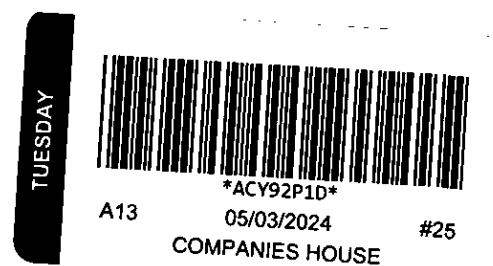

SI PROPERTIES LIMITED

UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023



SI PROPERTIES LIMITED

COMPANY INFORMATION

Directors	A S S Kenny M J Whyte
Company secretary	L S MacAndrews
Registered number	00160881
Registered office	Level 10 255 Blackfriars Road London SE1 9AX

SI PROPERTIES LIMITED

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SI PROPERTIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2023

The directors present their report and the financial statements for the year ended 31 July 2023.

The directors have not prepared a Strategic report, as permitted by section 414B of Companies Act 2006.

Principal activity

The principal activity of the company is property management and financing. There has been no significant change in the activity during the year.

Results and dividends

The loss for the year, after taxation, amounted to £890,000 (2022 - £163,000).

No dividends were paid or proposed in the year (2022: nil).

Directors

The directors who served during the year were:

A S S Kenny

M J Whyte

Political contributions

The Company made no political donations or incurred any political expenditure during the year.

Principal risks and uncertainties

The directors of Smiths Group plc manage the Smiths Group risks at a group level, rather than at an individual business unit level. For this reason, the Company's directors believe that a disclosure of the Company's risk profile would not be appropriate for an understanding of the activities of SI Properties Limited. See the Smiths Group plc Annual Report and Accounts pages 68 to 74 for a description of the Smiths Group plc risk management and key risks.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions (as defined in section 234 of the Companies Act 2006) have applied to M. J. Whyte since 1 August 2021, in relation to certain losses and liabilities which he may incur (or have incurred) to third parties in the course of his professional duties for the Company.

This report was approved by the board and signed on its behalf.

Sacha Kenn

A S S Kenny
Director

Date: 19 December 2023

SI PROPERTIES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 JULY 2023

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 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 to 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.

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

SI PROPERTIES LIMITED

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JULY 2023**

	Note	2023 £000	2022 £000
Cost of sales		-	(160)
Gross profit/(loss)		<u>-</u>	<u>(160)</u>
Administrative expenses		(2,018)	(18)
Operating loss		<u>(2,018)</u>	<u>(178)</u>
Interest receivable and similar income	5	1,128	15
Loss before tax		<u>(890)</u>	<u>(163)</u>
Tax on loss	6	-	-
Loss for the financial year		<u><u>(890)</u></u>	<u><u>(163)</u></u>

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 6 to 13 form part of these financial statements.

SI PROPERTIES LIMITED
REGISTERED NUMBER:00160881

BALANCE SHEET
AS AT 31 JULY 2023

	Note	2023 £000	2022 £000
Current assets			
Debtors: amounts falling due within one year	7	40,602	39,503
Cash at bank and in hand	8	88	81
		<u>40,690</u>	<u>39,584</u>
Creditors: amounts falling due within one year	9	(28,727)	(28,713)
Net current assets		<u>11,963</u>	<u>10,871</u>
Total assets less current liabilities		<u>11,963</u>	<u>10,871</u>
Provisions for liabilities			
Other provisions	11	(2,404)	(422)
Net assets		<u>9,559</u>	<u>10,449</u>
Capital and reserves			
Called up share capital	12	250	250
Profit and loss account		9,309	10,199
		<u>9,559</u>	<u>10,449</u>

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Sacha Kenny

A S S Kenny
Director

Date: 19 December 2023

The notes on pages 6 to 13 form part of these financial statements.

SI PROPERTIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2023**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 August 2021	250	10,362	10,612
Comprehensive income for the year			
<i>Loss for the year</i>	-	(163)	(163)
Total comprehensive income for the year	-	(163)	(163)
At 1 August 2022	250	10,199	10,449
Comprehensive income for the year			
<i>Loss for the year</i>	-	(890)	(890)
Total comprehensive income for the year	-	(890)	(890)
At 31 July 2023	250	9,309	9,559

The notes on pages 6 to 13 form part of these financial statements.

SI PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1. General information

The Company's principal activity is that of an property management, based and registered in England. It is a limited liability company incorporated and domiciled in England. The registered office is Level 10, 255 Blackfriars Road, London, SE1 9AX.

2. Accounting policies

2.1 Basis of preparation of financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

2.2 Financial reporting standard 101 - reduced disclosure exemptions

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Certain disclosures regarding revenue;
- Certain disclosures regarding leases;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures required by Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flow of discontinued operations;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

SI PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.3 Going concern

The Company has net current assets of £12m as at 31 July 2023 (2022: £10m) and a loss for the year ended of £890k (2022: loss of £163k). The directors have reviewed the value of the Company's investments and the Company's access to committed borrowing facilities including Smiths Group plc's US\$800m multi currency revolving credit facility maturing in May 2028, of which \$800m was undrawn at 31 July 2023. The Company's financial forecasts for the period of going concern, indicate that the Company has sufficient financial resources to meet its financial obligations as they fall due during the period of assessment, considered to be twelve months from the signing date of these financial statements.

