

7/43 1

FLOWFLEX ASSOCIATES LIMITED

R E P O R T A N D A C C O U N T S

FOR THE YEAR ENDED
31ST DECEMBER 1982



FLOWFLEX ASSOCIATES LIMITED

BOARD OF DIRECTORS

John Dickinson
Olive May Dickinson
Terence Anthony Dickinson
John Brian Chesney
Graham Grant Croll

SECRETARY AND REGISTERED OFFICE .

Olive May Dickinson
Samuel Blaser Works
Tongue Lane Industrial Estate
Buxton
Derbyshire SK17 7LR

AUDITORS

Delahunty Clarke & Associates
Chartered Accountants
Didsbury House
748 Wilmslow Road
Didsbury
Manchester M20 0DW

FLOWFLEX ASSOCIATES LIMITED

REPORT AND ACCOUNTS

CONTENTS

PAGE

1/2	Report of the Directors
3.	Report of the Auditors
4.	Profit & Loss Account
5.	Balance Sheet
6.	Statement of Souce and Use of Funds
7.	Accounting Policies
8/11/	Notes to the Accounts

FLOWFLEX ASSOCIATES LIMITED

REPORT OF THE DIRECTORS

The Directors submit their Report and Audited Accounts for the year ended 31st December 1982.

ACTIVITIES

The Company is principally engaged in Mechanical and General Engineering.

RESULTS FOR THE YEAR

The Profit & Loss Account appears on Page 4 and shows the results for the year and the profits retained.

DIVIDEND

The Directors do not recommend the payment of a Dividend in respect of the year ended 31st December 1982.

DIRECTORS

The Members of the Board and their respective interests in the Issued Share Capital of the Company at 31st December 1981 and 31st December 1982 were as follows:-

	<u>Ordinary Shares of £1 each</u>	
	<u>31st December 1982</u>	<u>31st December 1981</u>
John Dickinson	168	234
Olive May Dickinson	300	300
Terence Anthony Dickinson	266	266
John Brian Chesney	-	-
Graham Grant Croll	-	-
	<u>734</u>	<u>800</u>
	<u>=====</u>	<u>=====</u>

John Dickinson and Terence Anthony Dickinson retire by rotation and, being eligible, offer themselves for re-election.

FLOWFLEX ASSOCIATES LIMITED

REPORT OF THE DIRECTORS

FIXED ASSETS

The Leasehold Land and Buildings were valued in March 1982 by a firm of professional Valuers.

On the basis of open Market Value with vacant possession the value was considered to be £265000.

This value has been included in the Accounts at 31st December 1982. The valuation ignores any Regional Development Grants received.

The Directors are of the opinion that there is no necessity of depreciate Leasehold Land and Buildings.

EXPORTS

The Company did not export any goods during the year.

CLOSE COMPANY STATUS

The Company is a Close Company as defined for the purposes of the Income and Corporation Taxes Act 1970.

AUDITORS

In accordance with Section 14(1) of the Companies Act 1976, a Resolution will be put to the Annual General Meeting proposing the re-appointment of Delahunty Clarke & Associates as Auditors of the Company.

By Order of the Board

Samuel Blaser Works
Tongue Lane Industrial Estate
Buxton
Derbyshire
SK17 7LR

O. M. DICKINSON

Secretary

21st March 1983

Ollie Dickinson

FLOWFLEX ASSOCIATES LIMITED

REPORT OF THE AUDITORS

To The Members of

FLOWFLEX ASSOCIATES LIMITED

We have examined the Accounts set out on Pages 4 to 11 which have been prepared under the historical cost convention subject to the inclusion of Leasehold Land and Buildings at Valuation.

No Depreciation has been charged on Leasehold Land and Buildings in these Accounts and to this extent, the Company has not complied with the Statement of Standard Accounting Practice No. 12.

Subject to this point, in our opinion, these Accounts give, under the accounting convention stated above, a true and fair view of the state of the Company's affairs at 31st December 1982 and of the profit and source and use of funds for the year ended on that date and comply with the requirements of the Companies Acts 1948 to 1981 in so far as the provisions of those Acts apply to the Accounts.

Didsbury House
748 Wilmslow Road
Didsbury
Manchester M20 0DW

21st March 1983

Delahunty Clarke & Associates

Chartered Accountants

FLOWFLEX ASSOCIATES LIMITED

PROFIT & LOSS ACCOUNT

for the year ended

31ST DECEMBER 1982

		<u>1982</u>	<u>1981</u>
	<u>Note</u>	£	£
Turnover		<u>775738</u>	<u>635419</u>
Profit for the year		101660	27261
After Charging:			
Depreciation		34236	28863
Directors Remuneration	1	29113	30661
Auditors Remuneration		900	900
Asset Leasing		1449	387
Management Fee		25000	20000
Interest Paid	2	<u>31986</u>	<u>36559</u>
And Crediting:-			
Insurance Claims		15085	-
Proceeds of Leased Cars		4944	-
Interest Received		<u>-</u>	<u>100</u>
Taxation	2	<u>37300</u>	<u>(11145)</u>
Profit for the year After Taxation		64360	38406
Extraordinary Item	4	<u>-</u>	<u>69212</u>
		64360	107618
Unappropriated Profits brought forward		<u>256507</u>	<u>148889</u>
Unappropriated Profits carried forward		<u>£320867</u>	<u>£256507</u>

The Notes on Pages 7 to 11 form part of these Accounts.

