

COMPANY REGISTRATION NUMBER 03573726

DUNLOP AEROSPACE GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2009



DUNLOP AEROSPACE GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2009

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DUNLOP AEROSPACE GROUP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	M L Young P E Green
Company secretary	M L Thomas
Registered office	Atlantic House Aviation Park West Bournemouth International Airport Christchurch Dorset BH23 6EW
Independent auditor	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 9 Greyfriars Road Reading Berkshire RG1 1JG

DUNLOP AEROSPACE GROUP LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2009

The directors have pleasure in presenting their annual report and the financial statements of the company for the year ended 31 December 2009. This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is to serve as an intermediate holding company. The company does not trade on its own account but its subsidiary undertakings carry out trading activities in the aerospace industry.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £5,000 (2008 profit £21,560,000). Particulars of dividends paid are detailed in note 7 to the financial statements.

DIRECTORS

The directors who served the company during the year and up to the date of signing the financial statements were as follows:

M L Young
P E Green

The directors have the benefit of qualifying third-party indemnity provisions for the purposes of Section 236 of the Companies Act 2006 pursuant to the Articles of Association of the Company approved by the shareholders on 4 June 2010.

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 those 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.

DUNLOP AEROSPACE GROUP LIMITED

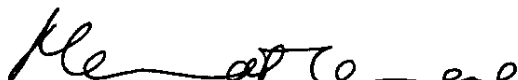
THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2009

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of these financial statements confirms that in so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and they 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

Approved by the Board of directors on 17 August 2010 and signed by order of the board

A handwritten signature in black ink, appearing to read 'M L Thomas', written in a cursive style.

M L Thomas
Company Secretary

DUNLOP AEROSPACE GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DUNLOP AEROSPACE GROUP LIMITED

YEAR ENDED 31 DECEMBER 2009

We have audited the financial statements of Dunlop Aerospace Group Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, 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).

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's member as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 Companies Act 2006.

OPINION ON OTHER MATTERS 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.

DUNLOP AEROSPACE GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DUNLOP AEROSPACE GROUP LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2009

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, or
- the directors were not entitled to prepare the directors' report in accordance with the small company regime



Matthew Hall (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading

18 August 2010

DUNLOP AEROSPACE GROUP LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2009

	Note	2009 £000	2008 £000
OPERATING PROFIT		—	—
Income from shares in group undertakings	4	—	21,248
Interest receivable and similar income	5	7	437
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		7	21,685
Tax on profit on ordinary activities	6	(2)	(125)
PROFIT FOR THE FINANCIAL YEAR	13	5	21,560

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 years as set out above, and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activity before taxation and the profit for the financial year stated above and their historical cost equivalents

The notes on pages 8 to 12 form part of these financial statements


DUNLOP AEROSPACE GROUP LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2009

	Note	2009 £000	2008 £000
FIXED ASSETS			
Investments	8	<u>160,000</u>	<u>160,000</u>
CURRENT ASSETS			
Debtors	9	11,394	11,808
CREDITORS: Amounts falling due within one year	10	<u>(2)</u>	<u>(125)</u>
NET CURRENT ASSETS		<u>11,392</u>	<u>11,683</u>
NET ASSETS		<u>171,392</u>	<u>171,683</u>
CAPITAL AND RESERVES			
Called-up equity share capital	12	85,431	85,431
Share premium account	13	12,500	12,500
Profit and loss account	13	73,461	73,752
TOTAL SHAREHOLDER'S FUNDS	14	<u>171,392</u>	<u>171,683</u>

These financial statements on pages 6 to 12 were approved by the board of directors on 17 August 2010, and are signed on its behalf by


M L Young
Director

Company Registration Number 03573726

The notes on pages 8 to 12 form part of these financial statements.

DUNLOP AEROSPACE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards. The principal accounting policies, which have been consistently applied throughout the year, are set out below.

Cash flow statement

The company is a wholly owned subsidiary company of a group headed by Meggitt PLC, and is included in the consolidated accounts of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within FRS 1 'Cash flow statements (revised 1996)' from preparing a cash flow statement.

Investments

Investments held as fixed assets are stated at cost less provision for impairment. An impairment review is performed annually.

Group Accounts

The company is a wholly-owned subsidiary of Meggitt PLC and is included in the consolidated financial statements of Meggitt PLC which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. Accordingly the information presented in the financial statements relates to the company as an individual entity.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

Audit fees are borne by another group company which makes no recharge to the company, as it is not possible to make an accurate apportionment of the fees in respect of each of the subsidiaries.

3. EMPLOYEE INFORMATION

The company has no employees (2008: none)

All of the directors as at year end are employees of the ultimate parent company, Meggitt PLC, and are remunerated by that company for their services to the group as a whole. The directors did not receive any remuneration in their capacity as directors of Dunlop Aerospace Group Limited (2008: £nil).

Two of the directors exercised options in the shares of the ultimate holding company, Meggitt PLC, during the year (2008: one).

