

Keeler Limited

Report and Financial Statements

52 week period ended 28 March 2009

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Keeler Limited

REPORT AND FINANCIAL STATEMENTS 2009

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Keeler Limited

REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A Beasley
J Hooker Appointed 1 December 2008
D J Keeler (USA)
A J Meyers (USA)
R Mayall Resigned 27 June 2008
M G Norris
Dr A Sotoudeh
J B Wilson

SECRETARY

J B Wilson

REGISTERED OFFICE

Clewer Hill Road
Windsor
Berkshire
SL4 4AA

BANKERS

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

AUDITORS

Deloitte LLP
Reading

DIRECTORS' REPORT

The Directors present their annual report and the audited financial statements for the 52 week period ended 28 March 2009.

RESULTS AND DIVIDENDS

The profit and loss account shows a profit before taxation of £2,762,896 (2008: £2,556,046) and the profit after taxation of £2,872,696 (2008: £1,771,286). An interim dividend on the ordinary shares of £1,500,000 (2008: £2,300,000) was paid on 28 March 2009. The Directors do not recommend the payment of a final dividend (2008: £nil).

BUSINESS REVIEW, PRINCIPAL ACTIVITIES AND FUTURE PROSPECTS

The Company is a wholly owned subsidiary of Halma p.l.c. and operates as part of the Group's Health Optics and Photonics division.

The Company's principal activities are the manufacture and sale of optometric and ophthalmic products to the health care industry worldwide. There have not been any significant changes in the Company's principal activities in the period under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

The Company continues to invest in research and development. This has resulted in a number of updates to existing products. The Directors regard R&D investment as necessary for continuing success in the medium to long term future.

As shown in the Company's profit and loss account on page 6, the Company's sales have increased by 14% over the prior year and profit before tax increased by 8%.

The balance sheet, on page 7 of the financial statements shows that the Company's financial position at the year end has improved in net asset terms compared with the prior year. Details of amounts owed by its parent and other group Companies are shown in note 16 on page 17.

The Halma p.l.c. Group manages its operation on a divisional basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Health Optics and Photonics division of Halma p.l.c., which includes the Company, is discussed in the Group's Annual Report which does not form part of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive and economic pressure throughout the world is a continuing risk for the Company, which could result in it losing sales to its key competitors. The Company manages this risk by providing added value services to its customers, having fast response times not only in supplying products but also in handling all customer queries, and by maintaining strong relationships with customers.

The Company operates in some regulated markets and this is a risk area. The Company manages this risk through operating an internationally approved quality system.

The Company's sales in the USA are made in US dollars and it is therefore exposed to the movement in the dollar to pound exchange rate. Part of this risk is mitigated by purchases in US dollars and by the forward selling of US dollar receipts.

The Company is largely self financed by internally generated funds and has no third party debt. It therefore has no interest rate exposure.

Group risks are discussed in the Group's Annual Report, which does not form part of this report.

DIRECTORS' REPORT (CONTINUED)

GOING CONCERN

The current economic conditions create uncertainty over the level of demand for the Company's products. The Company has net assets, net current assets and a positive cash balance as set out in the balance sheet on page 7. The Company also has access to the Halma Group's financial resources (including a £165m 5-year revolving credit facility). After making enquiries, the Directors have a reasonable expectation that despite the current economic uncertainty the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and accounts.

ENVIRONMENT

The Halma p.l.c. Group recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Group's activities. The Company operates in accordance with group policies, which are described in the Group's Annual Report, which does not form part of this Report. Initiatives designed to minimise the Company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

EMPLOYEES

Details of the number of employees and related costs can be found in note 6 to the financial statements on page 11.

DIRECTORS

The Directors, who served during the period and since the period end, are shown on page 1.

AUDITORS

In the case of each of the persons who are Directors of the Company at the date when this report is approved:

- So far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) 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 S234ZA of the Companies Act 1985.

Deloitte LLP has expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



J B Wilson
Secretary

12 August 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report including the financial statements. The Directors have chosen to prepare the financial statements for the Company in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP).

United Kingdom Company law requires the Directors to prepare such financial statements for each financial year which give a true and fair view, in accordance with UK GAAP, of the state of affairs of the Company and of the profit or loss of the Company for that period and comply with UK GAAP and the Companies Act 1985. 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; 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KEELER LIMITED

We have audited the financial statements of Keeler Limited for the 52 weeks ended 28 March 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 20. 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant 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 United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 28 March 2009 and of its profit for the 52 weeks 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.



