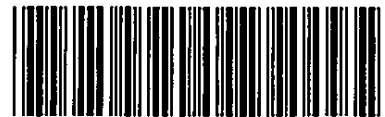


FRANKLIN FUELING SYSTEMS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

MONDAY



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COMPANIES HOUSE

FRANKLIN FUELING SYSTEMS LIMITED

COMPANY INFORMATION

DIRECTORS

Mr J Haines
Mr D Kenney
Mr A Golding
Mr A Ticci
Mr G Sengstack
Miss A Hughes

REGISTERED NUMBER

02631843

REGISTERED OFFICE

Mitre House
160 Aldersgate Street
London
EC1A 4DD

TRADING ADDRESS

Olympus Close
Ipswich
Suffolk
IP1 5LN

INDEPENDENT AUDITORS

Larking Gowen Limited
Chartered Accountants & Statutory Auditors
1 Claydon Business Park
Great Blakenham
Ipswich
Suffolk
IP6 0NL

FRANKLIN FUELING SYSTEMS LIMITED

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FRANKLIN FUELING SYSTEMS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

PRINCIPAL ACTIVITIES

The principal activities of the company comprise support in sale of UPP polyethylene pipework and associated fittings and equipment for use in petrol filling stations and other fuel distribution centres together with the manufacture and sale of underground storage tanks and other vessels for use in the oil, chemical and process plant industries

BUSINESS REVIEW

During the trading period like for like sales in the year to 31 December 2013 were 1.5% lower than the previous year due to slightly lower sales activity processed through intercompany transactions. Gross margin was also slightly down on to the previous year for the same reasons. Overheads reduced primarily due to exchange movements during the year, offset partially by an increase in depreciation following the significant investment in tooling during the previous year.

The company remains cash positive with no gearing, in line with 2012. During the year the Company both received and paid dividends, in order to repatriate excess reserves (see note 15 and 16). The underlying business remained cash generative which coupled with the fact that there were no significant tooling investments resulted in an overall cash positive position for the year prior to the impact of the dividend payments.

The Australian Branch activities were formalised through the incorporation of Franklin Fueling Systems Australia Pty Limited following a significant increase in local demand for Franklin products (see note 9).

The company enters the new year focussed on the development of new technologies and products to meet customer needs whilst still providing the underlying administration and sales support required from group.

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure globally remains a continuing risk for the company, which could result in it losing sales to important customers. The company manages this risk by responding to customer requirements on a timely basis and through relationships with key customers to develop an operational environment and product range to suit their needs. At all times the company focuses on maintaining strong customer relationships.

Franklin Fueling carries out financial transactions in three major currencies, US dollars, Euros and Sterling. To the extent that a surplus or deficit in any particular currency arises, a combination of forward and spot transactions will be used to manage the exposure.

ENVIRONMENTAL MATTERS

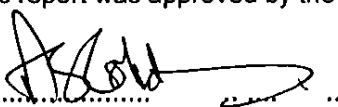
Franklin Fueling Systems Limited recognises the importance of its environmental responsibilities and therefore designs and implements policies to reduce any damage that might be caused by the company's activities.

EMPLOYEES

Details of the number of employees and related costs can be found in note 4 to the financial statements.

This report was approved by the board on 1/5/2014

and signed on its behalf


.....
A Golding
Director

FRANKLIN FUELING SYSTEMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The directors present their report and the financial statements for the year ended 31 December 2013

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £723,057 (2012 - £373,907)

Dividends totalling £1,538,462 were paid during the year of 2013 (2012 - £Nil)

DIRECTORS

The directors who served during the year were

Mr J Haines
Mr D Kenney
Mr A Golding
Mr A Ticci
Mr G Sengstack
Miss A Hughes

FINANCIAL INSTRUMENTS

The company's use of financial instruments and credit risk are disclosed in note 22 to the financial statements

FRANKLIN FUELING SYSTEMS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013**

DISCLOSURE OF INFORMATION TO AUDITORS


Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Larking Gowen Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf



A Golding
Director

Date 1/5/2014

FRANKLIN FUELING SYSTEMS LIMITED

INDEPENDENT AUDITORS' REPORT TO FRANKLIN FUELING SYSTEMS LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts, which comprise the abbreviated Profit and loss account, the Balance sheet, the Cash flow statement and the related notes, together with the financial statements of Franklin Fueling Systems Limited for the year ended 31 December 2013 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider 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.

OPINION ON FINANCIAL STATEMENTS

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts which comprise the abbreviated Profit and loss account, the Balance sheet, the Cash flow statement and the related notes have been properly prepared in accordance with the regulations made under that section.

