Ingersoll Rand Security Technologies Limited

Annual report and financial statements

for the year ended 31 December 2009

Registered number 29131

Ingersoll Rand Security Technologies Limited

Annual report and financial statements for the year ended 31 December 2009

Ingersoll Rand Security Technologies Limited

Directors and advisors

Directors

I D Stanley
C J Crampton

Secretary's and registered office

D C May
G T Moran
F A Fuselier
B A Santoro
Ingersoll Rand Security Technologies Limited
Bescot Crescent
Walsall
West Midlands
WS1 4DL

Statutory auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Ingersoll Rand Security Technologies Limited

Directors' report
for the year ended 31 December 2009

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2009

Business review and principal activities

The Company is engaged with the production, specification and supply of a wide range of branded architectural products for the building industry, principally in non-ferrous metal and plastic This is classed as one segment of the business

Despite the challenging economic climate that was experienced in 2009 the Company continued to hold and grow its market share in its core areas while maintaining its gross profit margins by continuing its tight control over costs

The Company has exited the year in an encouraging position, despite the economic downturn and will be able to respond quickly when the market returns to a normal level of operation and will continue to grow its market share

Business review

The Company made an operating loss of £1 8 million (profit 2008 £6 3 million) Loss on ordinary activities before tax for the year is £1 3 million (profit 2008 £8 4 million), and after taxation credits of (£0 7) million (2008 charge £1 2 million), loss for the year amounts to £0 5 million (profit 2008 £7 2 million)

During the year, the Company paid an amount of £5 3 million to the Ingersoll-Rand Holdings Limited Retirement Benefits Plan (1974) (2008 £nil) of which the Company is a part of The payment related to the plan for funding the current deficit

Due to the economic downturn that was encountered during the year the directors believe that the Company has exited the year in a strong position and will be able to react to obtain market share and to grow its current product areas

The Company has faced a downturn during the year due to the state of the economy as a whole The directors were able to mitigate this reduction in volume by keeping tight control of costs and were able to maintain operation profitability

The Ingersoll Rand brand name and the Company's excellent customer relationships and reputation for quality has enabled the Company to grow its market share during the year and this is set to continue into 2010

Key performance indicators (KPIs)

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Dividends

No dividends have been paid or declared for 2009 (2008 £0 108 per share amounting to £14 0 million) There has been no further dividend paid or proposed since 2008

Research and development

The Company continues to invest in research and development of new products and technology to maintain its competitive advantage over its competitors All costs are charged to the profit and loss account at the time they are incurred

Directors' report
for the year ended 31 December 2009 (continued)

Future outlook

Due to the current economic recession the Company is planning cost reductions throughout the business and will continue with its current strategy for increased sales and market share

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks

The key business risks and uncertainties affecting the Company are considered to relate to competition from both national and independent manufacturers/distributors, employee retention and new technologies The Company's strategy for combating these risks is to continually invest in research and development of new technology and product innovations together with investing in employees and maintaining an excellent working environment

Financial risk management policies and objectives

The Company s operations expose it to a number of financial risks that include price risk, credit risk, liquidity risk interest rate risk and cash flow risk Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board The policies set by the board of directors are implemented by the Company's finance department as required

Price risk
The Company is exposed to commodity price risk as a result of its operations However, given the size of the Company s operations, the costs of actively managing exposure to commodity price risk exceed any potential benefits The directors will revisit the appropriateness of this policy should the Company's operations change in size or nature The Company has no exposure to equity securities price risk as it holds no listed or other equity investments

Credit risk
The Company has implemented policies that require appropriate credit checks on potential customers before sales are made Often new customers are given cash accounts, then migrate to credit accounts once a payment history is established The Company uses third party online credit evaluations as well as Companies House information including latest financial statement submissions

Liquidity risk
The Company actively manages its working capital requirements to ensure it has sufficient funds for its operations The Company has actively reduced its stock holding over the last year to free cash locked in inventory this together with better cash collection on receivables and the Company's cash rich situation has mitigated any liquidity risk The requirement for medium to long term debt finance will be reviewed by the board of directors based on the Company's forecast requirements

