Project Sugar Limited

Registered No. 32872

Report and Accounts

Year Ended 31st July 2008

Registered No. 32872

Directors

D A Penn
R J Paddison

Secretary

D A Penn

Registered Office

765 Finchley Road
London
NW11 8DS

Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

DIRECTORS' REPORT

The Directors present their report and the audited accounts for the year ended 31st July 2008.

RESULTS AND DIVIDENDS

The profit on ordinary activities for the year, before taxation was £nil (2007: £789,000).

The Company has not paid any dividends during the year (2007: £12,632,000).

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

In 2002, the company sold the trade and the majority of its assets and liabilities to General Signals UK Ltd. The Company has not traded in 2008 and is not expected to trade in the future.

DIRECTORS AND THEIR INTERESTS

The Directors of the Company during the year were as follows:

D A Penn
R J Paddison

The Company has maintained insurance for the Directors against liability arising from negligence in relation to the Company, as permitted under Section 310 of the Companies Act 1985.

Auditors and disclosure of information to auditors

Each person who is a Director at the date of approval of this report confirms that:

(a) so far as the Directors are aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and

(b) the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 234ZA of the Companies Act 1985.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

BY ORDER OF THE BOARD

R J PADDISON
Director
Date: 21st November 2008

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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;
- 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, in which case there should be supporting assumptions or qualifications as necessary.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that 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 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 PROJECT SUGAR LIMITED

We have audited the financial statements of Project Sugar Limited for the year ended 31st July 2008 which comprise the Profit and Loss Account, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors
The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31st July 2008 and of its results for the period;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
1 Embankment Place
London WC2N 6RH

21st November 2008

PROFIT AND LOSS
For the year ended 31 July 2008

	Note	2008 Discontinued operations £'000	2007 Discontinued Operations £'000
Administrative expenses		-	(214)
OPERATING (LOSS)	2	-	(214)
Amount released from provisions for discontinued operations		-	275
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		-	61
Interest receivable	4	-	728
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	789
Taxation on profit on ordinary activities	5	-	(89)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	700
Dividend Paid		-	12,632
RETAINED (LOSS) PROFIT FOR THE YEAR	9	-	(11,932)

There is no difference between the results shown for the year and their historical cost equivalent. There were no other recognised gains or losses in the year other than those stated above

The notes on pages 9 to 13 form part of these accounts.

BALANCE SHEET
As at 31st July 2008

	Note	*2008* *£'000*	*2007* *£'000*
FIXED ASSETS			
Investments	6	-	-
		-	-
CURRENT ASSETS			
Debtors	7	2,300	2,300
NET ASSETS		2,300	2,300
CAPITAL AND RESERVES			
Called up share capital	8	2,300	2,300
		2,300	2,300

Approved by the board on 21st November 2008 and signed on its behalf by:

R J Paddison
Director

The notes on pages 9 to 13 form part of these accounts.

NOTES TO THE ACCOUNTS
For the year ended 31st July 2008

1. ACCOUNTING POLICIES

Basis of Preparation

The accounts have been prepared in accordance with the Companies Act 1985 and all applicable accounting standards in the United Kingdom (UK GAAP).

These accounts have been prepared on a going concern basis and under the historical cost convention (as modified to include revaluation of certain financial instruments).

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Consolidation

As the Company is a wholly owned subsidiary of Smiths Group plc which prepares publicly available consolidated group accounts, the Company has not prepared consolidated accounts as permitted by s228 of the Companies Act 1985.

Cash flow statement

A statement of cash flows in accordance with "FRS 1 (Revised 1996) Cash Flow Statements" has not been prepared because all the voting rights of the Company are ultimately controlled by Smiths Group plc, which presents a cash flow for the Group within its consolidated accounts.

Investments

The Company's investments in shares in group companies are stated at cost less provision for impairment. Any impairment is charged to the profit and loss account as it arises.

Financial assets
Financial assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price used includes transaction costs unless the asset is being fair valued through the profit and loss account.

The classification of financial assets depends on the purpose for which the assets were acquired. Management determines the classification of an asset at initial recognition and re-evaluates their designation at each reporting date. Assets are classified as: loans and receivables or financial assets where changes in fair value are charged (or credited) to the profit and loss account.

The subsequent measurement of financial assets depends on their classification. Loans and receivables are measured at amortised cost using the effective interest method. Financial assets where changes in fair value are charged (or credited) to the profit and loss account are subsequently measured at fair value. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit and loss' category are included in the profit and loss account in the period in which they arise.