Brian Pring FCA (Senior statutory auditor)

for and on behalf of

Larking Gowen Limited

Chartered Accountants
Statutory Auditors

Ipswich

6 June 2014

FRANKLIN FUELING SYSTEMS LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
TURNOVER	1	2,375,415	2,412,189
GROSS PROFIT		2,343,225	2,498,896
Distribution and development costs		(1,272,784)	(1,274,723)
Administrative expenses		(736,320)	(872,293)
OPERATING PROFIT	2	334,121	351,880
Income from other fixed asset investments		430,298	-
Profit on disposal of investments		-	158,700
Interest receivable and similar income		27,949	15,467
Interest payable and similar charges	5	(39,191)	(13,888)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		753,177	512,159
Tax on profit on ordinary activities	6	(30,120)	(138,252)
PROFIT FOR THE FINANCIAL YEAR	14	723,057	373,907

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account

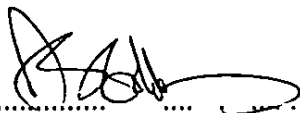
The notes on pages 8 to 20 form part of these financial statements

FRANKLIN FUELING SYSTEMS LIMITED
02631843

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible assets	7		1,848,716		2,055,493
Investments	8		406,856		360,371
			<u>2,255,572</u>		<u>2,415,864</u>
CURRENT ASSETS					
Stocks	9	-		17,552	
Debtors	10	1,089,657		982,303	
Cash at bank		1,448,065		2,472,170	
		<u>2,537,722</u>		<u>3,472,025</u>	
CREDITORS: amounts falling due within one year	11	(713,884)		(976,927)	
NET CURRENT ASSETS			<u>1,823,838</u>		<u>2,495,098</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,079,410</u>		<u>4,910,962</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	12		-		(16,147)
NET ASSETS			<u><u>4,079,410</u></u>		<u><u>4,894,815</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		19,608		19,608
Share premium account	14		9,994		9,994
Capital redemption reserve	14		60,400		60,400
Profit and loss account	14		3,989,408		4,804,813
SHAREHOLDERS' FUNDS	15		<u><u>4,079,410</u></u>		<u><u>4,894,815</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of section 445(3) of the Companies Act 2006 relating to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf by


.....
A Golding
Director

Date 4/5/2014

The notes on pages 8 to 20 form part of these financial statements

FRANKLIN FUELING SYSTEMS LIMITED

**ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
Net cash flow from operating activities	17	187,365	1,890,371
Returns on investments and servicing of finance	18	419,056	1,579
Taxation		(38,093)	(386,378)
Capital expenditure and financial investment	18	(53,965)	(352,423)
Acquisitions and disposals	18	(6)	128,159
Equity dividends paid		(1,538,462)	-
(DECREASE)/INCREASE IN CASH IN THE YEAR		(1,024,105)	1,281,308

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013 £	2012 £
(Decrease)/Increase in cash in the year	(1,024,105)	1,281,308
MOVEMENT IN NET DEBT IN THE YEAR	(1,024,105)	1,281,308
Net funds at 1 January 2013	2,472,170	1,190,862
NET FUNDS AT 31 DECEMBER 2013	1,448,065	2,472,170

The notes on pages 8 to 20 form part of these financial statements

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

Group financial statements have not been prepared as the company is exempt from the requirement to do so by Section 401 of the Companies Act 2006 as it is a subsidiary undertaking of Franklin Electric Co Inc, a company incorporated in the US, and is included in the consolidated financial statements of that company

1.2 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The directors' report describes the financial position of the company, its cash flows, liquidity position and borrowing facilities, the Company's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposure to credit risk and liquidity risk

The company has an agreement with another group company to recharge its cost base at a mark up. The company is therefore cash generative as a result of this agreement. Accordingly the directors do not foresee that additional group borrowing will be necessary for the foreseeable future.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.3 Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

1.4 Intangible fixed assets - patents and trademarks

During the period the company applied the Franklin group policy of not capitalising patent and trademark costs.

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% per annum
Equipment	-	5% to 33%
Motor vehicles	-	20%
Fixtures & fittings	-	7% to 33% per annum

Residual value is calculated on prices prevailing at the date of acquisition.

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES (continued)

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at 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 gains and losses are recognised in the Profit and loss account

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets, results of overseas operations and on foreign currency borrowings, to the extent that they hedge the Group's investment in such operations, are reported in the statement of total recognised gains and losses. All other exchange differences are included in the profit and loss account. The Company uses a combination of forward and spot transactions to manage its exposure to fluctuations in exchange differences.

1.11 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Profit and loss account.