Interest rate and cash flow risk
The Company has both interest bearing assets and interest bearing liabilities The Company has a policy of maintaining short term deposits and cash balances at a level sufficient to fund its operations The directors will revisit the appropriateness of this policy should the Company's operations or cash balances change in size or nature

Directors' report
for the year ended 31 December 2009 (continued)

Directors

The following have been directors of the Company during the year and up to the date of signing the financial statements

J D Stanley
C I Crampton

Charitable donations

Contributions were made to charities in the year to the value of £nil (2008 £250 to a UK based cancer research charity)

Employment policies

The Company is committed to employment policies, which follow best practice, based on equal opportunities for all employees irrespective of sex, race, colour, disability or marital status The Company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Company If members of staff become disabled the Company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary

Employee involvement

The Company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests

The Company encourages the involvement of employee's by means of regular monthly calls where employees are free to raise questions and voice comments to the directors and management of the Company on any issue they feel relevant The Company also holds annual conferences with all of its employees where there is a review of the current and prior year's performance together with future goals and objectives of the business Employees are also free to ask any questions and comment direct to the directors of the Company in small informal groups

The Company also holds biannually reviews for each employee with their direct manager This forum is used to address any issues and concerns from the employee and from the Company and is also used to help identify and encourage individual growth and development of the employee as well as identify any training needs that the Company can accommodate

The Company operates an employee engagement survey each year to gather feedback and recommendations from employees and the directors of the business then review these findings and authorise any appropriate action to be taken

Statement of directors' responsibilities in respect of the Annual Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Statement of directors' responsibilities in respect of the Annual Report and the financial statements (continued)

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under Company law the directors must not approve the financial statements unless they are satisfied that they 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 period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 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

Statement of disclosure of information to auditors

In accordance with Section 418 of the Companies Act 2006, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Independent auditors

The Company's auditors PricewaterhouseCoopers LLP have expressed their willingness to continue in office and a resolution for their appointment has been proposed at the annual general meeting

By order of the board

CJ Crampton

Director

23 July 2010

Independent auditors' report to the members of Ingersoll Rand Security Technologies Limited

We have audited the financial statements of Ingersoll Rand Security Technologies Limited for the year ended 31 December 2009 which comprise of the Profit and Loss account, the Balance Sheet, Reconciliation of Movement in Total Shareholders' Funds and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement set out on pages 4 and 5 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Independent auditors' report to the members of Ingersoll Rand Security Technologies Limited (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Richard Porter

Richard Porter (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Birmingham

23 July 2010

Ingersoll Rand Security Technologies Limited

Profit and loss account
for the year ended 31 December 2009

	Note	2009 £'m	2008 £'m
Turnover	2	**50.4**	52 9
Net operating expenses	3	**(52.2)**	(46 6)
Operating (loss)/profit	3	**(1.8)**	6 3
Interest receivable and similar income	4	**0.5**	2 1
(Loss)/profit on ordinary activities before taxation	5	**(1.3)**	8 4
Tax on (loss)/profit on ordinary activities	6	**0 7**	(1 2)
(Loss)/profit for the financial year	17	**(0.6)**	7 2

All activities during 2009 and 2008 have been derived from continuing operations

The Company has no recognised gains and losses other than those disclosed in the profit and loss account above, therefore no separate statement of total recognised gains and losses has been presented

There are no differences between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial year stated above and their historic cost equivalents

Ingersoll Rand Security Technologies Limited

Balance sheet
as at 31 December 2009

	Note	2009 £'m	2008 £'m
Fixed assets			
Tangible assets	9	**2.3**	2.4
Investments	10	**15.8**	15.8
		18.1	18.2
Current assets			
Stock	11	**4.4**	5.6
Debtors	12	**118.4**	121.0
Cash at bank and in hand		**34.8**	33.2
		157.6	159.8
Creditors amounts falling due within one year	13	**(104.5)**	(106.2)
Net current assets		**53.1**	53.6
Total assets less current liabilities		**71.2**	71.8
Creditors amounts falling due after more than one year	13	**(15.8)**	(15.8)
Provisions for liabilities	14	**(0.6)**	(0.6)
Net assets		**54.8**	55.4
Capital and reserves			
Called up share capital	16	**32.2**	32.2
Share premium account	17	**10.0**	10.0
Revaluation reserve	17	**2.7**	2.7
Capital redemption reserve	17	**0.9**	0.9
Profit and loss account	17	**9.0**	9.6
Total shareholders' funds		**54.8**	55.4

