

Registered number: 3700635

## **DSS Holdings Limited**

Annual report and financial statements  
for the year ended 31 December 2008

**Directors on  
30 September 2009**

**K Waldron  
D J Goma**

**Secretary:**

**D J Goma**



**Registered Office: Moor Lane, Derby DE24 8BJ**

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## **Directors' report**

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 31 December 2008.

The directors report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

### **Principal activities**

The principal activity of the company during the year was that of a holding company.

### **Dividends**

No dividends were paid during the year (2007: £nil).

### **Directors**

The directors, who served throughout the year except as noted, were as follows:

J E Warren (resigned 28<sup>th</sup> February 2008)

D J Goma

K Waldron (appointed 28<sup>th</sup> February 2008)

### **Directors' indemnities**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### **Disclosure of information to auditors**

Each of the persons who is a director at the date of approval of this report confirms that:

(1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

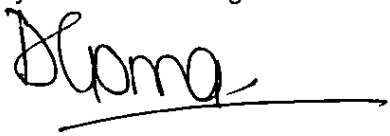
(2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

### **Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

Approved by the Board and signed on its behalf by:

  
D J Goma  
Secretary  
30 September 2009

## Statement of directors' responsibilities in respect of the annual report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK 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 judgments 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; and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## Independent auditors' report to the members of DSS Holdings Limited

We have audited the financial statements of DSS Holdings Limited for the year ended 31 December 2008 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.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities on page number 2.

Our responsibility is to audit the financial statements in accordance with relevant UK legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 judgments 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, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss 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.

 30/9/09.

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
London

## Profit and loss account

For the year ended 31 December 2008

	Notes	2008 £	2007 £
Foreign exchange (losses)/gains		(26,550)	53,880
<b>(Loss)/profit on ordinary activities before taxation</b>	2	(26,550)	53,880
Tax on (loss)/profit on ordinary activities	4	-	-
<b>(Loss)/profit for the financial year</b>		<u>(26,550)</u>	<u>53,880</u>

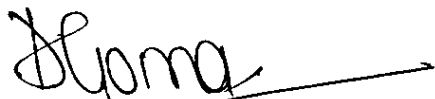
All results have been derived from continuing activities.

There were no recognised gains or losses in either the current year or the previous year, other than the loss for the year and profit for the prior year as shown above.

**Balance sheet**  
31 December 2008

	Notes	2008 £	2007 £
<b>Fixed assets</b>			
Investments	5	5,437,681	5,437,681
<b>Current assets</b>			
Debtors – due within one year	6	1	1
<b>Creditors: Amounts falling due within one year</b>	7	(5,006,634)	(4,980,084)
<b>Net current assets</b>		(5,006,633)	(4,980,083)
<b>Total assets less current liabilities</b>		431,048	457,598
<b>Net assets</b>		431,048	457,598
<b>Capital and reserves</b>			
Called-up share capital	8	1	1
Profit and loss account	9	431,047	457,597
<b>Shareholders' funds</b>	10	431,048	457,598

The financial statements on pages 4 to 10 were approved by the board of directors and signed on its behalf by:



D J Goma  
Director  
30 September 2009

## Notes to the financial statements

31 December 2008

### 1 Significant accounting policies

The principal accounting policies are summarised below.

#### Basis of preparation

The financial statements have been prepared on a going concern basis, in accordance with applicable accounting standards, on the historical cost basis except where FRS requires an alternative treatment.

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group financial statements.

The company is a wholly owned subsidiary of Rolls-Royce plc and is included in the consolidated financial statements of Rolls-Royce plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1.

#### Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling at the year end. Exchange differences arising on foreign exchange transactions and the retranslation of assets and liabilities into sterling at the rate ruling at the year end are taken into account in determining profit before taxation.

#### Taxation

Provision for taxation is made at the current rate and for deferred taxation at the projected rate on all timing differences which have originated, but not reversed at the balance sheet date.

#### Investments

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

### 2 (Loss)/profit on ordinary activities before taxation

The fees for the audit of the company financial statements were £1,000 (2007: £1,000) and were paid by Rolls-Royce plc.

### 3 Staff costs and directors remuneration

The company had no employees during the year ended 31 December 2008 (2007: Nil).

No remuneration has been received by the directors in respect of their services to the company (2007: Nil).



# Notes to the financial statements

31 December 2008

## 4 Tax on (loss)/profit on ordinary activities

	2008 £	2007 £
<b>Current tax</b>		
Group relief (receivable)/payable at 28.5% (2007: 30%)	(7,567)	16,164
Group relief not received/(paid) for	7,567	(16,164)
<b>Total current tax</b>	-	-
<b>Total tax on (loss)/profit on ordinary activities</b>	-	-

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows.

	2008 £	2007 £
<b>(Loss)/profit on ordinary activities before tax</b>	<u>(26,550)</u>	<u>53,880</u>
Nominal charge at UK Corporation tax rate of 28.5% (2007: 30%)	(7,567)	16,164
Effects of:		
Group relief not received/(paid) for	7,567	(16,164)
<b>Current tax charge for period</b>	<u>-</u>	<u>-</u>

## Notes to the financial statements

31 December 2008

### 5 Fixed asset investments

#### Shares in group undertakings

	2008 £
At 1 January 2008 & 31 December 2008	<u>5,437,681</u>

#### *Subsidiary undertakings*

The company owns 100% of the issued preference share capital of Data Systems & Solutions Limited, a company registered in England and engaged in the design and manufacture of advanced controls and predictive data management systems.

### 6 Debtors

	2008 £	2007 £
Amounts falling due within one year:		
Amounts owed by group undertakings	<u>1</u>	<u>1</u>

## Notes to the financial statements

31 December 2008

### 7 Creditors: Amounts falling due within one year

	2008 £	2007 £
Amounts owed to group undertakings	<u>5,006,634</u>	<u>4,980,084</u>

### 8 Share capital

	2008 £	2007 £
<i>Authorised</i>		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<i>Allotted, called-up and fully-paid</i>		
1 ordinary shares of £1 each	<u>1</u>	<u>1</u>

### 9 Reserves

	Profit and loss account £
At 1 January 2008	457,597
Loss for the financial year	(26,550)
At 31 December 2008	<u>431,047</u>

### 10 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Opening shareholders' funds	457,598	403,718
(Loss)/profit for the financial year	(26,550)	53,880
Closing shareholders' funds	<u>431,048</u>	<u>457,598</u>

## **Notes to the financial statements**

31 December 2008

### **11 Related party transactions**

The company has taken advantage of the exemption in FRS 8 not to disclose related party transactions with other group companies.

### **12 Ultimate Parent Company**

The company is a subsidiary undertaking of Rolls-Royce Group plc, incorporated in Great Britain. The largest group in which the results of the company are consolidated is that headed by Rolls-Royce Group plc. The smallest group in which the results of the company are consolidated is that headed by Rolls-Royce plc, incorporated in Great Britain.

The consolidated accounts of these groups are available to the public and may be obtained from 65 Buckingham Gate, London, SW1E 6AT.