

The Washington Chemical Company Limited

Company Number 166702

Directors' Report for the Year Ended 31st December 1997

Activities

The Company has not traded during the year, has received no income and incurred no expenditure, and consequently has made neither a profit nor a loss.

Directors

The following served as Directors during (and, unless otherwise indicated, throughout) the year:-

H F Baines
J H Devonald
D W Finnett

Directors' Interests

The interests, all beneficial, of the Directors in the share capital of T&N plc comprise:-

Ordinary Shares									

THE WASHINGTON CHEMICAL COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires 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 of the Company for that period. In preparing those financial statements, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- * make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company 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.

THE WASHINGTON CHEMICAL COMPANY LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1997

	Notes	1997 £000	1996 £000
<u>Fixed Assets</u>			
Investments	4	2,785	2,785
Total assets		<u>2,785</u>	<u>2,785</u>
<u>Capital and Reserves</u>			
Called up share capital	5	2,785	2,785
Shareholder's funds - equity		<u>2,785</u>	<u>2,785</u>

The Company was dormant throughout the financial year.

The financial statements on pages 3 and 4 were approved by the Board on 21 October 1998 and were signed on its behalf by:-



D W Finnett - Director

THE WASHINGTON CHEMICAL COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost convention.

2. PROFIT AND LOSS ACCOUNT

The Company has not traded during the year, has received no income and incurred no expenditure and consequently has made neither a profit nor a loss. There were no recognised gains or losses during the year.

3. DIRECTORS

The directors have not received any remuneration for services to the Company during the year (1996: £nil).

4. INVESTMENTS

Loan to parent undertaking

£000

At 31st December 1996 and 1997

2,785

5. CALLED UP SHARE CAPITAL

1997

1996

£000

£000

Authorised

3,000,000 ordinary shares of £1 each

3,000

3,000

Issued and fully paid

2,785,000 ordinary shares of £1 each

2,785

2,785

6. ULTIMATE PARENT COMPANY

The Company's immediate parent company is Fleetside Investments Limited and the ultimate UK parent company is T&N Limited. Both are registered in England and Wales. The ultimate parent company is Federal-Mogul Corporation which is registered in the United States of America. Copies of the Federal-Mogul Corporation Annual Report and Accounts can be obtained from Federal-Mogul Investor Relations, 26555 Northwestern Highway, Southfield, MI 48034, USA.