The financial statements on pages 8 to 24 were approved by the board of directors on 23 July 2010 and were signed on its behalf by

CJ Crampton – **Director**

Ingersoll Rand Security Technologies Limited (Registered Number, 29131)

Ingersoll Rand Security Technologies Limited

Reconciliation of movements in shareholders' funds for the year ended 31 December 2009

	Note	2009 £'m	2008 £'m
(Loss)/profit for the financial year		**(0.6)**	7 2
Dividends paid	21	**-**	(14 0)
Net reductions to shareholders' funds		**(0.6)**	(6 8)
Opening shareholders' funds		**55.4**	62 2
Closing total shareholders' funds		**54.8**	55 4

Notes to the financial statements for the year ended 31 December 2009

1 Accounting policies

Basis of accounting

The Company's financial statements are prepared on the going concern basis under the historical cost convention modified to include certain assets at a valuation and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom A summary of the principal accounting policies, which have been applied consistently, is set out below

By virtue of Section 400 of the Company's Act 2006, the Company is exempt from submitting Group accounts Consolidated accounts are prepared by an intermediate holding company within the Ingersoll Rand Group Ingersoll Rand European Sales Limited Copies of consolidated accounts may be obtained as detailed in note 20

Cash flow statement

The Company has not prepared a cash flow statement as its cash flows for the year will be included in the consolidated cash flow statement of its ultimate parent Company, Ingersoll-Rand Company Limited, in accordance with FRS Number 1 (Revised 1996)

Foreign currencies

All transactions denominated in foreign currencies are translated into Sterling at the actual rate of exchange ruling on the date of the transaction Monetary assets and liabilities, including long term liabilities, in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date All exchange differences arising are dealt with in the profit and loss account

Turnover

Turnover represents the amounts receivable for the provision of goods and services falling within the Company's ordinary activities, excluding value added tax Turnover is recognised upon delivery of goods and services to customers

Leased assets

When fixed assets are financed by leasing agreements which give rights approximating to ownership the assets are treated as if they had been purchased and the capital element of the leasing commitments is shown as obligations under finance leases The rentals payable are apportioned between interest which is charged to the profit and loss account, and capital, which reduces the outstanding obligations Operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease

Provisioning policy

Provisions are recognised on the balance sheet when the Company has a present, legal or constructive obligation as a result of a past event and it is probably that an outflow of economic benefits will be required to settle the obligation

These provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation

1 Accounting policies (continued)

Depreciation of tangible fixed assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation and where appropriate a provision for impairment is made

The historic cost includes the original purchase price of the asset and the cost attributable to bringing the asset to its working condition for its intended use

Depreciation is provided on all tangible fixed assets on a straight-line basis to write off the cost of those assets over their estimated useful lives The principal rates of depreciation are as follows

Freehold buildings	2%
Plant and equipment	10% - 33 75%

Fixed asset investments

Shares in subsidiary undertakings are stated at their underlying net asset value determined under these accounting policies

Impairment

At each balance sheet date the Company reviews the carrying amount of its tangible fixed assets to determine whether there are any indicators of impairment If indicators of impairment exist then the recoverable amount of an asset is estimated and if this is less than its carrying amount, the difference is recognised in the profit and loss account as an impairment loss

Stock

Stock is valued at the lower of standard cost, which is updated from latest records/price lists and estimated net realisable value Cost of finished goods and work in progress comprises materials, direct labour and an appropriate proportion of overhead expenses Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation Provisions are made, where necessary, for obsolete, slow moving and defective stocks

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on an undiscounted basis

Research and development

Expenditure on research and development is charged to the profit and loss account in the financial year in which it is incurred

Ingersoll Rand Security Technologies Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

1 Accounting policies (continued)

Pension costs

The Company operates two pension schemes which are held in the name of Ingersoll-Rand Holdings Retirement Benefits Plan

A defined contribution pension scheme is operated and is open to new employees The contributions of which are charged to the Company's profit and loss account in the year in respect of which they become payable

