

Pendle Fluid Sealing Limited
Abbreviated Accounts
For the Year Ended 31 May 2006



THR

CHARTERED ACCOUNTANTS

PENDLE FLUID SEALING LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2006

CONTENTS	PAGES
Abbreviated balance sheet	1
Notes to the abbreviated accounts	2 to 4

PENDLE FLUID SEALING LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 MAY 2006

	Note	2006 £	2005 £
FIXED ASSETS			
Investments	2	1,582	1,582
CURRENT ASSETS			
Debtors	3	75,011	75,011
TOTAL ASSETS		<u>76,593</u>	<u>76,593</u>
CAPITAL AND RESERVES			
Called-up equity share capital	5	2,967	2,967
Capital redemption reserve		936	936
Profit and loss account		72,690	72,690
SHAREHOLDERS' FUNDS		<u>76,593</u>	<u>76,593</u>

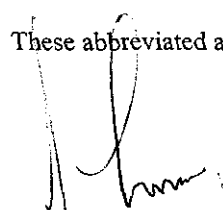
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249AA(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 14/11/06 and are signed on their behalf by:


.....
Mr J Lorrison
Director

The notes on pages 2 to 4 form part of these abbreviated accounts.

PENDLE FLUID SEALING LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

Financial Reporting Standard for Smaller Entities (effective January 2005)

The adoption of FRSSE 2005 has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

The above change in policy has not resulted in any adjustments to the financial statements in either of the two years disclosed.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Fixed assets

All fixed assets are initially recorded at cost.

PENDLE FLUID SEALING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2006

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Group relief

The financial statements have been prepared based on the assumption that there will be no payments made for group relief surrendered.

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities

2. FIXED ASSETS

	Investments £
COST	
At 1 June 2005 and 31 May 2006	<u>1,582</u>
DEPRECIATION	<u>—</u>
NET BOOK VALUE	
At 31 May 2006	<u>1,582</u>
At 31 May 2005	<u>1,582</u>

PENDLE FLUID SEALING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MAY 2006

2. FIXED ASSETS *(continued)*

The above investment represents the cost of 100 Ordinary £1 shares, being the whole of the share capital, of Pendle Polymer Engineering Limited, a company registered in England. Pendle Polymer Engineering Limited is a manufacturer of metal bonded mouldings and moulded rubber products with a retained profit for the year to 31 May 2006 of £99,534 and shareholder funds of £995,211 at this date.

3. DEBTORS

Debtors include amounts of £75,011 (2005 - £75,011) falling due after more than one year.

4. RELATED PARTY TRANSACTIONS

In the directors' opinion the company is controlled by Mr J Lorrison, a director and majority shareholder.

The auditors remuneration during the year totalled £690 (2005: £660). The liability will be paid by Pendle Polymer Engineering Limited, a wholly owned subsidiary.

The amount owing from Pendle Polymer Engineering Limited as at 31 May 2006 is £75,011 (2005: £75,011).

5. SHARE CAPITAL

Authorised share capital:

	2006	2005
	£	£
175,000 'A' Ordinary shares of £0.10 each	17,500	17,500
15,000 'B' Ordinary shares of £0.10 each	1,500	1,500
60,000 'C' Ordinary shares of £0.10 each	6,000	6,000
	<u>25,000</u>	<u>25,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
'A' Ordinary shares of £0.10 each	14,670	1,467	14,670	1,467
'B' Ordinary shares of £0.10 each	15,000	1,500	15,000	1,500
	<u>29,670</u>	<u>2,967</u>	<u>29,670</u>	<u>2,967</u>

All shares rank pari-passu in all respects.

An option to purchase 3,297 Ordinary 'C' shares of 10 pence each was granted on 22 September 2003 to A Bielby, a director of Pendle Polymer Engineering Limited. The option is exercisable for 10 years from that date at a price of £12 per share.