1. ACCOUNTING POLICIES (continued)

Financial assets (continued)

Financial assets are derecognised when the right to receive cash-flows from the assets has expired or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Financial liabilities

Borrowings are initially recognised at the fair value of the proceeds, net of related transaction costs. These transaction costs and any discount or premium on issue are subsequently amortised under the effective yield method through the profit and loss account as interest over the life of the loan, and added to the liability disclosed in the balance sheet.

Borrowings are classified due within one year unless the Company has an unconditional right to defer settlement of the liability for at least one year after the balance sheet date.

Current taxation

The tax on profit on ordinary activities includes amounts paid or received for Group relief in respect of tax losses claimed and surrendered in the current period. All current tax liabilities have been assumed by Smiths Group plc, the ultimate parent Company.

Deferred taxation

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the balance sheet date. Timing differences are the difference between the Company's taxable profits and its results as disclosed in the financial statements, arising from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only when their recovery is considered probable.

Deferred tax is not discounted.

NOTES TO THE ACCOUNTS
For the year ended 31st July 2008

2. OPERATING (LOSS)/ PROFIT

This is stated after charging:

	2008 £000's	2007 £000's
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	-	4

The audit fee for the 2008 has been borne by John Crane UK Limited.

3. DIRECTORS' EMOLUMENTS AND EMPLOYEE COSTS

No directors received any emoluments for their services to the Company.

The Company has no employees.

No Director is accruing retirement benefits under a money purchase pension scheme (2007: nil), but two Directors are accruing retirement benefits under a defined benefit pensions scheme (2007: two).

4. INTEREST RECEIVABLE

	2008 £000's	2007 £000's
Bank interest received	-	27
Interest received from parent undertaking	-	701
	-	728

5. TAXATION

	2008 £000's	2007 £000's
Profit before taxation and before adjustment of Group relief	-	999
Less: Excess payment made for Group relief claimed in prior year	-	(210)
Profit before taxation	-	789
Profit on ordinary activities at the standard rate of corporation tax in the UK of 29.33% (2007:30%)	-	236
Add: tax effect re excess payment for losses	-	63
	-	299
Adjustment to prior year taxation	-	(210)
Group relief surrendered from fellow subsidiary	-	(299)
Payment for group relief	-	299
Current taxation charge for the year	-	89

NOTES TO THE ACCOUNTS
For the year ended 31st July 2008

6. INVESTMENTS

	2008 £'000	2007 £'000
Shares in subsidiary undertakings at cost	481	481
Provision for impairment	(481)	(481)
	-	-

The company has the following holdings in the shares of its subsidiary undertakings:

Name of company	*Country of registration or incorporation*	*Holding*	*Proportion held*	*Nature of business*
Plenty Uniquip Pty	Australia	100,000 ordinary shares of AS$1 each	100%	Marketing and distributing Plenty products
Plenty India Limited	India	2,000,000 ordinary shares of Rs 10 each	100%	Marketing and distributing Plenty products

7. DEBTORS

Amounts receivable within one year:	2008 £'000	2007 £'000
Amounts due from parent company	2,300	2,300

The amounts owed by the parent company are non-interest bearing and have no fixed term for repayment.

NOTES TO THE ACCOUNTS
For the year ended 31st July 2008

8. **SHARE CAPITAL**

	Authorised 2008 No.	2007 No.	*Allotted, issued & fully paid* 2008 No.	2007 No.
Ordinary shares of £1 each	3,000	3,000	2,300	2,300

9. **RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS**

	2008 £'000	2007 £'000
Profit for the year attributable to shareholders	-	700
Dividend payable	-	(12,632)
Opening shareholders funds	2,300	14,232
Closing shareholders funds	2,300	2,300

10. **RELATED PARTY DISCLOSURE**

The company is a wholly owned subsidiary of Smiths Group plc. In accordance with paragraph 3(c) of FRS 8 ' Related Party Transactions' the company is exempt from disclosing details of arrangements with other companies in the Smiths Group

11. **ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

For the period ended 31st July 2008, Project Sugar Limited was a wholly owned subsidiary of EIS Group plc.

The ultimate parent undertaking and controlling party is Smiths Group plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Smiths Group plc is incorporated in the United Kingdom and is registered in England and Wales.

The annual report and accounts of Smiths Group plc may be obtained from the Company Secretary, Smiths Group plc, 765 Finchley Road, London NW11 8DS.