

SURVIVAL-ONE LIMITED

(Registered No. SC188500)

DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31st MARCH 2010

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SURVIVAL-ONE LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the Company together with the financial statements and independent auditors' report for the year ended 31st March 2010.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

On 23rd February 2010 there was a change in the ultimate controlling party following the sale of SGL Limited and its subsidiaries (including Survival-One Limited) to the Warburg Pincus Funds.

The Company is a world leader in design manufacture, rental and servicing of survival suits and associated equipment.

Primarily servicing the oil and gas industry, the Company rents survival suits, thermal liners, life jackets and personal locator beacons, with total logistic support for use during helicopter transit by passengers offshore. Additional activities include the servicing and repair of aviation related survival equipment and the manufacture of bespoke survival suits (immersion protection garments – IPG) for use by military and emergency services around the world.

The Company has servicing facilities in the UK, Italy, Kazakhstan and Azerbaijan together with the Republic of Ireland (50% owned) and a manufacturing facility in the UK.

There have been no material changes to the Company's principal activities in the year under review. At the date of this report the directors are not aware of any material changes in the Company's activities in the forthcoming year.

The Company has continued with its investment in design and development and introduced a new passenger suit into the rental fleet to service offshore transportation for UK and global customers. This suit is the only ETSO approved suit currently being used in the UK. Several customers are conducting trial flights with the passenger suit and we are confident there will be a successful introduction of the suit for 2 major customers in the upcoming year. The directors regard such investment as necessary for the continued success in the medium to long term future of the business.

The Company's results show an operating profit for the year ended 31st March 2010 of £2,579,100 (2009: £2,820,586). The reduction in operating profit is due to a decrease in revenue in relation to non-recurring sales that occurred in the prior year. This is not deemed to be a significant issue as there is sufficient growth within the core areas of the business.

Looking forward to the current year there are strong revenue and cost opportunities for the business to pursue and the current year has got off to a strong start.

The balance sheet on page 10 shows that the net assets have reduced from £5,332,910 to £2,783,381 at 31st March 2010. This is primarily as a result of dividends of £4.7 million paid to the parent company during the current year.

SURVIVAL-ONE LIMITED

DIRECTORS' REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES

The Company operates in a competitive market for the manufacturing part of the business, this is a continuing risk to the Company and could result in the loss of sales to its competitors. The Company manages this risk by providing a high standard of service to its customers, responding quickly to customers' requirements and maintaining strong relationships with them.

The Company also has a significant market share in the oil and gas industry for the rental of safety equipment. The company is exposed to the rise of any new entrant to the market but there is a high barrier to entry for any new competitor due to the capital intensive nature of the market. This would not stop a competitor established in another country.

The Company's products are of a safety critical nature where performance may be required in hazardous conditions. The Company invests in design and development and quality controls and standards to ensure that its products will perform reliably when necessary.

RESULTS AND DIVIDENDS

Before charging depreciation of £771,807 (2009: £687,093) and amortisation of goodwill of £106,728 (2009: £106,728) the company made a profit from operations of £3,457,635 (2009: £3,614,407). The directors recommend and paid a dividend for the year ended 31st March 2010 of £4,700,000 (2009: £3,000,000).

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies in the financial statements.

SURVIVAL-ONE LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS

The directors holding office during the year, none of whom had an interest in the share capital of the Company were –

G R Allanach

W S McChesney (resigned 23rd February 2010)

D J Wilman

D J Baxter

B M Stringer

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.

EMPLOYEE INVOLVEMENT

During the year average employee numbers have reduced by 16 to bring them to 167 at the year end.

Employees are kept informed of any relevant information through regular management and employee consultation group meetings.

DISABLED EMPLOYEES

The Company's policy in relation to the employment of disabled persons is, where practicable, to continue to employ employees who become temporarily or permanently disabled. Full regard is given to their training needs, career development and promotional potential. Full and fair consideration is also given to the employment of applicants who are disabled persons, taking into account their aptitudes and abilities.

CHARITABLE AND POLITICAL DONATIONS

There were no political or significant charitable donations made during the year (2009: £nil).

SURVIVAL-ONE LIMITED

DIRECTORS' REPORT (continued)

AUDITORS

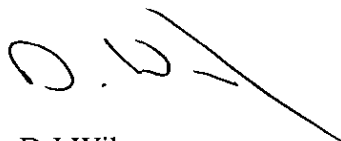
In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves 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 s418 of the Companies Act 2006.

The Company has elected to dispense with the holding of annual general meetings, the laying of accounts before the Company in general meetings and the annual appointment of auditors. Deloitte LLP will continue to act as auditors to the Company.

By order of the Board



D J Wilman
Secretary

19th July 2010

SURVIVAL-ONE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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 period. 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 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 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.

