

Company Registration No. 504025 (England and Wales)

**PERKINS HOLDINGS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2006**

WEDNESDAY



A74 \*A3SG3U9R\* 443  
31/10/2007  
COMPANIES HOUSE

# PERKINS HOLDINGS LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	H A Haefeli A R Heath
<b>Secretary</b>	J M Nicholls
<b>Company number</b>	504025
<b>Registered office</b>	Eastfield Peterborough PE1 5NA
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP Chartered accountants and registered auditors Donington Court Pegasus Business Park Castle Donington East Midlands DE74 2UZ

---

# PERKINS HOLDINGS LIMITED

## CONTENTS

---

	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 11

---

# **PERKINS HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2006**

---

The directors present their report and financial statements for the year ended 31 December 2006

#### **Principal activities and review of the business**

The principal activity of the company is that of a holding company

#### **Results and dividends**

The results for the year are set out on page 4

The directors recommend that no dividend be declared for the year ended 31 December 2006 (2005 £nil)

#### **Financial risks**

The company is exposed to a variety of financial risks. The company's overall risk management programme seeks to minimise potential risks for the company. The board reviews and agrees policies for managing risks. The most important components of financial risk affecting the company is liquidity risk.

Liquidity risk is the risk that cash may not be available to pay obligations when due. This risk is managed centrally by the finance team. The board is satisfied that the company is not subject to significant liquidity risk at the year end.

#### **Directors**

The following directors have held office since 1 January 2006

H A Haefeli

A R Heath

#### **Administration**

The company has exercised the right given by the Companies Act 1985 to dispense with the need to hold annual general meetings (s366A) and to lay the financial statements before the company at a general meeting (s252).

#### **Provision of information to auditors**

As far as the Directors are aware, there is no relevant audit information of which the Group's auditors are unaware, and the Directors have taken all the steps that ought to have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

#### **Auditors**

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386(1) of the Companies Act 1985. Therefore, the auditors, PricewaterhouseCoopers LLP, will be deemed to be reappointed for each succeeding financial year.

# PERKINS HOLDINGS LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

---

### Directors' responsibilities

The directors are responsible for preparing the Annual 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.

On behalf of the board



A R Heath

Director

25 October 2007

# PERKINS HOLDINGS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PERKINS HOLDINGS LIMITED

We have audited the financial statements of Perkins Holdings Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of the 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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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

- 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 31 December 2006 and of its profit for the year then ended,
- 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  
Chartered Accountants and Registered Auditors

Donington Court  
Pegasus Business Park  
Castle Donington  
East Midlands  
DE74 2UZ



# PERKINS HOLDINGS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2006

	Notes	2006 £ 000	2005 £ 000
Administrative expenses		(93)	(3)
Other operating income	1 6	2,791	1,444
<b>Operating profit</b>	<b>2</b>	<b>2,698</b>	<b>1,441</b>
Interest receivable and similar income	3	1,613	-
<b>Profit on ordinary activities before taxation</b>		<b>4,311</b>	<b>1,441</b>
Tax on profit on ordinary activities	4	(2,624)	(1,244)
<b>Profit on ordinary activities after taxation</b>	<b>9</b>	<b>1,687</b>	<b>197</b>

The notes on pages 6 to 11 form part of these financial statements

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

There is no difference between the profit on ordinary activities after taxation stated above and their historical cost equivalents

# PERKINS HOLDINGS LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2006

	Notes	2006		2005	
		£ 000	£ 000	£ 000	£ 000
<b>Fixed assets</b>					
Investments	5		197,179		197,179
<b>Current assets</b>					
Debtors	6	32,828		31,156	
Creditors amounts falling due within one year	7	(87)		(102)	
<b>Net current assets</b>			32,741		31,054
<b>Total assets less current liabilities</b>			229,920		228,233
<b>Capital and reserves</b>					
Called up share capital	8		55,602		55,602
Share premium account	9		976		976
Profit and loss account	9		173,342		171,655
<b>Shareholders' funds</b>	10		229,920		228,233

The notes on pages 6 to 11 form part of these financial statements

The financial statements on pages 4 to 11 were approved by the Board on 25 October 2007 and were signed on its behalf by



A R Heath  
Director



# PERKINS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2006

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention in accordance with the Companies Act 1985 and applicable accounting standards

#### 1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value

#### 1.3 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance is not discounted

#### 1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

#### 1.5 Group accounts

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of Section 228A of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group. In accordance with Section 228A the consolidated financial statements of Caterpillar Inc have been filed along with these financial statements with the registrar

#### 1.6 Other operating income

Other operating income relates to income received under the license to conduct business granted by the company to Perkins Engines Company Limited

2 Operating profit	2006 £ 000	2005 £ 000
Operating profit is stated after charging		
Loss on foreign exchange transactions	90	-
Auditors' remuneration		
- Audit fee	-	-
	<hr/>	<hr/>