The Company is a member of a group defined benefit scheme which is closed to new employees The Company accounts for this scheme as a defined contribution scheme

2 Turnover

Turnover by destination	2009	2008
	£'m	£'m
United Kingdom	42 3	44 9
Rest of the World	8.1	8 0
	50 4	52 9

3 Operating (loss)/profit

	2009	2008
	£'m	£'m
Turnover	50.4	52 9
Cost of sales	(38.0)	(39 4)
Gross profit	12.4	13 5
Distribution costs	(4.8)	(5 7)
Administrative expenses	(9.4)	(1 5)
Operating (loss)/profit	(1.8)	6 3

Included in administration is an amount of £5 3 million that relates to the payment to the defined benefit pension scheme in order to reduce the deficit of the fund

Notes to the financial statements for the year ended 31 December 2009 (continued)

4 Interest receivable and similar income

	2009	2008
	£'m	£'m
Interest receivable from group undertakings	0.1	0 5
Interest receivable (external)	0.4	1 6
Net interest receivable	0.5	2 1

Interest receivable (external) comprises third party interest received from the Company's bank relating to its cash deposits held

5 (Loss)/profit on ordinary activities before taxation

	2009	2008
	£'m	£'m
(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting)		
Depreciation of tangible fixed assets – owned assets (note 9)	0.2	0 1
Auditor s remuneration – Audit Services	0.1	0 1
Research and development	0.9	0 7
Pension contribution (note 8)	5.9	0 5
Operating lease rentals – plant and machinery	0.5	0 4
Operating lease rentals – other	1 0	0 8
Foreign exchange loss/(gain)	0.1	(1 5)

6 Tax on (loss)/profit on ordinary activities

	2009 £'m	2008 £'m
Current tax at 28% (2008· 28.5%)		
UK corporation tax on profits of the period	-	1 1
Adjustments in respect of prior periods	(0.1)	0 1
Total current year tax	(0.1)	1 2
Deferred tax:		
Current year	(0.7)	0 3
Adjustments in respect of prior periods	0.1	(0 3)
Total deferred tax credit (note 15)	(0 6)	-
Tax on profit on ordinary activities	(0.7)	1 2

Deferred tax for the current year has been recognised in respect of origination and reversal of timing differences during the year

6 Tax on (loss)/profit on ordinary activities (continued)

The tax assessed for the year is higher (2008 lower) than the standard rate of corporation tax in the UK of 28% (2008 28 5%) The differences are explained below

	2009	2008
	£'m	£'m
Reconciliation of actual tax (credit)/charge to expected tax charge		
(Loss)/profit on ordinary activities before taxation	**(1.3)**	8 4
Expected tax charge at 28% (2008 28 5%)	**(0 3)**	2 4
Effects of		
Expenses not deductible for tax purposes	-	0 1
Other timing differences	**0.9**	-
Capital allowances in excess of depreciation	**(0.2)**	(0 2)
Utilisation of losses	-	(0 3)
Advanced corporation tax utilised	-	(0 9)
Adjustments in respect of prior periods	**(0.1)**	0 1
Group relief surrendered for no consideration	**(0.4)**	-
Corporation tax (credit)/charge for the year	**(0.1)**	1 2

7 Directors and employees

	2009	2008
	£'m	£'m
Wages and salaries	11.0	11 7
Social security costs	1.0	1 1
Other pension costs (note 8)	5.9	0 5
	17 9	13 3

Monthly average number of persons employed by the Company during the year including directors on service contracts:

	Number	Number
Hourly paid	143	148
Other	223	246
	366	394

Directors emoluments:

	2009	2008
	£'m	£'m
Aggregate emoluments	0.2	0 2

Highest paid director:

	2009	2008
	£'m	£'m
Aggregate emoluments	0.1	0 1

No directors have contributions accruing under a defined contribution scheme (2008 nil) One director (2008 one) has retirement benefits accruing under a defined benefit scheme No directors exercised share options in the ultimate parent undertaking during the year (2008 none)

Ingersoll Rand Security Technologies Limited

Notes to the financial statements
for the year ended 31 December 2009 (continued)

