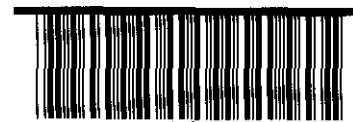


**GRASEBY OVERSEAS HOLDINGS LIMITED**

**Report and Accounts**

**For the year ended 31 July 2002**

**Company Number : 1658832**



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**GRASEBY OVERSEAS HOLDINGS LIMITED**

**REPORT OF THE DIRECTORS IN RESPECT OF  
THE YEAR ENDED 31 JULY 2002**

The directors present their report and audited financial statements for the year ended 31 July 2002.

**PRINCIPAL ACTIVITIES**

The sole activity of the company is the holding of shares in overseas companies and the provision of finance for those companies. Current plans envisage the continuing of this activity.

**DIVIDENDS AND RESULTS**

The directors do not recommend the payment of a final dividend ( 2001 : £nil ). The results for the year were a profit of £36,000 ( 2001 : £19,000 profit ).

**DIRECTORS**

The directors of the company during the year were :

J M Hawkes	
A Smith	( Resigned 1 August 2001 )
D A Penn	( Appointed 1 August 2001 )

**DIRECTORS' INTERESTS IN SHARES**

The disclosable directors' interests in the share capital of Smiths Group plc at the beginning and end of the year was as follows :-

	Ordinary shares of 25p	
	31 July 2002	31 July 2001
J. M. Hawkes	35,067	37,067
D. A. Penn	-	-

Options have been granted over the number of ordinary shares of Smiths Group plc in the amounts shown below under the terms of the Smiths Industries 1982 SAYE and Executive Share Option Schemes and Deferred Share Scheme.

	1. 8. 01.	Granted	Exercised	31.7.02.
J. M. Hawkes	29,875	10,065	-	39,940
D. A. Penn	29,551	7,500	-	37,051

Details of option exercise prices and dates are contained in the Report and Accounts of Smiths Group plc.

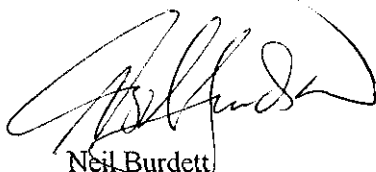
**SUPPLIER PAYMENT POLICY**

The company agrees payment terms with its suppliers when it enters into purchase contracts and seeks to abide by those payment terms once it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

**AUDITORS**

Following the conversion of our auditors PricewaterhouseCoopers to a Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 28 February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the annual general meeting.

BY ORDER OF THE BOARD



Neil Burdett  
Secretary

765 Finchley Road  
London NW11 8DS

9 April 2003

GRASEBY OVERSEAS HOLDINGS LIMITED

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

**AUDITORS' REPORT TO THE MEMBERS OF  
GRASEBY OVERSEAS HOLDINGS LIMITED**

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention, and in accordance with the Accounting Policies set out on page 7.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 2.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This opinion has been prepared for and only for the company's members 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 in to 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 United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 transactions is not disclosed.

**Basis of audit opinion**

We conducted our audit in accordance with Auditing Standards 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 give a true and fair view of the state of affairs of the company as at 31 July 2002 and of its result for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

*PricewaterhouseCoopers LLP*

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

9 April 2003

GRASEBY OVERSEAS HOLDINGS LIMITEDProfit and Loss Accountfor the year ended 31 July 2002

	<u>2002</u>	<u>2001</u>
	<u>£000</u>	<u>£000</u>
Operating profit / (loss)		
Interest receivable from group companies	18	26
Exchange variations	34	(1)
Profit/(loss) on ordinary activities before taxation	<u>52</u>	<u>25</u>
Tax on profit/(loss) on ordinary activities	<u>(16)</u>	<u>(6)</u>
Profit/(loss) for the financial year	<u>36</u>	<u>19</u>

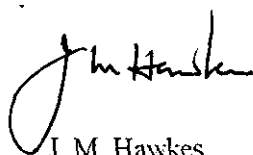
The company has no recognised gains and losses other than those included in the statement above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 7 to 9 form part of these accounts.

**GRASEBY OVERSEAS HOLDINGS LIMITED**Balance Sheet - At 31 July 2002

	<u>Notes</u>	<u>31.7.02</u> <u>£000</u>	<u>31.7.02</u> <u>£000</u>	<u>31.7.01</u> <u>£000</u>	<u>31.7.01</u> <u>£000</u>
<u>Fixed Assets</u>					
<u>Investments</u>					
- Subsidiary undertakings	3		100		100
<u>Current Assets</u>					
<u>Debtors falling due after one year</u>					
- group loan accounts	6	378		326	
Less:					
<u>Creditors falling due within one year:</u>					
- corporation tax payable		-		-	
Net current assets			378		326
Total assets less current liabilities			478		426
<u>Creditors falling due after one year:</u>					
- group loan accounts	6		(9,963)		(9,947)
			<u>(9,485)</u>		<u>(9,521)</u>
<u>Capital and Reserves</u>					
Equity share capital	4		1		1
Share premium account			14,828		14,828
Profit and loss account	5		(24,314)		(24,350)
			<u>(9,485)</u>		<u>(9,521)</u>

These accounts were approved by the board of directors on 9 April 2003



J. M. Hawkes  
Director

The notes on pages 7 to 9 form part of these accounts.

