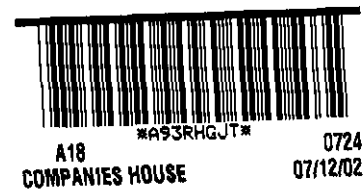


REGISTRAR OF COMPANIES

FLOCON VALVES AND FITTINGS LIMITED

ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 28TH FEBRUARY 2002



REPORT OF THE AUDITORS
TO THE MEMBERS OF FLOCON VALVES AND FITTINGS LIMITED
YEAR ENDED 28TH FEBRUARY 2002

We have examined the abbreviated accounts set out on pages 2 to 4 together with the financial statements of the company for the year ended 28th February 2002 prepared under Section 226 of the Companies Act 1985.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and 246(6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered have been properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

SAC

Sherrington & Co.,
Chartered Accountants and Registered Auditors,
16 Gold Tops,
NEWPORT,
South Wales.
NP20 4PH

Date

5.12.02

FLOCON VALVES AND FITTINGS LIMITED

BALANCE SHEET

AT 28TH FEBRUARY 2002

	Note	2002	2001
		£	£
FIXED ASSETS			
Tangible assets	2	42,332	72,322
CURRENT ASSETS			
Stocks		54,822	66,735
Debtors		374,079	337,454
Cash at bank and in hand		57,257	58,462
		-----	-----
		486,158	462,651
CURRENT LIABILITIES			
Creditors falling due within one year	3	(397,297)	(355,190)
		-----	-----
NET CURRENT ASSETS		88,861	107,461
TOTAL ASSETS LESS CURRENT LIABILITIES		-----	-----
		131,193	179,783
Creditors amounts falling due after more than one year	3	-	(4,547)
		-----	-----
		131,193	175,236
		-----	-----
CAPITAL AND RESERVES			
Called up share capital	4	15,006	15,000
Profit and loss account		116,187	160,236
		-----	-----
SHAREHOLDERS' FUNDS		131,193	175,236
		-----	-----

The accounts are prepared in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the Board of Directors on 5th December 2002


P. L. DAVIES
DIRECTOR

The notes on pages 3 to 4 form part of these financial statements.

FLOCON VALVES AND FITTINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

YEAR ENDED 28TH FEBRUARY 2002

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards, including the Financial Reporting Standard for Smaller Entities (effective March 2002). The following accounting policies have been applied:-

Turnover

Turnover represents amounts invoiced in respect of goods and services provided during the year, exclusive of value added tax.

Depreciation

Depreciation is provided on cost in equal annual instalments over the estimated lives of the assets. The rates of depreciation are as follows:-

Motor vehicles	:	25% per annum
Fixtures, fittings and equipment	:	15% per annum

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less costs of disposals.

Deferred taxation

Deferred taxation is provided in full at current tax rates on differences arising from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Hire purchase commitments

Tangible fixed assets acquired under hire purchase contracts are capitalised in the Balance Sheet and are depreciated over their estimated useful lives. The interest element of hire purchase obligations is charged to the profit and loss account on a straight line basis over the period of the contract.

Leases

Rental costs under operating leases are charged to profit and loss account in equal amounts over the period of the lease.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they are paid.

FLOCON VALVES AND FITTINGS LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 28TH FEBRUARY 2002

2. TANGIBLE FIXED ASSETS	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 st March 2001	68,898	178,285	247,183
Additions	2,386	-	2,386
Disposals	(900)	(10,045)	(10,945)
At 28 th February 2002	70,384	168,240	238,624
Depreciation			
At 1 st March 2001	37,125	137,736	174,861
Charge for year	9,582	16,934	26,516
Released on disposals	(900)	(4,185)	(5,085)
At 28 th February 2002	45,807	150,485	196,292
NET BOOK VALUE			
At 28 th February 2002	24,577	17,755	42,332
At 28 th February 2001	31,773	40,549	72,322

The net book value of assets held under hire purchase agreements at 28th February 2002 was £Nil (2001 : £33,978). Depreciation charged on these assets for the year totalled £Nil. (2001 : £14,198).

3. SECURED BORROWINGS

Bank loans and overdrafts of £Nil (2001 : £11,367) and hire purchase liabilities of £Nil (2001 : £24,739) are secured.

12. CALLED UP SHARE CAPITAL	2002 £	2001 £
<i>Authorised:-</i>		
22,500 ordinary shares of £1 each	22,500	22,500
7,500 ordinary 'A' shares of £1 each	7,500	7,500
1,000 ordinary 'B' shares of £1 each	1,000	-
1,000 ordinary 'C' shares of £1 each	1,000	-
1,000 ordinary 'D' shares of £1 each	1,000	-
1,000 ordinary 'E' shares of £1 each	1,000	-
1,000 ordinary 'F' shares of £1 each	1,000	-
1,000 ordinary 'G' shares of £1 each	1,000	-
	36,000	30,000
<i>Issued and fully paid:-</i>		
7,500 ordinary shares of £1 each	7,500	7,500
7,500 ordinary 'A' shares of £1 each	7,500	7,500
1 ordinary 'B' share of £1	1	-
1 ordinary 'C' share of £1	1	-
1 ordinary 'D' share of £1	1	-
1 ordinary 'E' share of £1	1	-
1 ordinary 'F' share of £1	1	-
1 ordinary 'G' share of £1	1	-
	15,006	15,000

One ordinary 'B' share of £1, one ordinary 'C' share of £1, one ordinary 'D' share of £1, one ordinary 'E' share of £1, one ordinary 'F' share of £1 and one ordinary 'G' share of £1 were issued on 22nd February 2002. £1 was received for each share issued.