8 Pension Scheme

The Company participates in the Ingersoll-Rand Holdings Limited Retirement Benefits Plan

This is a funded defined benefit scheme providing benefits for Ingersoll-Rand employees in the UK This fund is closed to all new employees, however they are eligible to join a defined contribution scheme Contributions are based on pension costs across the UK group as a whole and actuarial information in relation to the scheme is given in the accounts of Ingersoll-Rand European Sales Limited

Following the merger of the Company's pension scheme into the Ingersoll-Rand Holdings Limited Retirement Benefits plan in 2004, the Company has accounted for the plan as if it were a defined contribution scheme The Company accounted for the plan as a defined contribution scheme as it is not possible to identify the Company s share of the assets and liabilities of the scheme (note 1)

During the year the company made a payment to the Ingersoll-Rand Holdings Limited Retirement Benefits Plan in the sum of £5 3 million This was due to the fund being in deficit and is the first part of the action taken by the Trustees of the fund to improve funding It is considered that the Company will continue to make annual payments into the fund at similar amounts until 2016 or until the fund is in a sufficient state to reduce the payments back to a lower level

The pension cost for the year is £5 9 million (2008 £0 5 million) Included in creditors, is an amount of £6 698 (2008 £8,000) representing the cumulative charges not paid over at 31 December 2009

9 Tangible assets

	Freehold properties £'m	Plant and equipment £'m	Total £'m
Cost			
At 1 January 2009	2 6	2 4	5 0
Additions	-	0 1	0 1
At 31 December 2009	**2.6**	**2.5**	**5.1**
Accumulated depreciation			
At 1 January 2009	0 6	2 0	2 6
Charge for the year	0 1	0 1	0 2
At 31 December 2009	**0 7**	**2 1**	**2.8**
Net book value			
At 31 December 2009	**1.9**	**0 4**	**2.3**
At 31 December 2008	**2.0**	**0.4**	**2.4**

The cost of freehold land not depreciated is £0 7 million (2008 £0 7 million)

Notes to the financial statements
for the year ended 31 December 2009 (continued)

10 Investments

Investments

The principal subsidiary undertaking which is 100% owned is NT Group Properties Limited, a company incorporated in England and Wales

A complete list of subsidiaries can be found in the Company's annual return

	Shares	Loans	Total
	£'m	£'m	£'m
Cost or valuation			
As at 1 January 2009	56 6	1 3	57 9
At 31 December 2009	**56.6**	**1.3**	**57.9**
Provision for diminution in value			
As at 1 January 2009	(40 8)	(1 3)	(42 1)
At 31 December 2009	**(40.8)**	**(1.3)**	**(42.1)**
Net book value			
At 31 December 2009	**15.8**	**-**	**15 8**
At 31 December 2008	**15.8**	**-**	**15.8**

The directors believe that the carrying value of the investments is supported by their underlying assets due to all the subsidiaries being dormant and have not traded for several years and this is considered a realistic market value

If the investments in shares of subsidiary undertakings had not been stated at a net asset value they would have been included at the following amounts

	2009	2008
	£'m	£'m
Historical cost	**53.9**	53 9
Amounts written off	**(40.8)**	(40 8)
	13.1	13 1

Notes to the financial statements
for the year ended 31 December 2009 (continued)

11 Stocks

	2009	2008
	£'m	£'m
Raw materials and consumables	1.4	1 9
Work-in-progress	0.6	0 8
Finished goods	2.4	2 9
	4 4	5 6

There is no significant difference in value between finished goods and their replacement costs

12 Debtors

	2009	2008
	£'m	£'m
Amounts falling due within one year·		
Trade debtors	8.7	11 3
Amounts owed by fellow subsidiary undertakings	106.8	107 3
Amounts owed by parent undertaking	-	-
Corporation tax	-	-
Deferred tax (note 15)	2.1	1 5
Other debtors	0.4	0 5
Prepayments and accrued income	0.4	0 4
	118.4	121 0

Included in amounts owed by fellow subsidiary undertakings and amounts owed by parent undertakings are loans to various related companies which are repayable on demand The interest charged on these loans varies from 3 1% to 5 5%

Notes to the financial statements for the year ended 31 December 2009 (continued)