Deloitte LLP
Chartered Accountants and Registered Auditors
Reading, United Kingdom
12 August 2009

Keeler Limited

PROFIT AND LOSS ACCOUNT

For the 52 week period ended 28 March 2009

	Note	52 weeks ended 28 March 2009 £	52 weeks ended 29 March 2008 £
TURNOVER	2	15,880,529	13,939,329
Cost of sales		(10,818,097)	(9,812,009)
Gross profit		5,062,432	4,127,320
Distribution costs		(319,407)	(335,563)
Administrative expenses		(2,026,586)	(1,133,390)
Other operating income/(expense)		58,609	(90,268)
		<u>(2,287,384)</u>	<u>(1,559,221)</u>
OPERATING PROFIT		2,775,048	2,568,099
INTEREST RECEIVABLE AND SIMILAR INCOME			
Bank interest		15,655	26,561
INTEREST PAYABLE AND SIMILAR EXPENDITURE			
Group interest		<u>(27,807)</u>	<u>(38,614)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	2,762,896	2,556,046
Tax on profit on ordinary activities	8	<u>109,800</u>	<u>(784,760)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL PERIOD	17, 18	<u><u>2,872,696</u></u>	<u><u>1,771,286</u></u>

All amounts derive from continuing operations.

There are no recognised gains and losses in the current or preceding period other than the profit for the periods. Accordingly no statement of total recognised gains and losses has been presented.

Keeler Limited

BALANCE SHEET 28 March 2009

	Note	28 March 2009		29 March 2008	
		£	£	£	£
FIXED ASSETS					
Intangible fixed assets	10		432,372		264,577
Tangible fixed assets	11		2,052,603		2,116,388
			<u>2,484,975</u>		<u>2,380,965</u>
CURRENT ASSETS					
Stocks	12	1,621,874		1,743,536	
Debtors	13	8,840,984		9,482,369	
Cash at bank and in hand		<u>217,494</u>		<u>843,540</u>	
			10,680,352		12,069,445
CREDITORS: amounts falling due within one year	14		<u>(1,742,458)</u>		<u>(4,440,237)</u>
NET CURRENT ASSETS			8,937,894		7,629,208
PROVISIONS FOR LIABILITIES AND CHARGES	15		<u>(60,000)</u>		<u>(20,000)</u>
NET ASSETS			<u>11,362,869</u>		<u>9,990,173</u>
CAPITAL AND RESERVES					
		Authorised	Issued and fully paid	Authorised	Issued and fully paid
CALLED UP SHARE CAPITAL					
Called up share capital - (ordinary shares of £1 each)		8,000,000	5,008,004	8,000,000	5,008,004
Share premium account	17		2,531,777		2,531,777
Profit and loss account	17		<u>3,823,088</u>		<u>2,450,392</u>
SHAREHOLDER'S FUNDS	18		<u>11,362,869</u>		<u>9,990,173</u>

These financial statements were approved by the Board of Directors on 12th Aug 2009.

Signed on behalf of the Board of Directors



M G Norris
Director



J B Wilson
Director

NOTES TO THE ACCOUNTS
52 week period ended 28 March 2009

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards.

The following accounting policies have been applied consistently, in the current and preceding period, in dealing with items considered material to the accounts.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The current economic conditions create uncertainty. The Company has net assets, net current assets and a positive cash balance as set out in the balance sheet on page 7. The Company also has access to the Halma Group's financial resources (including a £165m 5-year revolving credit facility). After making enquiries, the Directors have a reasonable expectation that despite the current economic uncertainty the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and accounts.

Turnover

Turnover represents sales, less returns, excluding value added tax. Turnover is recognised when goods are received by the customer.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and provision for impairment.

Depreciation is provided on all tangible fixed assets on the straight-line method, each item being written off over its estimated life. The principle annual rates used for this purpose are:

Freehold buildings	2%
Plant and equipment	8% to 20%
Motor vehicles	20%
Short life tooling	33%

Research and development

Research expenditure is written off in the financial year in which it is incurred.

Development expenditure is written off in the financial year in which it is incurred, unless it relates to the development of a new or substantially improved product, is incurred after the technical feasibility and economic viability of the product has been proven and the decision to complete the development has been taken, and can be measured reliably. Such expenditure is capitalised as an intangible asset in the balance sheet at cost and is amortised through the profit and loss account on a straight line basis over its estimated economic life of three years.

Leases

The costs of operating leases of property and other assets are charged on a straight line basis over the lease term.

Taxation

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

Deferred taxation is provided in full on timing differences that result in an obligation at the Balance Sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

NOTES TO THE ACCOUNTS

52 week period ended 28 March 2009

1. ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation

Transactions denominated in foreign currencies are translated at the exchange rate ruling on the date of the transaction. Balance Sheet items denominated in foreign currencies are translated at the exchange rate ruling on the Balance Sheet date. Foreign currency exchange differences are dealt with in the Profit and Loss Account.

Stocks

Stocks and work in progress are included at the lower of cost and net realisable value. Cost includes the appropriate proportion of production and other overheads considered by the Directors to be attributable to bringing the stock to its location and condition at the period end. Provision is made for obsolete, slow moving and defective items where appropriate.