DUNLOP AEROSPACE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

4. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2009 £000	2008 £000
Income from group undertakings	<u>—</u>	<u>21,248</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 £000	2008 £000
Interest from group undertakings	<u>7</u>	<u>437</u>

6. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax 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%)	<u>2</u>	<u>125</u>
Total current tax	<u>2</u>	<u>125</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is the same as (2008 lower) the standard rate of corporation tax in the UK for the year ended 31 December 2009 of 28% (2008 28 50%)

	2009 £000	2008 £000
Profit on ordinary activities before taxation	<u>7</u>	<u>21,685</u>
Profit on ordinary activities multiplied by the standard rate in the UK of 28% (2008 28 50%)	<u>2</u>	<u>6,180</u>
Permanent differences	<u>-</u>	<u>(6,055)</u>
Total current tax (note 6(a))	<u>2</u>	<u>125</u>

DUNLOP AEROSPACE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

7 DIVIDENDS

	2009 £000	2008 £000
Paid during the year		
Equity dividends on ordinary shares	<u>296</u>	<u>21,507</u>

On 7 December 2009 the directors approved the payment of an interim dividend of 0 17p per 50p ordinary share totalling £296,000 (17 December 2008 approval of the payment of an interim dividend of 12 59p per 50p ordinary share totalling £21,507,000)

8. INVESTMENTS

	Shares in subsidiary £000
COST	
At 1 January 2009 and 31 December 2009	<u>160,000</u>
NET BOOK VALUE	
At 31 December 2009 and 31 December 2008	<u>160,000</u>

The company's subsidiary undertakings at 31 December 2009 were as follows

Intermediate Holding and Management Services companies

Dunlop Aerospace Holdings Limited - England & Wales
Dunlop Aerospace (UK) Limited - England & Wales
Dunlop Aerospace Overseas Investments Limited - England & Wales
Dunlop Limited - England & Wales
Dunlop Holdings Limited - England & Wales
Dunlop Aerospace Overseas Limited - England & Wales
Meggitt (Hurn) Limited - England & Wales

Design and Manufacturing, and Repair and Overhaul of Aerospace Equipment

Meggitt Aerospace Limited - England & Wales
Meggitt Aerospace Asia Pacific Pte Limited - Singapore
Meggitt Aerospace Services S A - Belgium

All subsidiary undertakings are wholly owned and in each case the investments held represent the entire issued share capital of the individual subsidiary undertakings. All investments are held indirectly through subsidiary undertakings, other than Dunlop Aerospace Holdings Limited, whose investment is directly held by the company. Companies are incorporated in the countries shown.

Group financial statements have not been prepared because the company is a wholly owned subsidiary of Meggitt PLC, a company registered in England & Wales. As a result, the financial statements present information about the company as an individual undertaking and not about its group. In the opinion of the directors the value of the company's investments in its subsidiary undertakings is not less than the amount at which they are stated in the balance sheet.

DUNLOP AEROSPACE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

9. DEBTORS

	2009	2008
	£000	£000
Amounts owed by group undertakings	<u>11,394</u>	<u>11,808</u>

Amounts due from group undertakings have no fixed terms of repayment, are unsecured and interest bearing

10 CREDITORS: Amounts falling due within one year

	2009	2008
	£000	£000
Group relief payable	<u>2</u>	<u>125</u>

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of FRS8, 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Meggitt PLC, whose accounts are publicly available

12. SHARE CAPITAL

Authorised share capital:

	2009	2008
	£000	£000
190,862,000 Ordinary shares of £0 50 each	95,431	95,431
2,045,455 'B' Ordinary shares shares of £0 50 each	<u>1,023</u>	<u>1,023</u>
	<u>96,454</u>	<u>96,454</u>

Allotted, called up and fully paid:

	2009	£000	2008	£000
	No		No	
Ordinary shares of £0 50 each	<u>170,862,000</u>	<u>85,431</u>	<u>170,862,000</u>	<u>85,431</u>

DUNLOP AEROSPACE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

13 RESERVES

	Share premium account £000	Profit and loss account £000
Balance at 1 January 2009	12,500	73,752
Profit for the year	—	5
Dividends	—	(296)
Balance at 31 December 2009	<u>12,500</u>	<u>73,461</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2009 £000	2008 £000
Profit for the financial year	5	21,560
Dividends	(296)	(21,507)
Net (reduction)/addition to shareholder's funds	(291)	53
Opening shareholder's funds	<u>171,683</u>	<u>171,630</u>
Closing shareholder's funds	<u>171,392</u>	<u>171,683</u>

15. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Meggitt Acquisition Limited. The ultimate parent undertaking and controlling party is Meggitt PLC, a company incorporated in the United Kingdom. Meggitt PLC is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2009. The consolidated financial statements of Meggitt PLC are available from Atlantic House, Aviation Park West, Bournemouth International Airport, Christchurch, Dorset, BH23 6EW.