1.12 Pensions

The Company provides pensions to its employees through a funded defined contribution pension scheme. The assets of the scheme are held independently of the company by insurance companies. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	260,742	216,466
Auditors' remuneration	4,000	3,350
Operating lease rentals		
- other operating leases	51,000	51,042
Difference on foreign exchange	(138,218)	94,916
Research and development expenditure written off	177,806	158,557
Profit on disposal of fixed assets	-	(13,486)
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	1,014,058	777,776
Social security costs	157,973	130,941
Other pension costs	78,369	113,370
	<u>1,250,400</u>	<u>1,022,087</u>

The average monthly number of employees, including the directors, during the year was as follows

	2013 No.	2012 No.
Sales and administration	13	13
Development	4	4
	<u>17</u>	<u>17</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

4. DIRECTORS' REMUNERATION

	2013 £	2012 £
Remuneration	<u>273,673</u>	<u>197,672</u>
Company pension contributions to defined contribution pension schemes	<u>35,416</u>	<u>38,868</u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes

The highest paid director received remuneration of £151,424 (2012 - £100,523)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £18,687 (2012 - £22,852)

5 INTEREST PAYABLE

	2013 £	2012 £
On bank loans and overdrafts	<u>39,191</u>	<u>13,888</u>

6 TAXATION

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	89,062	124,243
Adjustments in respect of prior periods	(42,795)	-
Total current tax	<u>46,267</u>	<u>124,243</u>
Deferred tax (see note 12)		
Origination and reversal of timing differences	(16,147)	14,009
Tax on profit on ordinary activities	<u>30,120</u>	<u>138,252</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

6. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 - 24%) the standard rate of corporation tax in the UK of 23% (2012 - 24%). The differences are explained below

	2013	2012
	£	£
Profit on ordinary activities before tax	753,177	512,159
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2012 - 24%)	173,231	122,918
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,480	1,801
Capital allowances for year in excess of depreciation	22,576	(5,399)
Adjustments to tax charge in respect of prior periods	(42,795)	-
Short term timing difference leading to an increase (decrease) in taxation	-	(1,996)
Dividend received	(98,969)	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(12,269)	(11,416)
Foreign tax	-	16,243
Reduction in tax rate from 26% to 24%	-	2,092
Reduction in tax rate from 24% to 23%	1,013	-
Current tax charge for the year (see note above)	46,267	124,243

Factors that may affect future tax charges

The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & machinery £	Total £
Cost			
At 1 January 2013	1,250,000	2,227,266	3,477,266
Additions	-	53,965	53,965
At 31 December 2013	1,250,000	2,281,231	3,531,231
Depreciation			
At 1 January 2013	66,872	1,354,901	1,421,773
Charge for the year	7,716	253,026	260,742
At 31 December 2013	74,588	1,607,927	1,682,515
Net book value			
At 31 December 2013	1,175,412	673,304	1,848,716
At 31 December 2012	1,183,128	872,365	2,055,493

Included in land and buildings is freehold land of £772,469 (2012 - £772,469) which is not depreciated

8. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2013	360,371
Additions	6
Foreign exchange movement	66,097
Transfers of intergroup debt	(19,618)
At 31 December 2013	406,856
Net book value	
At 31 December 2013	406,856
At 31 December 2012	360,371

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

8. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Franklin Fueling Systems France S A R L	Ordinary	100 %
Cookson and Zinn (PTL) Limited	Ordinary	100 %
Franklin Fueling Systems India Private Limited	Ordinary	100 %
Franklin Fueling Systems Australia PTY Limited	Ordinary	100 %
Franklin Fueling Sistemas de Combustiveis Ltda	Ordinary	100 %

Name	Business	Country of incorporation
Franklin Fueling Systems France S A R L	Agency company for the sale of UPP pipe and fittings in France and French territories	France
Cookson and Zinn (PTL) Limited	Manufacture of steel tanks in the UK	England
Franklin Fueling Systems India Private Limited	Agency company for the sale of UPP pipe and fittings in Brazil and Latin America	Brazil
Franklin Fueling Systems Australia PTY Limited	Agency company for the sale of UPP pipe and fittings in India	India
Franklin Fueling Sistemas de Combustiveis Ltda	Agency company for the sale of UPP pipe and fittings in Australia	Australia

The aggregate of the share capital and reserves as at 31 December 2013 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Franklin Fueling Systems France S A R L	303,595	(1,205)
Cookson and Zinn (PTL) Limited	965,454	282,706
Franklin Fueling Systems India Private Limited	90,901	14,682
Franklin Fueling Systems Australia PTY Limited	6	186,423
Franklin Fueling Sistemas de Combustiveis Ltda	(7,376)	(175,238)

Franklin Fueling Sistemas de Combustiveis Ltda has recorded a loss as a result of a reconstruction programme which is now complete. The directors consider any impairment to be temporary in nature and feel going forward that the company will be profitable.

