

Registered Number 312083

**SMITHS AEROSPACE GLOUCESTER LIMITED**

**UNAUDITED REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 JULY 2010**

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# **SMITHS AEROSPACE GLOUCESTER LIMITED**

## **UNAUDITED REPORT AND ACCOUNTS 2010**

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# **SMITHS AEROSPACE GLOUCESTER LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the unaudited accounts for the year ended 31 July 2010

### **BUSINESS REVIEW AND PRINCIPAL ACTIVITIES**

The company did not trade during the year ended 31 July 2010

The Company had no transactions in the year. No dividend was paid in the year ended 31 July 2010 (2009 £nil) and no dividend was authorised and proposed in the year ended 31 July 2010 (2009 £nil)

### **FUTURE OUTLOOK**

The Company has no plans to begin trading

### **PRINCIPAL RISKS AND UNCERTAINTIES**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of Smiths Group plc and are not managed separately. Accordingly, the principal risks and uncertainties of Smiths Group plc, which include those of the Company, are discussed on pages 52 to 54 of the Group's Annual report which does not form part of this report

### **FINANCIAL RISK MANAGEMENT**

The Company complies with the Smiths Group plc financial risk management policies. These policies are explained in the Treasury section of the Business review and the financial instruments note included in the Group's Annual report which does not form part of this report

### **KEY PERFORMANCE INDICATORS**

The directors of Smiths Group plc manage the Group's operations on a consolidated basis using key performance indicators. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate. The development, performance and position of Smiths Group plc is discussed in the Business Review section of the Group's Annual report which does not form part of this report

### **DIRECTORS**

The directors who held office during the year (except as noted) are given below

N R Burdett  
M Fox

By order of the Board



**M. Fox**  
Director

14 December 2010

## **SMITHS AEROSPACE GLOUCESTER LIMITED**

### **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). 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.

## UNAUDITED BALANCE SHEET AS AT 31 JULY 2010

	Notes	31 July 2010 £'000	31 July 2009 £'000
<b>Current assets</b>			
Debtors			
- falling due within one year	4	<u>70,151</u>	<u>70,151</u>
<b>Net assets</b>		<u>70,151</u>	<u>70,151</u>
<b>Capital and reserves</b>			
Called up share capital	6	66,010	66,010
Share premium account	7	1,735	1,735
Profit and loss account	7	<u>2,406</u>	<u>2,406</u>
<b>Total shareholders' funds</b>		<u>70,151</u>	<u>70,151</u>

For the year ended 31 July 2010, the company was entitled to exemption under section 480 of the Companies Act 2006

Members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting periods and the preparation of accounts

The financial statements on pages 3 to 6 were approved by the board of directors on 14 December 2010 and were signed on its behalf by



**M. Fox**  
Director

# **SMITHS AEROSPACE GLOUCESTER LIMITED**

## **NOTES TO THE UNAUDITED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010**

### **1 ACCOUNTING POLICIES**

#### **Basis of preparation**

The accounts have been prepared in accordance with the Companies Act 2006 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

#### **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, held to maturity investments, available-for-sale financial assets, 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 and held-to-maturity investments are measured at amortised cost using the effective interest method. Available-for-sale financial assets and 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. Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments previously taken to reserves are included in the profit and loss account.

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.

#### **Current taxation**

Any tax arising on ordinary activities represents the amount received/paid for group relief in respect of tax losses surrendered/claimed 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 assets are recognised only when their recovery is considered probable.

Deferred tax is not discounted.

# SMITHS AEROSPACE GLOUCESTER LIMITED

## NOTES TO THE UNAUDITED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010

### 2 DIRECTORS' REMUNERATION

None of the directors of the Company received any remuneration in respect of their services as directors of the Company (2009 £nil)

### 3 EMPLOYEES

The Company has no active employees (2009 none) Employees of other Smiths Group companies perform all administration of the Company's affairs No charge for these services has been levied upon the Company in the current or previous years

### 4 DEBTORS

	31 July 2010 £'000	31 July 2009 £'000
<b>Amounts falling due within one year</b>		
Amounts owed by group undertakings	70,151	70,151

The amounts owed by group undertakings are interest-free and repayable on demand

### 5 FINANCIAL INSTRUMENTS

#### Fair value of financial instruments

The fair values of financial assets and financial liabilities are the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale

All financial instruments are recognised on the balance sheet at a value which is not materially different from their fair value

### 6 CALLED UP SHARE CAPITAL

	31 July 2010 £'000	31 July 2009 £'000
<b>Authorised, issued and fully paid</b>		
264,000,000 ordinary shares of £0.25 each	66,000	66,000
40,000 ordinary 'A' shares of £0.25 each	10	10
	<u>66,010</u>	<u>66,010</u>

### 7 RESERVES

	Share premium account £'000	Profit and loss account £'000	Total £'000
At 1 August 2009 and 31 July 2010	<u>1,735</u>	<u>2,406</u>	<u>4,141</u>

## **SMITHS AEROSPACE GLOUCESTER LIMITED**

### **NOTES TO THE UNAUDITED ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010**

#### **8 RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption provided by Paragraph 3(c) of Financial Reporting Standard 8 not to disclose transactions with entities that are part of Smiths Group plc

#### **9 ULTIMATE PARENT UNDERTAKING**

For the year ended 31 July 2010, Smiths Aerospace Gloucester Limited was a wholly owned subsidiary of XDG 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 registered in England and Wales.

The annual report and accounts of Smiths Group plc may be obtained from the Company Secretary, Smiths Group plc, 2<sup>nd</sup> Floor, Cardinal Place, 80 Victoria Street, London, SW1E 5JL.