

Financial statements
Crystalate Holdings
Limited

For the Year Ended 31 December 2009

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Report of the directors

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

Principal activities and business review

The company is an intermediate holding company

Results and dividends

The profit for the year amounted to £4,968,000. Particulars of dividends paid and proposed are detailed in note 5 to the financial statements

Directors

The directors who served the company during the year were as follows

P Felbeck

W J Sharp

D P Matthews

S D Dasani

J W Newman

(Resigned 31 August 2009)

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company

Financial risk management objectives and policies

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company financial instruments are interest rate risk, liquidity risk and foreign currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Interest rate risk

The company finances its operations through a mixture of retained profits, inter-company accounts and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed on a group basis by the use of both fixed and floating facilities.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts and bank overdraft facilities.

Currency risk

The company is exposed to transaction and translation foreign exchange risk. In relation to translation risk the proportion of assets held in the foreign currency are matched to an appropriate level of borrowings in the same currency. Transaction exposures are hedged when known, mainly using the forward hedge market.

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 these 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.

The directors are responsible for keeping adequate 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 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

REGISTERED OFFICE

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

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to be 'W J Sharp', written over a horizontal line.

W J Sharp
Secretary
12 March 2010

608030

Report of the independent auditor to the members of Crystalate Holdings Limited

We have audited the financial statements of Crystalate Holdings Limited for the year ended 31 December 2009 which comprise the principal accounting policies, the profit and loss account, the balance sheet, 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

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 profit 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 matter prescribed by the Companies Act 2006

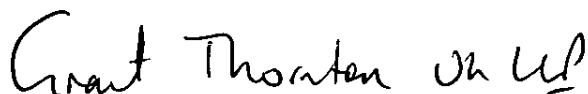
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the independent auditor to the members of Crystalate Holdings 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



Craig Burton
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
SHEFFIELD
12 March 2010

Principal accounting policies

Accounting convention

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

The principal accounting policies of the company are set out below. The policies have remained unchanged from the previous year.

Cash flow statement

The company is a wholly owned subsidiary of TT electronics plc and the cash flows of the company are included in the consolidated group cash flow statement of TT electronics plc. Consequently, the company is exempt under the terms of FRS 1 'Cash Flow Statements' from publishing a cash flow statement.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax on defined benefit pension scheme surpluses or deficits is adjusted against these surpluses. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using the rates of tax that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated at rates ruling at the balance sheet date. Transactions during the year are translated at rates ruling at the time of the transactions. Exchange differences which arise from normal trading are dealt with through the profit and loss account.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

Investments are included at cost less amounts written off.

Consolidated financial statements

The company has taken advantage of the exemption permitted by Section 400 of the Companies Act 2006 and not produced consolidated financial statements as it is itself a wholly owned subsidiary.

Profit and loss account

	Note	2009 £000	2008 £000
Turnover		—	—
Operating profit		—	—
Income from shares in group undertakings		4,965	8,999
Interest receivable	3	3	164
Profit on ordinary activities before taxation		4,968	9,163
Tax on profit on ordinary activities	4	—	(35)
Profit for the financial year	14	4,968	9,128

All of the activities of the company are classed as continuing

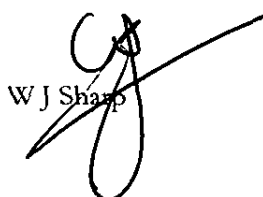
The company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

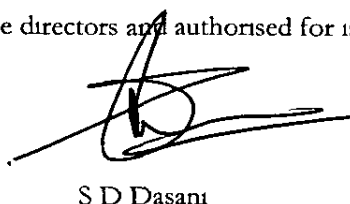
Balance sheet

	Note	2009 £000	2008 £000
Fixed assets			
Investments	6	15,208	15,208
Current assets			
Debtors	7	–	83
Investments	8	3	3
Cash at bank		4,571	4,564
		4,574	4,650
Creditors: amounts falling due within one year	9	(2,667)	(2,746)
Net current assets		1,907	1,904
Total assets less current liabilities		17,115	17,112
Capital and reserves			
Called-up equity share capital	13	1,915	1,915
Share premium account	14	9,092	9,092
Profit and loss account	14	6,108	6,105
Shareholders' funds	15	17,115	17,112