## GRASEBY OVERSEAS HOLDINGS LIMITED

### Notes to the Accounts – year ended 31 July 2002

#### 1. Principal Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

(a) Accounting convention

The accounts are prepared in accordance with the historical cost convention.

(b) Investments

Investments in subsidiary undertakings are stated at historical cost less provision for any permanent diminution in value.

(c) Cash flows

The company is a wholly owned subsidiary of Smiths Group plc and the cash flows of the company are included in the consolidated group cash flow statement of the parent company. Consequently the company is exempt, under the terms of Financial Reporting Standard Number 1, from publishing a cash flow statement.

(d) Consolidated accounts

In accordance with the provisions of Section 228 of the Companies Act 1985 the company is exempt from the requirement to prepare and deliver group accounts because the whole of its issued share capital is in the beneficial ownership of Smiths Group plc, a company incorporated in England and Wales, and the accounts of the company and of its subsidiary undertakings are included in the consolidated accounts of the parent company.

(e) Employees

The company has no active employees (2001: none). Employees of other Smiths Group companies perform all administration of the company's affairs. No charge for these services is levied upon the company.

#### 2. Exchange Variations

Exchange differences arise from the translation to sterling of amounts owing to the holding company and to and by subsidiary undertakings which are denominated in foreign currencies and which have been translated at the exchange rates ruling at the year end.



**GRASEBY OVERSEAS HOLDINGS LIMITED**

Notes to the Accounts – year ended 31 July 2002 ( Cont. )

3. Investments in Subsidiary Undertakings

£'000's	2002		2001
	Cost	Provision	Net Book Value
At 1 August 2001 and 31 July 2002	<u>11,735</u>	<u>( 11,635 )</u>	<u>100</u>

The companies retained at 31 July 2002 comprised :

	Proportion of share capital directly held	Country of incorporation
Andersen Samplers BV	<u>100%</u>	<u>Netherlands</u>
Smiths Medical ( S.E. Asia ) Ltd.	<u>100%</u>	<u>Hong Kong</u>

4. Called Up Share Capital

	<u>31.7.02</u> £	<u>31.7.01</u> £
<u>Authorised</u> 10,000 Ordinary Shares of £1 each	<u>10,000</u>	<u>10,000</u>
<u>Issued and Fully Paid</u> 600 Ordinary Shares of £1 each	<u>600</u>	<u>600</u>

5. Profit and Loss Account

	2002 £'000	2001 £'000
Balance b/f 1 August 2001	( 24,350 )	( 24,369 )
Retained profit / (loss) for the year	<u>36</u>	<u>19</u>
Balance c/f 31 July 2002	<u>( 24,314 )</u>	<u>( 24,350 )</u>

# GRASEBY OVERSEAS HOLDINGS LIMITED

## Notes to the Accounts – year ended 31 July 2002 ( Cont. )

### 6. Group Loan Accounts

The group loan accounts have no fixed repayment dates. The directors regard these loans as long term in nature, although the balances may fluctuate in the short term.

	2002	2001
	<u>£000</u>	<u>£000</u>
Owing by subsidiary undertakings	<u>378</u>	<u>326</u>
Creditors falling due after one year:	<u>£000</u>	<u>£000</u>
Owing to holding company	9,936	9,942
Owing to ultimate holding company	<u>27</u>	<u>5</u>
	<u>9,963</u>	<u>9,947</u>

Of the amounts owing by subsidiary companies £324,000 ( 2001 £317,000 ) bears interest at market rates. The amount owing to the holding company bears no interest.

### 7. Directors Emoluments

The directors received no emoluments in respect of their services to the company. All directors are employed by Smiths Group plc and are remunerated by that company in respect of their services to the group as a whole.

### 8. Auditors' Remuneration

The remuneration of the auditors was borne by Smiths Group plc.

### 9. Parent Company

At the balance sheet date the company's parent company was Graseby Limited, and its ultimate holding company was Smiths Group plc, both incorporated in England and Wales. Copies of the group accounts of Smiths Group plc may be obtained from the Company Secretary, Smiths Group plc, 765 Finchley Road, London NW11 8DS.

The company has taken advantage of the exemption under paragraph 3(c) of FRS 8 from disclosing transactions with other subsidiary companies of the Smiths Group plc group.