan is at 7% per annum and is due on 31 December each year. The capital amount of the loan is redeemable on 31 December 2000. Repayment thereafter can be undertaken any time in amounts of £1,000 with ten days notice to Verder Holdings (UK) Limited.

Pumping Services (G.B.) Ltd

Notes (continued)

12 Creditors: amounts falling due after more than one year (continued)

The total amount of bank loans and overdrafts is analysed as follows:

	1995 £	1994 £
Falling due in the second to fifth years	10,000	20,000
	<u>10,000</u>	<u>20,000</u>

Bank loans which total £20,000 are repayable over the next two years. The rates of interest on the loan is at a fixed rate over base rate and is secured by a fixed charge on the freehold land and property and by a floating charge over the other assets and group undertakings of the company.

The maturity of obligations under finance leases and hire purchase contracts is as follows:

	1995 £	1994 £
<i>Leases which expire:</i>		
Within one year	7,404	14,570
Within second to fifth years	1,154	8,558
	<u>8,558</u>	<u>23,128</u>
Less: future finance charges	(1,369)	(3,513)
	<u>7,189</u>	<u>19,615</u>

Pumping Services (G.B.) Ltd

Notes (continued)

13 Called up share capital

	1995 £	1994 £
<i>Authorised</i>		
Equity share capital:		
Ordinary shares of £1 each	50,000	50,000
Non-equity share capital		
Ordinary shares of £1 each redeemable at par on 22 July 1999	990,000	990,000
	<u>1,040,000</u>	<u>1,040,000</u>
<i>Allotted, called up and fully paid</i>		
Equity share capital:		
Ordinary shares of £1 each	10,000	10,000
Non equity share capital:		
Ordinary shares of £1 each redeemable at par on 22 July 1999	954,331	954,331
	<u>964,331</u>	<u>964,331</u>

The redeemable shares rank pari passu with the ordinary shares. The company has the right to redeem the shares at par by giving one months notice.

14 Movement on reserves

	Revaluation reserve £	Profit and loss account £
At beginning of year	168,392	(419,451)
Excess depreciation on revalued assets	(5,000)	5,000
Profit for the financial year	-	7,210
	<u>163,392</u>	<u>(407,241)</u>
At end of year		

Pumping Services (G.B.) Ltd

Notes (continued)

15 Capital commitments

There were no capital commitments at 31 December 1995 (1994: £nil).

16 Contingent liabilities

The company has guaranteed the overdrafts of its subsidiaries to Barclays Bank plc; the amount outstanding at the year end was £nil (1994: £nil).

17 Pension costs

The company previously operated a pension scheme, Pumping Services (G.B.) Ltd and Associated Companies Retirement Benefits Scheme, until 31 August 1992. The scheme provided benefits based on final pensionable pay, contributions being charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. This was replaced on 1 October 1992 by a money purchase scheme. An estimate of the actuarial value of the old scheme was made on 1 September 1992 which suggested a surplus existed in the scheme.

The charge for the year is £15,056 (1994: £18,987).

18 Ultimate parent company

The company is a subsidiary undertaking of Verder Holdings (UK) Limited, a company registered in England and Wales. The financial statements of the company can be obtained from Companies House.

The ultimate parent company of the group to which the company belongs is Verder Holding BV (formerly known as Beheermaatschappij AF Verder BV), a company registered in The Netherlands. The largest and smallest group in which the results of the company are consolidated is that headed by Verder Holding BV. The financial statements of the company can be obtained from their registered office:

Utrechtseweg 4A
NL 3450 AA Vleuten
The Netherlands.

19 Statement of movements in shareholders' funds

	1995 £	1994 £
Profit/(loss) for the financial year	7,210	(381,391)
Issue of shares	-	954,331
Shareholders' funds brought forward	713,272	140,332
Shareholders' funds carried forward	720,482	713,272

Pumping Services (G.B.) Ltd

Notes (continued)

20 Reconciliation of operating profit to net cash outflow from operating activities

	1995 £	1994 £
Operating profit	123,500	26,323
Depreciation charge	51,172	49,879
(Profit)/loss on sale of tangible fixed assets	(205)	1,655
Decrease in stocks	22,137	7,646
Decrease/(increase) in debtors	13,078	(49,736)
Decrease in creditors	(131,380)	(42,602)
Net cash inflow/(outflow) from operating activities	<u>78,302</u>	<u>(6,835)</u>

21 Analysis of changes in cash and cash equivalents

	Cash £	Overdraft £	Net £
Balance at 1 January 1995	671	(682)	(11)
Net cash inflow	<u>46,100</u>	<u>682</u>	<u>46,782</u>
Balance at 31 December 1995	<u>46,771</u>	<u>-</u>	<u>46,771</u>

22 Post balance sheet events

On 1 April 1996 the whole of the share capital of the company was acquired by Verder Limited. Following the acquisition the trade and assets of the company were transferred to Verder Limited and the company ceased to trade.