

Mawson Taylor Limited

Company Number 478496

Directors' Report for the Year Ended 31st December 1999

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:-

S P Arnold, appointed 29/11/99
J H Devonald, appointed 29/11/99
I D Hedley, resigned 29/11/99
A G Holmes, appointed 29/11/99
Dr A V Ruddy, resigned 29/11/99

Directors' Interests

None of the directors had any interest in the share capital of the Company at 31 December 1999 or at the date of appointment.

By Order of the Board



A G Holmes
Director

Date: 11th October 2000.



MAWSON TAYLOR 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.

MAWSON TAYLOR LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 1999

	Notes	1999 £000	1998 £000
<u>Creditors: due after more than one year</u>	4	407	407
Net liabilities		(407)	(407)
<u>Capital and Reserves</u>			
Called up share capital	5	155	155
Share Premium account		95	95
Profit & loss account		(657)	(657)
Shareholder's funds - equity	6	(407)	(407)
		=====	=====

The Company was dormant throughout the financial year.

The financial statements on pages 3 to 5 were approved by the Board on 11 October 2000 and were signed on its behalf by:-



Director

MAWSON TAYLOR 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.

- (b) The financial statements have been prepared on a going concern basis since the parent company has undertaken to continue to provide financial support for the foreseeable future.

2. PROFIT AND LOSS ACCOUNT

The Company has traded during this year and the comparative year only as agent for T&N Limited. It has not traded in its own account, has received no income and incurred no expenditure and consequently has made neither a profit nor a loss. The Company had no recognised gains or losses for the year.

3. DIRECTORS

The directors have not received any remuneration for services to the Company during the year (1998: £nil).

4. CREDITORS: amounts due after
more than one year

	1999 £000	1998 £000
Loan from parent undertaking	407	407
	=====	=====

MAWSON TAYLOR LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONT'D)

5.	<u>CALLED UP SHARE CAPITAL</u>	1999	1998
		£000	£000
	Authorised		
	300,000 Ordinary shares of £1 each	300	300
		=====	=====
	Issued and fully paid,		
	155,430 Ordinary shares of £1 each	155	155
		=====	=====

6. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

There has been no movement in shareholder's funds in this year or in the comparative year.

7. ULTIMATE PARENT COMPANY

The Company's parent company is T&N Limited which is 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 Annual Report and Accounts can be obtained from Federal-Mogul Investor Relations, 26555 Northwestern Highway, Southfield, MI 48034, USA.

8. COMPOSITE CROSS-GUARANTEE

The Company, its parent company, and certain of its fellow subsidiaries in the UK have entered into a composite cross-guarantee in relation to the facilities provided by its principal UK banker.