SURVIVAL-ONE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SURVIVAL-ONE LIMITED

We have audited the financial statements of Survival-One Limited for the year ended 31st March 2010 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' deficit and the related notes 1 to 19. 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 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

As explained more fully in the Directors' Responsibilities Statement, 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

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 March 2010 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.

SURVIVAL-ONE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SURVIVAL-ONE 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.



Timothy Edge (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Manchester, United Kingdom

19th July 2010

SURVIVAL-ONE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st MARCH 2010

		<u>Note</u>	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
TURNOVER	- continuing operations	2	10,939,793	11,270,180
Change in stocks of finished goods and work in progress			63,646	(25,795)
Raw materials and consumables			(2,731,714)	(2,747,774)
Other external charges			(1,541,837)	(1,601,817)
Staff costs		3	(3,272,253)	(3,280,387)
Depreciation and other amounts written off tangible and intangible fixed assets				
Depreciation		8	(771,807)	(687,093)
Goodwill amortisation		7	(106,728)	(106,728)
OPERATING PROFIT	- continuing operations		2,579,100	2,820,586
Net interest (payable)/receivable		4	(14,715)	78,244
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		5	2,564,385	2,898,830
Taxation (charge)/credit for the year		6	(413,914)	70,284
RETAINED PROFIT FOR THE YEAR		16	2,150,471	2,969,114

The notes on pages 11 to 23 form part of these accounts.

The Company has no recognised gains and losses other than the results for the current year as disclosed above, accordingly a separate statement of total recognised gains and losses has not been included.

SURVIVAL-ONE LIMITED

BALANCE SHEET

AT 31st MARCH 2010

	<u>Note</u>	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
FIXED ASSETS			
Intangible fixed assets - goodwill	7	916,036	1,022,764
Tangible assets	8	2,072,629	2,491,227
Investments	9	604,982	604,982
		3,593,647	4,118,973
CURRENT ASSETS			
Stocks	10	250,231	217,955
Debtors: amounts falling due within one year	11	1,501,731	2,206,748
Cash at bank and in hand	12	691,418	2,037,706
		2,443,380	4,462,409
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	(3,253,646)	(3,248,472)
NET CURRENT (LIABILITIES)/ASSETS		(810,266)	1,213,937
NET ASSETS		2,783,381	5,332,910
CAPITAL AND RESERVES			
Called up share capital	15	1,554,000	1,554,000
Capital Redemption Reserve	15	550,000	550,000
Profit and loss account	16	679,381	3,228,910
SHAREHOLDERS' FUNDS		2,783,381	5,332,910

The notes on pages 11 to 23 form part of these accounts.

The financial statements of Survival-One Limited, registered number SC188500, were approved by the Board of Directors and authorised for issue on 19th July 2010.

They were signed on its behalf by:



D J Wilman
Director

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS

1. STATEMENT OF ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

BASIS OF ACCOUNTING

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

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on page 2. The Directors' Report on pages 2 to 5 describes the financial position of the company and its principal risks and uncertainties.

The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should have adequate cash resources.

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the accounts.

INTANGIBLE FIXED ASSETS - GOODWILL

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 20 years. Provision is made for any impairment.

FOREIGN CURRENCY

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing as at that date or if appropriate, at the forward contract rate.

TURNOVER

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. The company recognises turnover when all the risks and rewards pass to the customer.

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

1. STATEMENT OF ACCOUNTING POLICIES (continued)

RELATED PARTY TRANSACTIONS

As the company is a wholly owned subsidiary of Survitec Group (Finance 1) Limited, the company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Survitec Group (Finance 1) Limited, within which this company is included, can be obtained from the address given in note 18.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided to write off the cost less the estimated residual value of tangible assets by equal instalments over their estimated useful economic lives as follows:

	<u>%</u>	
Leasehold and property improvements	20	per annum
Plant and machinery	10 to 33	per annum
Computers	20 to 33	per annum
Motor vehicles	25	per annum
Survival suits	17	per annum

No depreciation is provided on freehold land.

LEASED ASSETS

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

STOCKS

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable portion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

1. STATEMENT OF ACCOUNTING POLICIES (continued)

TAXATION

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

PENSION COSTS

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

1. STATEMENT OF ACCOUNTING POLICIES (continued)

DESIGN AND DEVELOPMENT

Design and development expenditure is charged to the profit and loss account as incurred.

INVESTMENTS

Fixed asset investments are shown at cost less provision for impairment.

2. SEGMENTAL ANALYSIS

The directors consider that there is only one class of business, being the manufacture, servicing and distribution of safety and survival equipment and products.

