

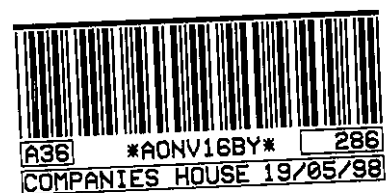
**VACTITE LIMITED**

COMPANY NUMBER 156012

DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 DECEMBER 1997



# VACTITE LIMITED

## REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements for the period ended 31 December 1997.

### Results

The company has not traded during the period.

### Directors

The directors of the company, all of whom served throughout the period except where stated, were:

M C H Bond	(appointed 20 March 1997)
G M Entwistle	(appointed 20 March 1997)
A Gidney	(resigned 20 March 1997)
B R Weaver	(resigned 3 November 1997)

M C H Bond and G M Entwistle having been appointed during the year retire in accordance with the Articles of Association and being eligible offer themselves for re-appointment.

None of the directors had any interest in the shares of the company.

The beneficial interests of each director in the shares and share options of the ultimate parent undertaking are noted below.

	25p ordinary shares			
	31 December 1997		20 March 1997 (or date of appointment)	
	Shares	Options	Shares	Options
M C H Bond	-	-	-	-
G M Entwistle	6,450	20,908	3,450	16,730
		Options	Exercisable on or after	Price p
		4,725	18.11.96	219.333
		4,470	9.11.97	232.000
		4,285	4.4.98	241.000
		3,250	6.6.99	353.000
		4,178	22.4.00	359.000

# VACTITE LIMITED

## REPORT OF THE DIRECTORS (CONTINUED)

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### Statement of directors' responsibilities for preparing the financial statements

The directors are required by UK company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made, in the preparation of the financial statements for the period ended 31 December 1997. The directors also confirm that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

### Auditors

Grant Thornton have expressed their willingness to continue in office and in accordance with Section 385 of the Companies Act 1985 a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD



M G Leigh  
SECRETARY

20 March 1998

Registered office:

Clive House  
12-18 Queens Road  
Weybridge  
Surrey  
KT13 9XB

## **REPORT OF THE AUDITORS TO THE MEMBERS OF VACTITE LIMITED**

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policy set out on page 4.

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

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

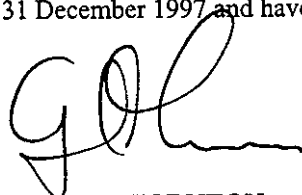
### **Basis of opinion**

We conducted our audit in accordance with 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 at 31 December 1997 and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS  
SHEFFIELD**

20 March 1998

## **VACTITE LIMITED**

### **PRINCIPAL ACCOUNTING POLICY**

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#### **ACCOUNTING CONVENTION**

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

**VACTITE LIMITED**

**PROFIT AND LOSS ACCOUNT**

For the period ended 31 December 1997

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	Period ended 31 December 1997 £'000	Period ended 19 March 1997 £'000
Dividends		
Final paid of £Nil per share (19 March 1997: 42.83p)	-	(1,071)
<b>Retained loss</b>	<b>-</b>	<b>(1,071)</b>

# VACTITE LIMITED

## BALANCE SHEET AT 31 DECEMBER 1997

	Note	31 December 1997 £'000	19 March 1997 £'000
<b>Current assets</b>			
Debtors	1	73	1,142
Cash at bank and in hand		-	31
		<u>73</u>	<u>1,173</u>
<b>Creditors: amounts falling due within one year</b>	2	<u>-</u>	<u>(1,100)</u>
<b>Total assets less current liabilities</b>		<u>73</u>	<u>73</u>
<b>Capital and reserves</b>			
Called up share capital	3	25	25
Other reserves	4	<u>48</u>	<u>48</u>
<b>Shareholders' funds</b>	5	<u>73</u>	<u>73</u>

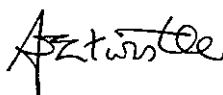
The financial statements were approved by the Board of Directors on 20 March 1998.

M C H Bond



Directors

G M Entwistle



# VACTITE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 December 1997

### 1 DEBTORS

	31 December 1997 £'000	19 March 1997 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	<u>73</u>	<u>1,142</u>

### 2 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 1997 £'000	19 March 1997 £'000
Amounts owed to group undertakings	<u>-</u>	<u>1,100</u>

### 3 SHARE CAPITAL

	31 December 1997 £'000	Authorised 19 March 1997 £'000	Issued and fully paid 31 December 1997 £'000	19 March 1997 £'000
25,000 ordinary shares of £1 each	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>

### 4 RESERVES

	Capital reserve £'000	General reserve £'000	Total £'000
At 20 March 1997 and 31 December 1997	<u>3</u>	<u>45</u>	<u>48</u>



# VACTITE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period ended 31 December 1997

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### 5 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Period ended 31 December 1997 £'000	Period ended 19 March 1997 £'000
Dividends	-	(1,071)
Net movement in shareholders' funds	-	(1,071)
Shareholders' funds at 20 March 1997	73	1,144
Shareholders' funds at 31 December 1997	<u>73</u>	<u>73</u>

### 6 CONTROLLING RELATED PARTIES

The London Electric Wire Company and Smiths Limited is the company's controlling related party by virtue of its 100 per cent interest in the company.

The company's ultimate controlling related party and ultimate parent undertaking is TT Group PLC which is registered in England and Wales.

Copies of TT Group PLC financial statements can be obtained from the registered office at Clive House, 12-18 Queens Road, Weybridge, Surrey KT13 9XB.