

FRANKLIN FUELING SYSTEMS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

WEDNESDAY



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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

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

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 2012 were significantly down on the previous year due to the change in the nature of the trading activities. Margin also significantly increased when compared to the previous year as the company trading became primarily one of engineering excellence focussing on product development and business support. Overheads reduced in line with the closure of warehouse facilities and the transfer in part of the selling activities.

The company remains cash positive with no gearing, in line with 2011 and continued to generate cash during the year from profits and as inter-company and other trade debtors were realised, less the settlement of trade creditors.

The sale of the Chinese subsidiary to another group company realised a profit of £158,700 which together with the operating profit generated resulted in a satisfactory outcome for the year.

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.

GOING CONCERN

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.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

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.

FRANKLIN FUELING SYSTEMS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

EMPLOYEES

Details of the number of employees and related costs can be found in note 4 to the accounts

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £373,907 (2011 - £1,385,376)

No dividends were paid during the year ended 31 December 2012 (2011 - £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

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company donated £500 (2011 - £500) to charity

FINANCIAL INSTRUMENTS

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

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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.

FRANKLIN FUELING SYSTEMS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012**

PROVISION 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

Under section 487(2) of the Companies Act 2006, Larking Gowen Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

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



**A Golding
Director**

Date 4 April 2013

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 set out on pages 5 to 19, together with the financial statements of Franklin Fueling Systems Limited for the year ended 31 December 2012 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 on pages 5 to 19 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

1 Claydon Business Park
Great Blakenham

Ipswich
Suffolk

IP6 0NL

Date

4 April 2013

FRANKLIN FUELING SYSTEMS LIMITED

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
TURNOVER	1	2,412,189	13,895,457
GROSS PROFIT		2,498,896	4,889,685
Distribution and development costs		(1,274,723)	(1,752,705)
Administrative expenses		(872,293)	(1,274,658)
OPERATING PROFIT	2	351,880	1,862,322
Profit on disposal of investments		158,700	-
Interest receivable and similar income		15,467	7,901
Interest payable and similar charges	5	(13,888)	(16,105)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		512,159	1,854,118
Tax on profit on ordinary activities	6	(138,252)	(468,742)
PROFIT FOR THE FINANCIAL YEAR	14	373,907	1,385,376

See note 20 for a description of discontinued operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

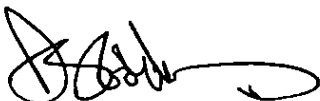
The notes on pages 8 to 19 form part of these financial statements

FRANKLIN FUELING SYSTEMS LIMITED
02631843

ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	7		2,055,493		1,906,050
Investments	8		360,371		370,597
			<u>2,415,864</u>		<u>2,276,647</u>
CURRENT ASSETS					
Stocks	9	17,552		86,051	
Debtors	10	982,303		4 026 902	
Cash at bank		2,472,170		1,190,862	
		<u>3,472,025</u>		<u>5,303,815</u>	
CREDITORS: amounts falling due within one year	11	(976,927)		(3,057,416)	
NET CURRENT ASSETS			<u>2,495,098</u>		<u>2,246,399</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,910,962</u>		<u>4,523,046</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	12		(16,147)		(2,138)
NET ASSETS			<u><u>4,894,815</u></u>		<u><u>4,520,908</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		4,804,813		4,430,906
SHAREHOLDERS' FUNDS	15		<u><u>4,894,815</u></u>		<u><u>4,520,908</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

4 Apr. 1 2013

Date

The notes on pages 8 to 19 form part of these financial statements

FRANKLIN FUELING SYSTEMS LIMITED

**ABBREVIATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	16	1,890,371	1,944,617
Returns on investments and servicing of finance	17	1,579	92,982
Taxation		(386,378)	(200,962)
Capital expenditure and financial investment	17	(352,423)	(408,948)
Acquisitions and disposals	17	128,159	-
CASH INFLOW BEFORE FINANCING		1,281,308	1,427,689
Financing	17	-	(625,896)
INCREASE IN CASH IN THE YEAR		1,281,308	801,793

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 £	2011 £
Increase in cash in the year	1,281,308	801,793
Cash outflow from decrease in debt and lease financing	-	625,896
MOVEMENT IN NET DEBT IN THE YEAR	1,281,308	1,427,689
Net funds/(debt) at 1 January 2012	1,190,862	(236,827)
NET FUNDS AT 31 DECEMBER 2012	2,472,170	1,190,862

The notes on pages 8 to 19 form part of these financial statements

FRANKLIN FUELING SYSTEMS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

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 accounts have not been prepared as the company is exempt from the requirement to do so by Section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Coverco Srl, a company incorporated in Italy, and is included in the consolidated accounts 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 Business Review. 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 2012

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

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 2012

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 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.

2. OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	216,466	145,551
- held under finance leases	-	3,359
Auditors' remuneration	3,350	11,900
Operating lease rentals		
- other operating leases	51,042	119,167
Difference on foreign exchange	94,916	152,802
Profit on disposal of fixed assets	(13,486)	(1,454)

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2012	2011
	£	£
Wages and salaries	936,333	1,330,562
Social security costs	130,941	163,246
Other pension costs	113,370	125,305
	<u>1,180,644</u>	<u>1,619,113</u>

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

	2012	2011
	No.	No
Sales and administration	17	22
Development	4	4
	<u>21</u>	<u>26</u>

4. DIRECTORS' REMUNERATION

	2012	2011
	£	£
Emoluments	<u>197,672</u>	<u>207,150</u>
Company pension contributions to defined contribution pension schemes	<u>38,868</u>	<u>36,818</u>

During the year retirement benefits were accruing to 2 directors (2011 - 2) in respect of defined contribution pension schemes

The highest paid director received remuneration of £100,523 (2011 - £100,445)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £22,852 (2011 - £20,180)

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

5. INTEREST PAYABLE

	2012	2011
	£	£
On bank loans and overdrafts	13,888	14,888
On hire purchase contracts	-	101
On Franklin group loan	-	1,116
	<u>13,888</u>	<u>16,105</u>

6. TAXATION

	2012	2011
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	124,243	459,149
Adjustments in respect of prior periods	-	(767)
Total current tax	<u>124,243</u>	<u>458,382</u>
Deferred tax (see note 12)		
Origination and reversal of timing differences	<u>14,009</u>	<u>10,360</u>
Tax on profit on ordinary activities	<u>138,252</u>	<u>468,742</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

6. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - lower than) the standard rate of corporation tax in the UK of 24% (2011 - 26%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>512,159</u>	<u>1,854,118</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2011 - 26%)	122,918	482,071
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,801	3,054
Capital allowances for year in excess of depreciation	(5,399)	(9,571)
Adjustments to tax charge in respect of prior periods	-	(767)
Short term timing difference leading to an increase (decrease) in taxation	(1,996)	1,804
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(11,416)	(26,755)
Foreign tax	16,243	-
Reduction in tax rate from 26% to 24%	2,092	8,546
Current tax charge for the year (see note above)	<u><u>124,243</u></u>	<u><u>458,382</u></u>

Factors that may affect future tax charges

In March 2012, the UK Government announced a reduction in the standard rate of UK corporation tax to 24% effective 1 April 2012 and 2013 to 23% effective 1 April. These rate reductions became substantively enacted in March 2012 and July 2012 respectively. The UK Government also proposed to further reduce the standard rate of UK corporation to 21% effective 1 April 2014, but this change has not been substantively enacted.

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 2012**

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & machinery £	Total £
Cost			
At 1 January 2012	1,250,000	1,973,804	3,223,804
Additions	-	577,032	577,032
Disposals	-	(323,570)	(323,570)
At 31 December 2012	<u>1,250,000</u>	<u>2,227,266</u>	<u>3,477,266</u>
Depreciation			
At 1 January 2012	59,156	1,258,598	1,317,754
Charge for the year	7,716	208,750	216,466
On disposals	-	(112,447)	(112,447)
At 31 December 2012	<u>66,872</u>	<u>1,354,901</u>	<u>1,421,773</u>
Net book value			
At 31 December 2012	<u>1,183,128</u>	<u>872,365</u>	<u>2,055,493</u>
<i>At 31 December 2011</i>	<u>1,190,844</u>	<u>715,206</u>	<u>1,906,050</u>

Included in land and buildings is freehold land of £772,469 (2011 - £772,469) which is not depreciated

8. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2012	370,597
Additions	80,702
Disposals	(50,161)
Foreign exchange movement	(40,767)
At 31 December 2012	<u>360,371</u>
Net book value	
At 31 December 2012	<u>360,371</u>
<i>At 31 December 2011</i>	<u>370,597</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

8. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
PetroTechnik France S A R L	Ordinary	100 %
Cookson and Zinn (PTL) Limited	Ordinary	100 %
PetroTechnik do Brasil Ltda	Ordinary	100 %
PetroTechnik India Private Limited	Ordinary	100 %

Name	Business	Country of incorporation
PetroTechnik 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
PetroTechnik do Brasil Ltda	Agency company for the sale of UPP pipe and fittings in Brazil and Latin America	Brazil
PetroTechnik India Private Limited	Agency company for the sale of UPP pipe and fittings in India	India

The aggregate of the share capital and reserves as at 31 December 2012 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)
	£	£
PetroTechnik France S A R L	626,987	79,808
Cookson and Zinn (PTL) Limited	682,748	83,064
PetroTechnik do Brasil Ltda	170,202	(123,809)
PetroTechnik India Private Limited	5,097	(1,662)
	<u>1,484,994</u>	<u>(62,539)</u>

9. STOCKS

	2012	2011
	£	£
Finished goods and goods for resale	<u>17,552</u>	<u>86,051</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

10. DEBTORS

	2012 £	2011 £
Trade debtors	6,885	1,745,641
Amounts owed by group undertakings	903,043	2,185,888
Other debtors	21,349	62,568
Prepayments and accrued income	51,026	32,805
	<u>982,303</u>	<u>4,026,902</u>

11. CREDITORS

Amounts falling due within one year

	2012 £	2011 £
Trade creditors	82,426	1,291,367
Corporation tax	109,865	372,000
Social security and other taxes	28,000	55,581
Other creditors	9,761	13,652
Accruals and deferred income	746,875	1,324,816
	<u>976,927</u>	<u>3,057,416</u>

12. DEFERRED TAXATION

	2012 £	2011 £
At beginning of year	2,138	(8,222)
Charge for year	14,009	10,360
	<u>16,147</u>	<u>2,138</u>

The provision for deferred taxation is made up as follows

	2012 £	2011 £
Accelerated capital allowances	<u>16,147</u>	<u>2,138</u>

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

13 SHARE CAPITAL

	2012 £	2011 £
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 2012	9,994	60,400	4,430,906
Profit for the year	-	-	373,907
	<u>9,994</u>	<u>60,400</u>	<u>4,804,813</u>
At 31 December 2012			

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	4,520,908	3,135,532
Profit for the year	373,907	1,385,376
	<u>4,894,815</u>	<u>4,520,908</u>
Closing shareholders' funds		

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating profit	351,880	1,862,322
Depreciation of tangible fixed assets	216,466	148,910
Provision against value of investment	40,767	-
Profit on disposal of tangible fixed assets	(13,486)	(1,454)
Decrease in stocks	68,499	1,020,543
Decrease/(increase) in debtors	3,044,600	(547,129)
Decrease in creditors	(1,818,355)	(538,575)
	<u>1,890,371</u>	<u>1,944,617</u>
Net cash inflow from operating activities		

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	15,467	7,901
Interest paid	(13,888)	(16,004)
Hire purchase interest	-	(101)
Investment overseas	-	101,186
Net cash inflow from returns on investments and servicing of finance	1,579	92,982
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(577,032)	(436,111)
Sale of tangible fixed assets	224,609	27,163
Net cash outflow from capital expenditure	(352,423)	(408,948)
	2012 £	2011 £
Acquisitions and disposals		
Purchase of fixed asset investments	(80,702)	-
Sale of fixed asset investments	208,861	-
Net cash inflow from acquisitions and disposals	128,159	-
	2012 £	2011 £
Financing		
Repayment of loans	-	(625,000)
Repayment of finance leases	-	(896)
Net cash from financing	-	(625,896)

FRANKLIN FUELING SYSTEMS LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

18. ANALYSIS OF CHANGES IN NET DEBT

	1 January 2012 £	Cash flow £	Other non-cash changes £	31 December 2012 £
Cash at bank and in hand	1,190,862	1,281,308	-	2,472,170
Net funds	1,190,862	1,281,308	-	2,472,170

19. 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 £58,432 (2011 - £61,672). The outstanding contributions included within accruals at the balance sheet date were £nil (2011 - £nil).

20. OPERATING LEASE COMMITMENTS

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2012 £	2011 £
Expiry date.		
Between 1 and 2 years	51,000	51,000