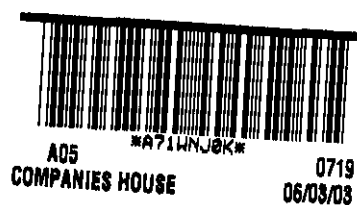


Lee

Pendle Fluid Sealing Limited  
Director's Report  
And Financial Statements  
For the Year Ended 31st May 2002

Company Registration Number 1559281



THR

CHARTERED ACCOUNTANTS

**PENDLE FLUID SEALING LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MAY 2002**

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<b>CONTENTS</b>	<b>PAGES</b>
Company information	1
The director's report	2 to 3
Independent auditors' report to the shareholders	4
Balance sheet	5
Notes to the financial statements	6 to 8

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# **PENDLE FLUID SEALING LIMITED**

## **COMPANY INFORMATION**

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<b>The board of directors</b>	Mr J Lorrison Mr C Norton (resigned - 30th September 2001)
<b>Company secretary</b>	Mr N Burton (appointed - 1st October 2001) Mr C Norton (resigned - 30th September 2001)
<b>Registered office</b>	Vulcan Works Warehouse Lane Foulridge Colne BB8 7PP
<b>Registered number</b>	1559281
<b>Auditors</b>	THR Chartered Accountants & Registered Auditors Charter House 166 Garstang Road Fulwood Preston PR2 8NB
<b>Bankers</b>	HSBC Bank Plc 12 Manchester Road Burnley BB11 1JH
<b>Solicitors</b>	Donald Race & Newton 4 Nicholas Street Burnley BB11 2AG

# **PENDLE FLUID SEALING LIMITED**

## **THE DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 31ST MAY 2002**

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The director has pleasure in presenting his report and the financial statements of the company for the year ended 31st May 2002.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company has not traded during the year.

Pendle Polymer Engineering Limited, a subsidiary of Pendle Fluid Sealing Limited, continued to be manufacturers of rubber to metal bonded mouldings and moulded rubber products, in particular seals.

#### **RESULTS AND DIVIDENDS**

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The director has not recommended a dividend.

#### **THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Class of share	At 31 May 2002	At 1 June 2001
Mr J Lorrison	£1 'A' Ordinary shares	1,467	1,467
	£1 'B' Ordinary shares	<u>1,500</u>	<u>1,500</u>

Mr C Norton resigned as a director on 30 September 2001, and did not hold any shares in the company during the year

#### **DIRECTOR'S RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 6, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

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. The directors 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.

**PENDLE FLUID SEALING LIMITED**

**THE DIRECTOR'S REPORT** *(continued)*

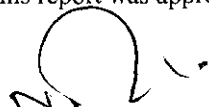
**FOR THE YEAR ENDED 31ST MAY 2002**

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**AUDITORS**

The auditors, THR, are deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on .

This report was approved by the board on 29 October 2002 .



Mr N Burton  
Company Secretary

Date: 29/10/02

# **PENDLE FLUID SEALING LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS**

**FOR THE YEAR ENDED 31ST MAY 2002**

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We have audited the financial statements on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

The director's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Director's Responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st May 2002 and have been properly prepared in accordance with the Companies Act 1985.

**THR**

**Chartered Accountants and Registered Auditors**

**Charter House**

**166 Garstang Road**

**Fulwood**

**Preston**

**PR2 8NB**

**Date:**

*THR*  
*20 November 2002*

**PENDLE FLUID SEALING LIMITED**

**BALANCE SHEET**

**AS AT 31ST MAY 2002**

	Note	2002 £	2001 £
<b>FIXED ASSETS</b>			
Investments	3	1,582	1,582
<b>CURRENT ASSETS</b>			
Debtors due after one year	4	75,011	75,011
<b>TOTAL ASSETS</b>		<u>76,593</u>	<u>76,593</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	7	2,967	2,967
Capital redemption reserve	8	936	936
Profit and Loss Account		<u>72,690</u>	<u>72,690</u>
<b>SHAREHOLDERS' FUNDS</b>	9	<u>76,593</u>	<u>76,593</u>

These financial statements were approved and signed by the director on .....29/10/02

  
.....  
**Mr J Lorrison**  
**Director**

The notes on pages 6 to 8 form part of these financial statements.

# PENDLE FLUID SEALING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MAY 2002

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### 1. ACCOUNTING POLICIES

#### Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

#### Consolidation

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

#### Group relief

The financial statements have been prepared based on the assumption that there will be no payment 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. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No.	No.
Number of management staff	<u>2</u>	<u>2</u>

During the year the directors received emoluments from Pendle Polymer Engineering Limited, a wholly owned subsidiary, totalling £76,942 (2001: £88,513) and pension contributions totalling £90,961 (2001: 2,092.)



# PENDLE FLUID SEALING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MAY 2002

#### 3. INVESTMENTS

	Shares in group undertakings £
<b>COST:</b>	
At 1st June 2001 and 31st May 2002	<u>1,582</u>
<b>NET BOOK VALUE:</b>	
At 31st May 2002	<u>1,582</u>
At 31st May 2001	<u>1,582</u>

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. The retained profit for the year to 31 May 2002 is £131,552 and the company has shareholder funds of £655,668 at this date.

#### 4. DEBTORS

	2002 £	2001 £
Amounts owed by undertakings in which the company has a participating interest	<u>75,011</u>	<u>75,011</u>

The debtors above include the following amounts falling due after more than one year:

	2002 £	2001 £
Amounts owed by undertakings in which the company has a participating interest	<u>75,011</u>	<u>75,011</u>

#### 5. 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 £635 (2001: £600). The liability will be paid by Pendle Polymer Engineering Limited, a wholly owned subsidiary.

#### 6. GROUP GUARANTEES AND FINANCIAL COMMITMENTS

Set off is allowed between bank accounts held by Pendle Fluid Sealing Limited and Pendle Polymer Engineering Limited. The groups borrowings total £80,000 (2001: £nil) which relate solely to Pendle Polymer Engineering Limited and they are secured against the assets of that company.

**PENDLE FLUID SEALING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MAY 2002**

**7. SHARE CAPITAL**

**Authorised share capital:**

	2002	2001
	£	£
23,500 £1 'A' Ordinary shares of £1 each	23,500	23,500
1,500 £1 'B' Ordinary shares of £1 each	1,500	1,500
	<u>25,000</u>	<u>25,000</u>

**Allotted, called up and fully paid:**

	2002		2001	
	No.	£	No.	£
£1 'A' Ordinary shares	1,467	1,467	1,467	1,467
£1 'B' Ordinary shares	1,500	1,500	1,500	1,500
	<u>2,967</u>	<u>2,967</u>	<u>2,967</u>	<u>2,967</u>

Both the 'A' and 'B' shares rank pari-passu and have the same rights attached to them.

**8. OTHER RESERVES**

	2002	2001
	£	£
Capital redemption reserve	<u>936</u>	<u>936</u>

**9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2002	2001
	£	£
Opening shareholders' equity funds	<u>76,593</u>	<u>76,593</u>
Closing shareholders' equity funds	<u>76,593</u>	<u>76,593</u>