The directors of Smiths Group plc, the ultimate parent company of SI Properties Limited, have confirmed that Smiths Group plc will continue to provide operational and financial support to the Company to enable it to trade with the Smiths Group and to meet its liabilities in full as they fall due for a period of at least twelve months from the date of approval of these financial statements. The directors have no reason to believe that the ultimate parent company will not be in a position to provide this support and, accordingly, have prepared the financial statements on a going concern basis.

2.4 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.5 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

SI PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.8 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.9 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Debt instruments at amortised cost

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Financial liabilities

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

SI PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

3. Key sources of estimation uncertainty

Recoverability of intercompany loans receivable

The recoverability of loans is assessed applying the methodology of IFRS 9 by looking at the credit quality of the subsidiary and any support available to the subsidiary. These calculations require the use of estimates including projected future cash-flows and other future events.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2022: £NIL).

The Company's directors are employed and remunerated by the parent company.

5. Interest receivable

	2023 £000	2022 £000
Interest receivable from group companies	1,126	15
Bank interest receivable	2	-
	<u>1,128</u>	<u>15</u>

SI PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

6. Taxation

The Company has not recognised a tax charge in either the current or prior year.

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - lower than) the standard rate of corporation tax in the UK of 21% (2022 - 19%). The differences are explained below:

	2023 £000	2022 £000
Loss on ordinary activities before tax	(890)	(163)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2022: 19%)	(187)	(31)
Effects of:		
Other timing differences leading to an increase (decrease) in taxation	416	25
Group relief	(229)	6
Total tax charge for the year	-	-

Factors that may affect future tax charges

Smiths Group does not require UK group companies to compensate the surrendering company for the receipt of group relief. As a result, no payments nor receipts in respect of group relief have been accrued in the year.

In June 2021, the UK Government enacted an increase in the future UK rate of corporation tax, from 19% to 25%, applying from 1 April 2023. This future rate has been used in considering the value of unrecognised deferred tax asset, as at 31 July 2023. If the Company were to pay UK tax in the future, the payments would be larger.

As at 31 July 2023 the Company had carried temporary differences of £2,404,000 (2022: £716,000). Following the decision to separate the Medical division (including Medical companies in the UK) from the Smiths Group the Company's potential deferred tax asset thereon of £601,000, as at 31 July 2023 (2022:£179,000), has not been recognised.

SI PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

7. Debtors

	2023	2022
	£000	£000
Amounts owed by group undertakings	40,502	39,401
Other debtors	-	2
Prepayments and accrued income	100	100
	<u>40,602</u>	<u>39,503</u>

Amounts owed by group undertakings are unsecured and are repayable on demand. The amounts comprise a loan of £25,301,000 that carries interest at 12-month SONIA with the remainder being amounts arising from trading activities, which are receivable on demand and interest free.

8. Cash and cash equivalents

	2023	2022
	£000	£000
Cash at bank and in hand	88	81
	<u>88</u>	<u>81</u>

9. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Trade creditors	1	4
Amounts owed to group undertakings	28,659	28,659
Other creditors	17	-
Accruals and deferred income	50	50
	<u>28,727</u>	<u>28,713</u>

SI PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

10. Financial instruments

	2023	2022
	£000	£000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	40,502	39,484
	<u> </u>	<u> </u>
Financial liabilities		
Financial liabilities measured at amortised cost	(28,727)	(28,713)
	<u> </u>	<u> </u>

Financial assets that are debt instruments measured at amortised cost comprise cash and cash equivalents and loans to other Group undertakings.

Financial liabilities measured at amortised cost comprise loans payable to other group undertakings.

11. Provisions

	Liability & Charges £000
At 1 August 2022	422
Charged to profit or loss	1,982
	<u> </u>
At 31 July 2023	2,404
	<u> </u>

Provision is made for the expected cost of reinstatement work on leased properties where the company has an obligation under the lease, and the costs can be reasonably estimated. Where evidence of environmental issues are found on property in the Company's occupation, provision is made for estimated remedial costs pending action on the affected site. The balance is expected to be utilised within the next fifteen years.

12. Share capital

	2023	2022
	£000	£000
Allotted, called up and fully paid		
1,000,000 (2022 - 1,000,000) Ordinary shares of £0.25 each	250	250
	<u> </u>	<u> </u>

13. Contingent liabilities

The Company has a contingent liability under a composite banking arrangement with other companies in the Group, limited to the amount standing to the credit of the Company's own bank account.

SI PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

14. Controlling party

For the year ended 31 July 2023, the Company was a wholly owned subsidiary of Smiths Group plc, which is the ultimate parent undertaking and the parent undertaking of the smallest and largest group to consolidate these financial statements.

The Annual Report and Accounts of Smiths Group plc may be obtained from the Company Secretary, Smiths Group plc, Level 10, 255 Blackfriars Road, London, SE1 9AX.