

**CLEARWAY CHEMICAL (WATER TREATMENT) COMPANY LIMITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31ST MAY 2001**



# **AUDITORS' REPORT TO CLEARWAY CHEMICAL (WATER TREATMENT) COMPANY LIMITED**

## **UNDER SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts set out on pages 1 to 4 together with the accounts of Clearway Chemical (Water Treatment) Company Limited for the year ended 31st May 2001 prepared under section 226 of the Companies Act 1985.

### **Respective responsibilities of directors and auditors**

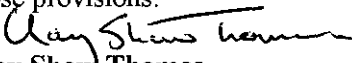
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (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 to report our opinion to you.

### **Basis of opinion**

We have carried out procedures we considered necessary to confirm, by reference to the accounts, 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 accounts.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

  
Clay Shaw Thomas

Chartered Accountants and Registered Auditors

46/48 Coity Road

Bridgend

Mid Glamorgan

CF31 1XX

Date: 08.08.01 .

# CLEARWAY CHEMICAL (WATER TREATMENT) COMPANY LIMITED

## ABBREVIATED BALANCE SHEET


AS AT 31ST MAY 2001

	Notes	2001 £	2000 £
<b>Fixed assets</b>	2		
Tangible fixed assets		287,482	313,179
Fixed asset investments		7,900	7,900
		<u>295,382</u>	<u>321,079</u>
<b>Current assets</b>			
Stock		30,751	32,390
Debtors		258,227	204,981
Cash at bank and in hand		9,399	36,374
		<u>298,377</u>	<u>273,745</u>
<b>Creditors: amounts falling due within one year</b>		<u>(259,580)</u>	<u>(182,423)</u>
<b>Net current assets</b>		<u>38,797</u>	<u>91,322</u>
<b>Total assets less current liabilities</b>		<u>334,179</u>	<u>412,401</u>
<b>Creditors: amounts falling due after more than one year</b>		<u>(25,507)</u>	<u>(50,708)</u>
		<u>308,672</u>	<u>361,693</u>
<b>Capital and reserves</b>			
Share capital	3	95	100
Other reserves - equity		5	-
Profit and loss account		308,572	361,593
<b>Shareholders' funds</b>		<u>308,672</u>	<u>361,693</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

These accounts were approved by the board on 06.08.01 and signed on its behalf.

Mr D P Hole  
Director



# **CLEARWAY CHEMICAL (WATER TREATMENT) COMPANY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

### **FOR THE YEAR ENDED 31ST MAY 2001**

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#### **1 Accounting policies**

##### **Basis of accounting**

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

##### **Turnover**

Turnover comprises the value of sales excluding value added tax and trade discounts.

##### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost. Depreciation is calculated to write down the cost of tangible fixed assets over their expected useful lives using the reducing balance basis as follows:

Plant and machinery	15% per annum
Motor vehicles	25% per annum
Furniture and equipment	15% per annum
Fixtures and fittings	15% per annum

Freehold land and buildings have not yet been depreciated because in the directors opinion, the value of the property at the balance sheet date exceeds the cost.

##### **Government Grants**

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the Profit and Loss Account by equal annual instalments over the expected useful lives of the relevant assets.

##### **Investments**

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

##### **Stocks**

Stock is valued as the lower of cost and net realisable value. Cost includes direct materials, labour and manufacturing overheads incurred in bringing each products to its present location and condition. Net realisable value is based on estimated selling price less future costs to completion and selling costs.

# **CLEARWAY CHEMICAL (WATER TREATMENT) COMPANY LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

### **FOR THE YEAR ENDED 31ST MAY 2001**

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#### **Deferred taxation**

Deferred tax is provided for under the liability method using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

#### **Contribution to pension funds**

The company operates a defined benefit pension scheme, which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the profit and loss account so as to spread the cost of pensions over the employees working lives within the company. The regular cost is attributed to individual years using the projected unit credit method. Variations in pension cost, which are identified as a result of actuarial valuation, are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs. Differences between the amounts funded and the amounts charged in the profit and loss account are treated as either provisions or prepayments in the balance sheet.

#### **Hire purchase and leased assets**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet at their fair value and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

# CLEARWAY CHEMICAL (WATER TREATMENT) COMPANY LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

### FOR THE YEAR ENDED 31ST MAY 2001

#### 2 Fixed assets

	Tangible fixed assets	Fixed asset investments	Total
	£	£	£
<b>Cost</b>			
At 1st June 2000	429,418	7,900	437,318
Additions	10,632	-	10,632
Disposals	(11,081)	-	(11,081)
<b>At 31st May 2001</b>	<b>428,969</b>	<b>7,900</b>	<b>436,869</b>
<b>Depreciation and amortisation</b>			
At 1st June 2000	116,240	-	116,240
Charge for the year	32,822	-	32,822
On disposals	(7,575)	-	(7,575)
<b>At 31st May 2001</b>	<b>141,487</b>	<b>-</b>	<b>141,487</b>
<b>Net book value</b>			
<b>At 31st May 2001</b>	<b>287,482</b>	<b>7,900</b>	<b>295,382</b>
<i>At 31st May 2000</i>	<i>313,178</i>	<i>7,900</i>	<i>321,078</i>

#### 3 Share capital

	2001 £	2000 £
<b>Authorised</b>		
100 Ordinary shares of £1.00 each	100	100
	<b>100</b>	<b>100</b>
<b>Allotted</b>		
100 Allotted, called up and fully paid ordinary shares of £1.00 each	95	100
	<b>95</b>	<b>100</b>

During the year the company repurchased five of its own £1 ordinary shares for a sum of £14,250.