FLOWFLEX ASSOCIATES LIMITED

BALANCE SHEET

as at 31ST DECEMBER 1982

	<u>Note</u>	<u>1982</u>	<u>1981</u>
Fixed Assets	5	401717	380451
Current Assets			
Stock on Hand	6	35000	45927
Debtors		9338	13693
Directors Loan Account		968	968
Associated Companies	7	363875	436502
Cash at Bank		<u>7510</u>	<u>13639</u>
		416691	510729
Less:			
Current Liabilities			
Creditors		197903	266177
Hire Purchase Creditor		37957	35071
Bank Overdraft	8	97087	195801
Taxation		<u>455</u>	<u>455</u>
		333402	497504
Net Current Assets		<u>83289</u>	<u>13225</u>
		£485006	£393676
Financed By:-			
Share Capital	9	1000	1000
Reserves	10	<u>320867</u>	<u>256507</u>
Shareholders Funds		321867	257507
Deferred Taxation	11	49500	12200
Long Term Loan	12	<u>113639</u>	<u>123969</u>
		£485006	£393676

John Dickinson

Olive May Dickinson

Directors

The Notes on Pages 7 to 11 form part of these Accounts.

FLOWFLEX ASSOCIATES LIMITED

STATEMENT OF SOURCE AND USE OF FUNDS

YEAR ENDED 31ST DECEMBER 1982

	<u>1982</u>		<u>1981</u>	
	£	£	£	£
Source of Funds				
Profit for the year before Taxation and Extraordinary Item		101660		27261
Adjustment for Items not involving the Movement of Funds:				
Depreciation		<u>34236</u>		<u>28863</u>
Total Generated from Operations		135896		56124
Other Sources of Funds:-				
Hire Purchase		<u>2886</u>		<u>-</u>
		138782		56124
Use of Funds:				
Purchase of Fixed Assets	55502		16867	
Loan Repayments	10330		9077	
Hire Purchase Repayments	<u>-</u>		<u>32693</u>	
		<u>65832</u>		<u>58637</u>
		72950		(2513)
Increase in Working Capital				
Creditors	68274		-	
Stocks	-		15079	
Associated Companies	-		116985	
Directors Loans	<u>-</u>		<u>968</u>	
	68274		133032	
Decrease in Working Capital				
Associated Companies	72627		-	
Stocks	10927		-	
Creditors	-		20274	
Debtors	<u>4355</u>		<u>22282</u>	
	87909		42556	
Net Decrease/(Increase) in Working Capital				
		<u>19635</u>		<u>(90476)</u>
Net Source/(Use) of Funds				
		<u>£92585</u>		<u>(£92989)</u>
Net Bank Overdraft at 31st December 1981				
		182162		89173
Net (Source)/Use of Funds				
		<u>(92585)</u>		<u>92989</u>
Net Bank Overdraft at 31st December 1982				
		<u>£89577</u>		<u>£182162</u>

FLOWFLEX ASSOCIATES LIMITED

ACCOUNTING POLICIES

for the year ended

31ST DECEMBER 1982

Accounts

The Accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the amounts charged for goods and services sold, excluding Value Added Tax.

Depreciation

No Depreciation is charged in respect of Leasehold Land and Buildings.

Depreciation is charged on other assets on the following basis:-

Plant, Equipment, Fixtures and Fittings	-	Annual Rate of 20% on Net Book Value
Motor Car	-	Annual Rate of 25% on Net Book Value

A full annual rate is applied in the year of acquisition.

No Depreciation is charged in the year of disposal.

Stocks

Stocks are valued at the lower of cost or net realisable value on a basis consistent with that used in previous years.

Deferred Taxation

Provision is made for Deferred Taxation at the rate of 40% using the liability method of accounting.

Bad Debts

Known Bad Debts are written off, and specific provision made for any considered doubtful.

Associated Companies

The Directors collectively own the whole of the Issued Share Capital of certain other Companies.

These Companies are referred to as Associated Companies throughout these Accounts.

FLOWFLEX ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

for the year ended

31ST DECEMBER 1982

	<u>1982</u>	<u>1981</u>
1. Directors Remuneration		
Salaries	27142	27033
Pension Arrangements	<u>1971</u>	<u>3628</u>
	<u>£29113</u>	<u>£30661</u>

There is no permanent Chairman of the Company.

