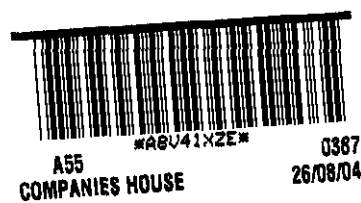


# **G-Flow Systems Limited**

## **Report and Financial Statements**

31 October 2003



## **G-Flow Systems Limited**

---

Registered No: 4261242

### **Directors**

Reginald Lawrence Gott  
Neil Bamford  
Trevor Anthony Pemberton  
Timothy Charles Ring

### **Secretary**

Michael J R Porter

### **Auditors**

Ernst & Young LLP  
Cloth Hall Court  
14 King Street  
Leeds  
LS1 2JN

### **Registered office**

15-19 New Fetter Lane  
London  
EC4A 1LY

## Directors' report

The directors present their report and financial statements for the year ended 31 October 2003.

### Results and dividends

The profit for the year amounted to £nil. The directors do not recommend the payment of any dividends.

### Principal activities and review of the business

The principal activity of the company during the year was the sale and marketing of conveyor equipment.

The company ceased to trade on the 31 January 2003.

### Directors

The directors who served the company during the period were as follows:

John Anthony Biles  
Steven David Jones  
Trevor Anthony Pemberton  
Michael Ernest Hilton (resigned 28<sup>th</sup> August 2003)  
Timothy Charles Ring

There are no directors' interests requiring disclosure under the Companies Act 1985.

Subsequent to the period end, the following were appointed as directors of the company:

Neil Bamford (appointed 17 June 2004)  
Reginald Lawrence Gott (appointed 17 June 2004)

Subsequent to the period end, the following resigned as directors of the company:

John Anthony Biles (resigned 17<sup>th</sup> June 2004)  
Steven David Jones (resigned 17<sup>th</sup> June 2004)

### Auditors

A resolution to re-appoint Ernst & Young as auditors of the company will be put to the members at the Annual General Meeting.

On behalf of the board



Trevor Anthony Pemberton  
Director  
5<sup>th</sup> August 2004

## **Statement of directors' responsibilities in respect of the financial statements**

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 and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies 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. They 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.

## **Independent auditors' report**

### **to the members of G-Flow Systems Limited**

We have audited the company's financial statements for the year ended 31 October 2003 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 9. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

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 Directors' 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **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.

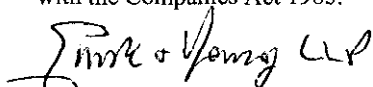
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

## Independent auditors' report

to the members of G-Flow Systems Limited (continued)

### Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 October 2003 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
Leeds

18 August 2004

## Profit and loss account

for the year ended 31 October 2003

		<i>Year from 1 Nov 2002 to 31 Oct 2003 £</i>	<i>Period from 30 Jul 2001 to 31 Oct 2002 £</i>
<b>Turnover</b>	2	369,855	1,662,179
Cost of sales		369,855	1,400,040
<b>Gross profit</b>		—	262,139
Administrative expenses		—	262,139
<b>Profit on ordinary activities before taxation</b>		—	—
Tax on profit on ordinary activities		—	—
<b>Profit retained for the financial period</b>		—	—

## Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit of £nil attributable to the shareholders for the year ended 31 October 2003 (2002: £nil).

## Balance sheet

at 31 October 2003

	Notes	2003 £	2002 £
<b>Current assets</b>			
Cash in hand		1	105,889
Debtors	5	1	-
		<u>2</u>	<u>105,889</u>
<b>Current liabilities</b>			
Creditors: amounts falling due in less than one year	6	-	105,887
<b>Net current assets</b>		<u>2</u>	<u>2</u>
<b>Capital and reserves</b>			
Called up share capital	7	<u>2</u>	<u>2</u>
<b>Equity shareholders' funds</b>	8	<u>2</u>	<u>2</u>



Trevor Anthony Pemberton  
Director

5<sup>th</sup> August 2004



## Notes to the financial statements

at 31 October 2003

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention.

#### *Cash flow statement*

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

#### *Related parties transactions*

The company has taken advantage of the exemption in FRS8 not to disclose transactions with fellow subsidiary and parent undertakings where more than 90% of the voting rights are controlled within the group.

#### *Deferred taxation*

Deferred tax is recognised as a liability or asset if the transactions or events that give rise to an obligation to pay more tax in the future or right to pay less tax in the future have occurred by the balance sheet date. 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.

### 2. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties during the year.

Turnover is attributable to one activity, the sale of conveyor equipment, and the company ceased trading on 31<sup>st</sup> January 2003.

### 3. Staff costs

No salaries or wages have been paid to employees, including the directors, during the period.

### 4. Tax

There were no liabilities to corporation tax or deferred taxation in the period.

### 5. Debtors: amounts falling due in less than one year

	2003 £	2002 £
Amounts owed by group undertakings	<u>1</u>	<u>-</u>

### 6. Creditors: amounts falling due in less than one year

	2003 £	2002 £
Amounts owed to group undertakings	<u>-</u>	<u>105,887</u>

# Notes to the financial statements

at 31 October 2003

## 7. Share capital

	<i>Authorised 2003 £</i>	<i>Authorised 2002 £</i>
Ordinary A shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<i>Allotted, called up and fully paid 2003</i>	<i>2002</i>
	<i>No.      £</i>	<i>No.      £</i>
Ordinary A shares of £1 each	<u>2      2</u>	<u>2      2</u>

## 8. Reconciliation of shareholders' funds and movement on reserves

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
On incorporation – 30 July 2001	2	-	2
Profit	-	-	-
	<u>2</u>	<u>-</u>	<u>2</u>
At 1 November 2002	2	-	2
Profit	-	-	-
	<u>2</u>	<u>-</u>	<u>2</u>
At 31 October 2003	<u>2</u>	<u>-</u>	<u>2</u>

## 9. Ultimate parent company

The ultimate parent undertaking throughout the year was FKI PLC.

Copies of the accounts of FKI PLC can be obtained from 15-19 New Fetter Lane, London, EC4A 1LY.