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

9. STOCKS

	2013 £	2012 £
Finished goods and goods for resale	-	17,552

10. DEBTORS

	2013 £	2012 £
Trade debtors	34,979	6,885
Amounts owed by group undertakings	1,010,425	903,043
Other debtors	4,428	21,349
Prepayments and accrued income	39,825	51,026
	<u>1,089,657</u>	<u>982,303</u>

**11. CREDITORS:
Amounts falling due within one year**

	2013 £	2012 £
Trade creditors	81,894	82,426
Corporation tax	50,969	109,865
Other taxation and social security	24,912	28,000
Other creditors	1,129	9,761
Accruals and deferred income	554,980	746,875
	<u>713,884</u>	<u>976,927</u>

12. DEFERRED TAXATION

	2013 £	2012 £
At beginning of year	16,147	2,138
(Released during)/charge for year (P&L)	(16,147)	14,009
	<u>-</u>	<u>16,147</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

12. DEFERRED TAXATION (continued)

The provision for deferred taxation is made up as follows

	2013 £	2012 £
Accelerated capital allowances	-	16,147

13. SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
14,706 Ordinary shares of £1 each	14,706	14,706
4,902 'A' Ordinary shares of £1 each	4,902	4,902
	<u>19,608</u>	<u>19,608</u>

14. RESERVES

	Share premium account £	Capital redempt'n reserve £	Profit and loss account £
At 1 January 2013	9,994	60,400	4,804,813
Profit for the financial year	-	-	723,057
Dividends Equity capital	-	-	(1,538,462)
At 31 December 2013	<u>9,994</u>	<u>60,400</u>	<u>3,989,408</u>

15 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	4,894,815	4,520,908
Profit for the financial year	723,057	373,907
Dividends	(1,538,462)	-
Closing shareholders' funds	<u>4,079,410</u>	<u>4,894,815</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

16. DIVIDENDS

	2013 £	2012 £
Dividends paid on equity capital	<u>1,538,462</u>	<u>-</u>

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit	334,121	351,880
Depreciation of tangible fixed assets	260,742	216,466
Provision against value of investment	(46,479)	40,767
Profit on disposal of tangible fixed assets	-	(13,486)
Decrease in stocks	17,552	68,499
(Increase)/decrease in debtors	(107,354)	3,044,600
Decrease in creditors	(271,217)	(1,818,355)
Net cash inflow from operating activities	<u>187,365</u>	<u>1,890,371</u>

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	27,949	15,467
Interest paid	(39,191)	(13,888)
Dividends received	430,298	-
Net cash inflow from returns on investments and servicing of finance	<u>419,056</u>	<u>1,579</u>

	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(53,965)	(577,032)
Sale of tangible fixed assets	-	224,609
Net cash outflow from capital expenditure	<u>(53,965)</u>	<u>(352,423)</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2013 £	2012 £
Acquisitions and disposals		
Purchase of fixed asset investments	(6)	(80,702)
Sale of fixed asset investments	-	208,861
Net cash (outflow)/inflow from acquisitions and disposals	(6)	128,159

19. ANALYSIS OF CHANGES IN NET FUNDS

	1 January 2013 £	Cash flow £	Other non-cash changes £	31 December 2013 £
Cash at bank and in hand	2,472,170	(1,024,105)	-	1,448,065
Net funds	2,472,170	(1,024,105)	-	1,448,065

20. PENSION COMMITMENTS

The company operates a defined contribution scheme. Contributions are charged to the profit and loss account as incurred and the charge for the year was £54,273 (2012 - £58,432). The outstanding contributions included within accruals at the balance sheet date were £Nil (2012 - £Nil).

21. OPERATING LEASE COMMITMENTS

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2013 £	2012 £
Expiry date:		
Within 1 year	51,000	-
Between 1 and 2 years	-	51,000

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

22. OTHER FINANCIAL COMMITMENTS

The company's principal financial assets are bank balances and trade debtors. The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of provisions for doubtful debts. The company has no significant concentration of credit risk, with exposure spread over a large number of customers.

23. ULTIMATE PARENT COMPANY

The immediate parent company is Coverco Srl.

Franklin Electric Co. Inc. is the smallest and largest group for which group financial statements are available and which include the company. The ultimate parent company and controlling party is Franklin Electric Co. Inc. Group financial statements for this company are available on request from Franklin Electric Co. Inc., 400 E Spring Street, Bluffton, Indiana, 46714 USA.

Immediate parent company and ultimate parent company are both incorporated outside the UK.