Pensions

The Company makes pension contributions to the Halma Group Pension Plan (the scheme) on behalf of its employees. The scheme is a defined benefit scheme. The Company is unable to determine its share of the underlying assets and liabilities of the scheme and accordingly accounts for the scheme as if it were a defined contribution scheme. Contributions to the scheme are therefore charged to the Profit and Loss Account when incurred.

Cash flow statement

The Company is a wholly owned subsidiary of Halma p.l.c. and is included in the consolidated financial statements of Halma p.l.c., which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (Revised 1996).

Share-based payments

The Halma p.l.c. Group operates a Performance Share Plan in which the Company's employees participate. Awards under the plan are equity-settled and are subject to both market based and non-market based vesting criteria. Their fair value at the date of grant is established by using an appropriate simulation method to reflect the likelihood of market-based performance conditions being met. The fair value is charged to the profit and loss on a straight-line basis over the vesting period, with appropriate adjustments being made during this period to reflect expected and actual forfeitures arising from the non-market based performance conditions only.

2. TURNOVER

The geographical analysis of the Company's turnover is as follows:

	52 weeks ended 28 March 2009 £	52 weeks ended 29 March 2008 £
United Kingdom	7,298,922	8,219,599
United States of America	3,817,532	1,765,323
Europe excluding UK	1,726,145	1,330,447
Far East and Australasia	1,664,564	1,324,386
Africa, Near and Middle East	1,206,449	1,167,703
Other	166,917	131,871
	15,880,529	13,939,329

Turnover derives from the Company's principal activity, being the manufacture and distribution of ophthalmic, optometric and medical products.

NOTES TO THE ACCOUNTS
52 week period ended 28 March 2009

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is arrived at after charging/(crediting):

	52 weeks ended 28 March 2009 £	52 weeks ended 29 March 2008 £
Amortisation of development costs	100,945	229,873
Impairment of development costs	37,932	-
Depreciation – owned assets	326,474	316,229
Research and development	571,753	616,691
Auditors' remuneration - audit fees	18,743	18,744
Operating lease rentals - other	41,250	38,500
Loss on disposal of fixed assets	8,309	5,624
Rental income	(61,500)	(61,500)
Foreign exchange gain/(loss)	58,609	(90,268)

4. DIRECTORS' EMOLUMENTS

	52 weeks ended 28 March 2009 £	52 weeks ended 29 March 2008 £
Aggregate emoluments (excluding pension contributions)	351,816	373,331
Highest paid Director	92,012	99,868

The total pension cost of the Company was £1,169,336 (2008: £332,728). This amount includes £17,780 (2008: £6,150) in respect of the highest paid Director. The accrued pension of the highest paid Director as at 28 March 2009 is £14,317 per annum (2008: £nil). The accrued pensions of the remaining Directors as at 28 March 2009 is £38,528 per annum (2008: £46,688).

Mr A J Meyers is an executive of Halma Holdings Inc, and is remunerated for his services to that Company. It is not practical to allocate this remuneration between his services as an executive to Keeler Limited and to fellow Group subsidiaries. In addition, Mr A J Meyers is accruing benefits under the Halma Holdings Inc Profit Savings Retirement Plan in the USA.

Mr D J Keeler is a Director of Keeler Instruments Inc, and is remunerated for his services to that Company. It is not practical to allocate this remuneration between his services as an executive to Keeler Limited and to Keeler Instruments Inc. In addition, Mr D J Keeler is accruing benefits under the Halma Holdings Profit Savings Retirement Plan in the USA.

NOTES TO THE ACCOUNTS
52 week period ended 28 March 2009

5. PENSIONS

The Company participates in the Halma Group Pension Plan, which has both a defined benefit pension section and a defined contribution pension section. The Company is unable to identify its share of the underlying assets and liabilities of the defined benefit section of the scheme and accordingly accounts for the scheme entirely as if it were a defined contribution scheme. The assets of the pension scheme are separately held in trustee administered funds.

The pension cost relating to the defined benefit scheme is assessed in accordance with the advice of independent qualified actuaries. A full actuarial valuation was carried out as at 1 December 2005 and updated as at 29 March 2009 by a qualified independent actuary.

The assets of the defined benefit section and the expected long-term rates of return were:

Halma Group Pension Plan	2009		2008		2007	
	%	£'000	%	£'000	%	£'000
Equities	7.50	46,148	7.50	62,120	7.50	62,582
Bonds	6.00	24,209	5.85	26,497	5.00	23,675
Property	7.50	3,026	6.00	2,938	6.00	3,197
S75 Debt		2,269		2,087		3,071
		<hr/>		<hr/>		<hr/>
Total market value of assets		75,652		93,642		92,525
Present value of scheme liabilities		(111,230)		(122,089)		(121,824)
		<hr/>		<hr/>		<hr/>
Deficit in the scheme		(35,378)		(28,447)		(29,299)
Related deferred tax		9,962		7,966		8,790
		<hr/>		<hr/>		<hr/>
Net pension liability		(25,616)		(20,481)		(20,509)
		<hr/>		<hr/>		<hr/>

Further disclosures can be found in the accounts of Halma p.l.c.