The turnover of the Group by geographical destination is as follows –

GEOGRAPHICAL DESTINATION	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
United Kingdom	8,959,315	8,580,891
Italy	315,676	356,195
Germany	16,501	19,954
France	8,072	3,611
Netherlands	139,672	29,573
Norway	278,044	742,165
Denmark	7,072	9,140
Belgium	11,906	49,247
Republic of Ireland	130,281	139,532
Finland	59,251	0
Spain	0	71,688
Rest of Europe	352,117	529,071
North America	301,546	435,921
Australasia	146,168	89,739
Rest of world	214,172	213,453
	10,939,793	11,270,180

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

3. EMPLOYEES AND DIRECTORS

	<u>2010</u> <u>No.</u>	<u>2009</u> <u>No.</u>
The average number of employees (including executive directors) during the year was as follows:		
Management and administration	17	20
Manufacturing and repair	147	160
Sales and distribution	3	3
	167	183
Their aggregate remuneration comprised:		
Wages and salaries	2,926,561	2,951,009
Social security costs	254,256	240,280
Pension costs	82,785	83,942
Other payroll costs	8,651	5,156
	3,272,253	3,280,387
DIRECTORS' REMUNERATION AND TRANSACTIONS		
Emoluments	149,126	175,984
Company contributions to personal pension plans	11,500	10,800
	160,626	186,784
Remuneration of the highest paid director:		
Emoluments	149,126	175,984
Company contributions to personal pension plans	11,500	10,800
	160,626	186,784

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

4. NET INTEREST (PAYABLE)/RECEIVABLE

	<u>2010</u> £	<u>2009</u> £
Interest payable on Kazakhstan tax liabilities	(14,715)	0
Bank interest receivable	0	78,244
	<u>(14,715)</u>	<u>78,244</u>

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	<u>2010</u> £	<u>2009</u> £
Profit on ordinary activities before taxation is stated after charging:		
Hire of plant and machinery under operating leases	15,572	10,840
Rentals payable under other operating leases	63,995	53,497
Auditors' remuneration for audit services	20,000	20,000

A more detailed analysis of auditors' remuneration is provided below -

	<u>£</u>	<u>£</u>
Audit services		
- statutory audit	20,000	20,000

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

6. TAXATION

	<u>Year ended</u> <u>31st March</u> <u>2010</u> <u>£</u>	<u>Year ended</u> <u>31st March</u> <u>2009</u> <u>£</u>
UK Corporation Tax at 28% (2009: 28%)	61,377	96,099
Double tax relief	(61,377)	(96,099)
Foreign tax	57,589	110,099
Adjustment in respect of prior years	35,942	24,295
Total current tax	93,531	134,394
Deferred tax – timing differences (see Note 14)	554,238	(204,678)
Adjustment in respect of prior years (see Note 14)	(233,855)	0
Tax charge/(credit) for the year	413,914	(70,284)

The current tax charge for the year is lower than the standard rate of corporation tax in the UK of 28% (2009: 28%)

The differences are explained below:

	<u>Year ended</u> <u>31st March</u> <u>2010</u> <u>£</u>	<u>Year ended</u> <u>31st March</u> <u>2009</u> <u>£</u>
Profit on ordinary activities before tax	2,564,385	2,898,830
Current tax at 28% (2009: 28%)	718,028	811,672
Effects of:		
Expenses not deductible for tax purposes	13,340	31,466
Capital allowances in excess of depreciation	226,949	96,736
Double tax relief	(3,788)	13,999
Amortisation of intangible fixed assets	29,884	29,884
Short term timing differences	(948)	37,115
Adjustments relating to prior periods	35,942	24,295
Group relief claimed	(925,246)	(909,828)
IBA withdrawal	(630)	(945)
Current tax charge for the period	93,531	134,394

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

7. INTANGIBLE FIXED ASSETS

GROUP

	<u>GOODWILL</u>
	<u>£</u>
COST	
At 1 st April 2009 and 31 st March 2010	2,134,512
AMORTISATION	
At 1 st April 2009	1,111,748
Charge for the year	106,728
At 31 st March 2010	1,218,476
NET BOOK VALUE	
At 31 st March 2010	916,036
At 1 st April 2009	1,022,764

Goodwill is being amortised evenly over its presumed useful economic life of 20 years.