13 Creditors

	2009	2008
	£'m	£'m
Amounts falling due within one year:		
Trade creditors	**2.5**	2.9
Amounts owed to fellow subsidiary undertakings	**98.5**	99.6
Corporation tax payable	**-**	0.7
Other taxation and social security payable	**0.7**	0.8
Accruals and deferred income	**2.8**	2.2
	104.5	106.2
Amounts falling due after more than one year:		
Amounts owed to subsidiary undertakings	**15.8**	15.8

The Company has several unsecured loans from other related companies which are part of the Ingersoll Rand Group. The directors consider that these loans are not expected to be paid in the foreseeable future and do not attract interest.

14 Provisions for liabilities

	Onerous leases £'m
At 1 January 2009	0 6
Utilised during the year	-
At 31 December 2009	**0.6**

Provisions have been made for the expected costs arising from onerous leases on properties no longer occupied by the Company The provision is based on the lease costs that are not covered by expected rental income over the period of the lease terms, which range up to 15 years

15 Deferred taxation

The deferred taxation asset comprises	**2009 £'m**	2008 £'m
Accelerated capital allowances	**0.4**	0 6
Short term timing differences	**1.4**	0 6
Trading losses	**0 3**	0 3
Deferred tax asset	**2 1**	1 5

	2009 £'m	2008 £'m
Opening deferred tax asset	**1.5**	1 5
Amounts credited to profit and loss account (note 6)	**0.6**	-
Closing deferred tax asset (note 12)	**2.1**	1 5

In addition to the above, a deferred tax asset of approximately £5 7 million (2008 £5 7 million) in respect of advance corporation tax recoverable is available in the Company for relief against future UK profits This has not been recognised as it is not expected to reverse in the foreseeable future

Notes to the financial statements for the year ended 31 December 2009 (continued)

16 Called up share capital

	Ordinary Shares of 25p each	£'m
Authorised		
At 1 January 2009 and 31 December 2009	172,186,496	**43.0**
Allotted and fully paid up		
At 1 January 2009 and 31 December 2009	128,994,880	**32.2**

17 Reserves

	Share premium account £'m	Revaluation reserve £'m	Capital redemption reserve £'m	Profit and loss account £'m
At 1 January 2009	10 0	2 7	0 9	9 6
Loss for the financial year	-	-	-	(0 6)
Dividends	-	-	-	-
At 31 December 2009	**10.0**	**2.7**	**0.9**	**9.0**

18 Financial commitments

	Land and buildings 2009 £'m	Other 2009 £'m	Land and buildings 2008 £'m	Other 2008 £'m
Annual commitments under non – cancellable operating leases which expire				
Within one year	-	0 2	-	0 1
Between two and five years	0 3	0 9	0 3	0 7
After five years	1 8	-	0 7	-
	2.1	**1 1**	**1.0**	**0.8**

Other commitments relate to car leasing

19 Related party transactions

The Company is exempt from the requirement to disclose interactions with group companies where the group shareholding is wholly owned in accordance with the terms of FRS 8 Related party transactions The Company s immediate parent and ultimate parent undertakings are detailed in note 20

20 Parent Company and controlling party

On 12th May 2008, Ingersoll-Rand Holdings Limited transferred its entire shareholdings in the Company to Ingersoll-Rand Investments Limited which became the Company's parent company from that date Ingersoll-Rand Investments Limited is a company registered in England and Wales Copies of the immediate parent undertaking s financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ

The Company s ultimate parent company and ultimate controlling party is Ingersoll-Rand Plc, a company incorporated in Dublin, Ireland This is the largest group to consolidate these financial statements Copies of the consolidated financial statements may be obtained from The Corporate Secretary, Ingersoll-Rand Plc, 170/175 Lakeview Drive, Airside Business Park, Swords, Co Dublin, Ireland The smallest group to consolidate these financial statements is Ingersoll Rand European Sales Limited, an intermediate holding company Copies of the consolidated financial statements may be obtained from Green Bank House, Swan Lane Hindley Green, Wigan, WN2 4AR

21 Dividends

No dividends have been paid or declared for 2009 (2008 £0 108 per share amounting to £14 0 million)

There has been no further dividend paid or proposed since 2008