These financial statements were approved by the directors and authorised for issue on 12 March 2010, and are signed on their behalf by



W J Sharp



S D Dasani

Notes to the financial statements

1 Other operating charges

	2009 £000	2008 £000
Administrative expenses	—	—

2 Directors and employees

No salaries or wages have been paid to employees, including the directors, during the year

3 Interest receivable

	2009 £000	2008 £000
Interest from group undertakings	3	164

4 Taxation on ordinary activities

(a) Analysis of charge in the year

	2009 £000	2008 £000
Current tax		
UK Corporation tax based on the results for the year at 28% (2008 - 28 50%)	—	—
Adjustment in respect of prior periods	—	35
Total current tax	—	35

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 - 28 50%)

	2009 £000	2008 £000
Profit on ordinary activities before taxation	4,968	9,163
Profit on ordinary activities by rate of tax	1,391	2,612
Dividend income	(1,390)	(2,565)
Adjustment in respect of prior periods	—	35
Utilisation of losses brought forward	(1)	(47)
Total current tax (note 4(a))	—	35

5 Dividends

	2009 £000	2008 £000
Paid during the year		
Equity dividends on ordinary shares	<u>4,965</u>	<u>8,999</u>

6 Investments

Investments in subsidiary undertakings

	Shares in group undertakings £000
Cost	
At 1 January 2009 and 31 December 2009	<u>15,208</u>
Net book value	
At 31 December 2009	<u>15,208</u>
At 31 December 2008	<u>15,208</u>

The directly and wholly owned trading subsidiaries of the company are

	Country of incorporation and operation	Holding	Proportion held	Nature of business
Crystalate Electronics Limited	England and Wales	Ordinary shares	100%	Intermediate Holding Company
Crystalate Services Limited	England and Wales	Ordinary shares	100%	Intermediate Holding Company
BI Technologies Limited	England and Wales	Ordinary shares	100%	Electronic Products

7 Debtors

	2009 £000	2008 £000
Amounts owed by group undertakings	<u>—</u>	<u>83</u>

8 Investments

	2009 £000	2008 £000
Overseas listed investments	<u>3</u>	<u>3</u>

9 Creditors: amounts falling due within one year

	2009 £000	2008 £000
Amounts owed to group undertakings	2,667	2,711
Corporation tax	—	35
	<u>2,667</u>	<u>2,746</u>

10 Derivatives

There were no derivatives held by the company at 31 December 2009 or 31 December 2008 not recognised in the financial statements

11 Contingent liabilities

There was a cross guarantee between certain companies in the group on all bank overdrafts with the HSBC Bank plc. At 31 December 2009 the amount thus guaranteed by the company was £8,983,064 (2008 - £19,571,105)

12 Related party transactions

The company has taken advantage of the exemption available under FRS 8 and has not disclosed transactions with companies that are part of the TT electronics group of companies

13 Share capital

Authorised share capital

	2009 £000	2008 £000
44,150,000 Ordinary shares of £0.05 each	<u>2,208</u>	<u>2,208</u>

Allotted, called up and fully paid

	2009 No	£000	2008 No	£000
Ordinary shares of £0.05 each	<u>38,294,567</u>	<u>1,915</u>	<u>38,294,567</u>	<u>1,915</u>

14 Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2009	9,092	6,105
Profit for the year	–	4,968
Equity dividends	–	(4,965)
At 31 December 2009	<u>9,092</u>	<u>6,108</u>

15 Reconciliation of movements in shareholders' funds

	2009 £000	2008 £000
Profit for the financial year	4,968	9,128
Equity dividends	(4,965)	(8,999)
Net addition to shareholders' funds	<u>3</u>	<u>129</u>
Opening shareholders' funds	17,112	16,983
Closing shareholders' funds	<u>17,115</u>	<u>17,112</u>

16 Ultimate parent company

TT electronics plc is the company's controlling related party by virtue of its 100 per cent interest in the company

The largest and the smallest group in which the results of the company are consolidated is that headed by TT electronics plc

The company's ultimate controlling related party and ultimate parent undertaking is TT electronics plc which is registered in England and Wales

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