2. Interest Payable	<u>1982</u>	<u>1981</u>
Bank Interest	8754	7926
Loan Interest	17598	19247
Hire Purchase Interest	<u>5634</u>	<u>9386</u>
	<u>£31986</u>	<u>£36559</u>

3. Taxation	<u>1982</u>	<u>1981</u>
Corporation Tax has been provided at the rate of 40% as follows:-		
Results for the year	-	-
Interest Received	-	40
Deferred Taxation	<u>37300</u>	<u>(11600)</u>
	37300	(11560)
Income Tax Section 286 Assessment	<u>-</u>	<u>415</u>
	<u>£37300</u>	<u>(£11145)</u>

No provision has been made for Corporation Tax on the results for the year due to the availability of trading Losses from prior years.

4. Extraordinary Item	<u>1982</u>	<u>1981</u>
Surplus on Revaluation of Land and Buildings	<u>£ -</u>	<u>£69212</u>

FLOWFLEX ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

for the year ended

31ST DECEMBER 1982

5. Fixed Assets

	<u>Land and Buildings</u>	<u>Plant and Equipment</u>	<u>Motor Car</u>	<u>Total</u>
Cost				
As at 31.12.81	-	262015	-	262015
Revaluation as at 31.12.81	265000	-	-	265000
Additions	<u>1649</u>	<u>46353</u>	<u>7500</u>	<u>55502</u>
As at 31.12.82	<u>266649</u>	<u>308368</u>	<u>7500</u>	<u>582517</u>
Depreciation				
As at 31.12.81	-	146564	-	146564
Charge for the year	<u>-</u>	<u>32361</u>	<u>1875</u>	<u>34236</u>
As at 31.12.82	<u>-</u>	<u>178925</u>	<u>1875</u>	<u>180800</u>
Net Book Value				
31.12.82	<u>£266649</u>	<u>£129443</u>	<u>£5625</u>	<u>£401717</u>
31.12.81	<u>£265000</u>	<u>£115451</u>	<u>£ -</u>	<u>£380451</u>

<u>Capital Commitments</u>	<u>1982</u>	<u>1981</u>
----------------------------	-------------	-------------

Contracted for but not provided in the Accounts	<u>£NIL</u>	<u>£NIL</u>
--	-------------	-------------

Authorised by the Directors but not contracted for	<u>£NIL</u>	<u>£NIL</u>
---	-------------	-------------

6. Stocks	<u>1982</u>	<u>1981</u>
Raw Materials	29600	38014
Work in Progress	<u>5400</u>	<u>7913</u>
	<u>£35000</u>	<u>£45927</u>

7. Associated Companies	<u>1982</u>	<u>1981</u>
Amounts Owing by Associated Companies	445843	439816
Amounts Owing to Associated Companies	<u>81968</u>	<u>3314</u>
	<u>£363875</u>	<u>£436502</u>

FLOWFLEX ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

for the year ended

31ST DECEMBER 1982

8. Bank Overdraft

This is secured by a second legal charge, dated April 1980, over the Leasehold Land and Buildings situated at Samuel Blaser Works, Tongue Lane Industrial Estate, Buxton,

Cross Guarantees are in operation between the Company and its Associated Companies with regard to all banking facilities.

9. Share Capital

	Authorised	Issued & Fully Paid	
		1982	1981
Ordinary Shares of £1 each	<u>£1000</u>	<u>£1000</u>	<u>£1000</u>

10. Reserves

	1982	1981
Retained Profit	251655	187295
Capital Reserve	<u>69212</u>	<u>69212</u>
	<u>£320867</u>	<u>£256507</u>

11. Deferred Taxation

	1982	1981
Taxation deferred as a result of Accelerated Taxation Allowances on Capital Expenditure	61800	55500
Less Deferred Taxation Relief on the losses available to carry forward against Profits arising from the same Trading activities	<u>12300</u>	<u>43300</u>
	<u>£49500</u>	<u>£12200</u>

FLOWFLEX ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

for the year ended

31ST DECEMBER 1982

11. Deferred Taxation (Continued)

Deferred Taxation is calculated using the liability method of accounting.

No provision has been made for the possible incidence of Capital Gains Tax arising on the disposal of Leasehold Land and Buildings at their Valuation.

The Directors do not envisage the sale of these Buildings within the foreseeable future.

The amount of Capital Gains Tax involved is estimated to be £8000.

12. Long Term Loan

A Loan of £77777 was granted by the Borough of High Peak on 15th February 1978 and is repayable by equal monthly instalments over a period of 10 years from that date.

Interest is charged at a rate of $\frac{1}{2}\%$ above the rate of interest for loans issued by the Public Works Loans Board.

The Loan is secured by a legal mortgage over the Leasehold Land and Buildings situated at Samuel Blaser Works, Tongue Lane Industrial Estate, Buxton, Derbyshire.

A second Loan of £75000 secured in the same manner was granted by the Borough of High Peak in September 1980 and is repayable by equal monthly instalments over a period of 10 years commencing on 1st January 1981. Interest is charged at $14\frac{1}{4}\%$ per annum.