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

8. TANGIBLE FIXED ASSETS

	<u>LONG LEASEHOLD</u> £	<u>PLANT AND MACHINERY</u> £	<u>TOTAL</u> £
COST			
At 1 st April 2009	195,853	5,446,430	5,642,283
Additions	7,476	385,098	392,574
Disposals	(12,481)	(98,748)	(111,229)
At 31 st March 2010	190,848	5,732,780	5,923,628
DEPRECIATION			
At 1 st April 2009	56,249	3,094,807	3,151,056
Charge for the year	12,830	758,977	771,807
Disposals	(12,481)	(59,383)	(71,864)
At 31 st March 2010	56,598	3,794,401	3,850,999
NET BOOK VALUE			
At 31 st March 2010	134,250	1,938,379	2,072,629
At 1 st April 2009	139,604	2,351,623	2,491,227

9. FIXED ASSET INVESTMENTS

	<u>SHARES IN GROUP UNDERTAKINGS</u> £
COST	
At 1 st April 2009 and 31 st March 2010	604,982

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

9. FIXED ASSET INVESTMENTS (continued)

The Company has investments in the following subsidiary and associate undertakings:

<u>Name of Undertaking</u>	<u>Country of Incorporation / Registration</u>	<u>Principal Activity</u>	<u>Description of Shares Held</u>	<u>%</u>
Kirkhill (Dormant) Limited	Great Britain	Dormant	Ordinary shares	100
Multifabs Survival Inc	United States	Dormant	Ordinary shares	100
Whirly Bird Airport Services	Ireland	Hiring of survival suits	Ordinary shares	50

10. STOCKS

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Raw materials and consumables	99,082	217,955
Work in progress	151,149	0
	250,231	217,955

There is no material difference between the balance sheet value of stocks and their replacement cost.

11. DEBTORS

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Amounts falling due within one year:		
Trade debtors	1,367,638	1,671,805
Amounts owed by Group undertakings	9,391	97,040
Deferred taxation (Note 14)	0	320,383
Prepayments and accrued income	124,702	117,520
	1,501,731	2,206,748

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

12. CASH AT BANK AND IN HAND

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Cash at bank and in hand	691,418	2,037,706

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Trade creditors	694,306	640,585
Corporation tax	125,462	257,049
Other taxes and social security	79,257	89,337
Other creditors	120,896	4,771
Amounts owed to Group undertakings	528,775	609,389
Amounts owed to subsidiary undertaking	600,000	600,000
Accruals and deferred income	1,104,950	1,047,341
	3,253,646	3,248,472

14. DEFERRED TAXATION

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Movements in the year were as follows:		
At 1 st April 2009	320,383	115,705
Transfer to profit and loss account	(320,383)	204,678
At 31 st March 2010	0	320,383
Deferred taxation comprises:		
Accelerated capital allowances	0	274,945
Short term timing differences	0	45,438
	0	320,383
Deferred taxation not provided comprises:		
Accelerated capital allowances	597,239	0
Short term timing differences	44,688	0
	641,927	0

Recoverability of the deferred tax asset is dependent upon future taxable profits in excess of those arising from the reversal of deferred tax liabilities.

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

15. SHARE CAPITAL AND CAPITAL REDEMPTION RESERVE

AUTHORISED

<u>No.</u>	<u>£</u>
1,554,000 Ordinary Shares of £1 each	1,554,000
1,554,000 As at 31 st March 2009 and 31 st March 2010	1,554,000

<u>ALLOTTED, CALLED UP AND FULLY PAID</u>	<u>PAID UP AMOUNT</u>	<u>CAPITAL REDEMPTION RESERVE</u>
<u>No.</u>	<u>£</u>	<u>£</u>
1,554,000 Ordinary Shares of £1 each	1,554,000	550,000
1,554,000 As at 31 st March 2009 and 31 st March 2010	1,554,000	550,000

16. RESERVES

	<u>PROFIT AND LOSS ACCOUNT</u>
	<u>£</u>
At 1 st April 2009	3,228,910
Retained profit for the year	2,150,471
Dividends paid	(4,700,000)
At 31 st March 2010	679,381

17. LEASE COMMITMENTS

	<u>2010 LAND AND BUILDINGS</u>	<u>2010 PLANT AND MACHINERY</u>	<u>2009 LAND AND BUILDINGS</u>	<u>2009 PLANT AND MACHINERY</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Annual commitments under operating leases at 31 st March were:				
Expiring within one year	0	0	0	11,916
Expiring in second to fifth years	248,799	61,407	139,714	57,266
Expiring after more than five years	18,250	0	18,250	0
	267,049	61,407	157,964	69,182

SURVIVAL-ONE LIMITED

NOTES TO THE ACCOUNTS (continued)

18. ULTIMATE PARENT COMPANY

Survitec Group (Cayman Islands) Limited is the company's ultimate parent undertaking, which is registered in the Cayman Islands. The largest and smallest group in which the results of the company are consolidated is that headed by Survitec Group (Finance 1) Limited.

The consolidated accounts of this group are available from the Company Secretary, c/o Survitec Group Limited, Kingway, Dunmurry, Belfast BT17 9AF.

19. ULTIMATE CONTROLLING COMPANY

The Group is a portfolio company of funds (the "Warburg Pincus Funds") advised and managed by Warburg Pincus LLC, a private equity firm organised in the United States of America. The Warburg Pincus Funds hold 90.7% of the Company's ordinary shares and jointly have a controlling interest in the Group.