The audit fee is borne by Perkins Engines Company Limited

3 Other interest receivable and similar income	2006 £ 000	2005 £ 000
Due from group companies	1,613	-
	<hr/>	<hr/>

# PERKINS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

4	Taxation	2006 £ 000	2005 £ 000
	<b>Domestic current year tax</b>		
	U K corporation tax	1,293	433
	Adjustment for prior years	18	360
		<u>1,311</u>	<u>793</u>
	<b>Foreign corporation tax</b>		
	Foreign corporation tax	216	72
	Adjustment for prior years	1,097	379
		<u>1,313</u>	<u>451</u>
	<b>Current tax charge</b>	<u>2,624</u>	<u>1,244</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>4,311</u>	<u>1,441</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2005 - 30.00%)	<u>1,293</u>	<u>432</u>
	Effects of		
	Non deductible expenses	-	1
	Foreign tax adjustments	216	72
	Adjustments to previous periods	1,115	739
		<u>1,331</u>	<u>812</u>
	<b>Current tax charge</b>	<u>2,624</u>	<u>1,244</u>

# PERKINS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

### 5 Fixed asset investments

	Shares in subsidiary undertakings £ 000
<b>Cost</b>	
At 1 January 2006 & at 31 December 2006	197,179

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
Perkins Group Limited	England and Wales	Ordinary	100
Perkins Shibaura Engines Limited	England and Wales	Ordinary	70
Perkins Engines Asia Pacific Pte Limited	Singapore	Ordinary	100
Moptori Perkins Spa	Italy	Ordinary	100
F Perkins Limited	England and Wales	Ordinary	100

The principal activities of the above companies, which were the principal operating companies at 31 December 2006, are as follows

Perkins Group Limited - holding company  
Perkins Shibaura Engines Limited - manufacture of diesel engines  
Perkins Engines Asia Pacific Pte Limited - sale of diesel engines  
Moptori Perkins Spa - sale of diesel engines  
F Perkins Limited - licensing

Advantage has been taken of Section 231(5) of the Companies Act 1985 in that a full list of the subsidiary undertakings of the company will be annexed to the company's next annual return

Investments comprise shares in group companies and are stated at cost

# PERKINS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

6 Debtors	2006	2005
	£ 000	£ 000
Amounts owed by parent and fellow subsidiary undertakings	32,828	30,920
Corporation tax	-	236
	<u>32,828</u>	<u>31,156</u>
Amounts falling due after more than one year and included in the debtors above are		
	2006	2005
	£ 000	£ 000
Amounts owed by group undertakings	<u>31,671</u>	<u>30,793</u>
7 Creditors amounts falling due within one year		
	2006	2005
	£ 000	£ 000
Corporation tax	57	72
Accruals and deferred income	30	30
	<u>87</u>	<u>102</u>

# PERKINS HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006

8 Share capital	2006 Number 000	2005 Number 000
<b>Authorised</b>		
Ordinary shares of £1 each	99,903	99,903
Redeemable preference A shares of £1 each	90	90
Redeemable preference B shares of £1 each	7	7
	<u>100,000</u>	<u>100,000</u>
	£ 000	£ 000
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	55,518	55,518
Redeemable preference A shares of £1 each	84	84
	<u>55,602</u>	<u>55,602</u>

Neither the Class A nor the Class B redeemable preference shares carry any rights as regards receipt of dividends or voting powers

Both classes of shares carry an optional right of redemption, exercisable by the company, with not less than 30 days notice. In the case of the Class A shares, the premium on optional redemption will be £1.53 per share. In the case of the Class B shares, the premium on redemption will be US\$20 per share.

9 Statement of movements on reserves	Share premium account £ 000	Profit and loss account £ 000
Balance at 1 January 2006	976	171,655
Retained profit for the year	-	1,687
	<u>976</u>	<u>173,342</u>

10 Reconciliation of movements in shareholders' funds	2006 £ 000	2005 £ 000
Opening shareholders' funds	228,233	228,036
Profit for the financial year	1,687	197
	<u>229,920</u>	<u>228,233</u>

# **PERKINS HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2006**

---

### **11 Directors' emoluments**

None of the directors received any emoluments for their services to the company during the year (2005 £nil). The directors are remunerated by fellow group companies of the UK Caterpillar Group in their capacity as executives of those companies.

### **12 Statement of cash flows**

Perkins Holdings Limited is exempt under the provisions of Financial Reporting Standard Number 1 Cash Flow Statements from producing a statement of cash flows. Caterpillar Inc produces a statement of cash flows which includes the cash flows derived from Perkins Holdings Limited within its financial statements. These are available from the address given in note 13 (below).

### **13 Control**

The company's ultimate parent and controlling undertaking is Caterpillar Inc, a company incorporated in the United States of America. Copies of the group accounts can be obtained from the Secretary at Caterpillar Inc, 100 NE Adams Street, Peoria, Illinois, 61629, USA.

The immediate parent company is Perkins International Inc, a company incorporated in the United States of America.

The smallest and largest group of undertakings in which the company is consolidated for which group accounts are prepared is Caterpillar Inc.

### **14 Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.