6. SHARE-BASED PAYMENTS

The total cost recognised in the Profit and Loss Account in respect of share-based payment schemes was £51,395 (2008: £50,360).

Share incentive plan

Shares awarded under this plan are purchased in the market by the Plan's trustees at the time of the award and are held in trust until their transfer to qualifying employees, which is conditional upon completion of three years' service. The costs of providing this plan are recognised in the Profit and Loss Account over the three-year vesting period.

Performance share plan

The Halma p.l.c. Group operates a performance share plan in which the Company's employees participate.

Awards made under this Plan vest after three years on a sliding scale subject to the Halma p.l.c. Group's relative Total Shareholder Return against, for 2008/09 and 2007/08 and 2006/07, the FTSE 250 excluding financial Companies and for 2005/06, the Engineering and Machinery sector, combined with an absolute Return on total invested capital measure. Awards which do not vest on the third anniversary of their award lapse.

NOTES TO THE ACCOUNTS
52 week period ended 28 March 2009

6. SHARE-BASED PAYMENTS (CONTINUED)

	2009	2008
Outstanding at beginning of year	18,477	7,840
Granted during the year	16,468	10,637
Vested during the year	-	-
Lapsed during the year	-	-
Outstanding at end of year	34,945	18,477
Exercisable at end of year	-	-

The fair value of these awards was calculated using an appropriate simulation method to reflect the likelihood of the market-based performance conditions, which attach to half of the award, being met, using the following assumptions.

	2009	2008	2007
Expected volatility [%]	25	19	20
Expected life [years]	3	3	3
Share price on date of grant [p]	192.75	240.67	199.00
Option price [p]	Nil	Nil	nil
Fair value per option [%]	56	55	66
Fair value per option [p]	107.94	132.37	131.34

7. EMPLOYEE INFORMATION

	52 weeks ended 28 March 2009 No.	52 weeks ended 29 March 2008 No.
The average number of persons employed (including Directors) by the Company during the period was:	107	105

Employee costs of the Company (including Directors) comprised:

	£	£
Wages and salaries	3,000,440	2,798,586
Social security costs	261,650	252,715
Other pension costs	1,169,336	332,728
Share based payments	51,395	50,360
	4,482,821	3,434,389

NOTES TO THE ACCOUNTS
52 week period ended 28 March 2009

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 28 March 2009 £	52 weeks ended 29 March 2008 £
Current tax:		
UK corporation tax on profits of the period	-	840,689
Adjustment in respect of previous periods	(127,176)	(45,123)
	(127,176)	795,566
Deferred tax:		
Origination and reversal of timing differences	(95,910)	(84,043)
Adjustment in respect of previous periods	113,286	51,290
Adjustment in estimate of recoverable deferred tax asset/(liability)	-	29,798
Adjustment in respect of future periods	-	(7,851)
	(109,800)	784,760
Tax on profit on ordinary activities		

The UK corporation tax assessed for the period is in line with the standard rate of corporation tax in the UK once allowance is made for the factors listed below:

	52 weeks ended 28 March 2009 £	52 weeks ended 29 March 2008 £
Profit on ordinary activities before tax	2,762,896	2,556,046
Applying standard rate of UK corporation tax (28%/30%)	773,611	766,814
R&D tax credit	(47,689)	(17,214)
Other permanent differences	(4,483)	4,706
Depreciation (less than)/in excess of capital allowances	24,251	315
Other timing differences	71,659	86,068
Group relief claimed	(817,349)	-
Adjustment in respect of previous periods	(127,176)	(45,123)
Current UK corporation tax (credit)/charge	(127,176)	795,566

Keeler Limited

NOTES TO THE ACCOUNTS 52 week period ended 28 March 2009

9. DIVIDENDS ON EQUITY SHARES

Amounts recognised as distributions to the equity shareholder in the period

	28 March 2009 £	29 March 2008 £
Interim dividend for the period	<u>1,500,000</u>	<u>2,300,000</u>

The directors do not recommend the payment of a final dividend (2008: £nil)

10. INTANGIBLE FIXED ASSETS

	Development costs £
Cost	
At 30 March 2008	494,450
Additions	306,672
	<u>801,122</u>
At 28 March 2009	
Amortisation	
At 30 March 2008	229,873
Charge for the period	100,945
Impairment loss	37,932
	<u>368,750</u>
At 28 March 2009	
Net book value	
At 28 March 2009	<u>432,372</u>
At 29 March 2008	<u>264,577</u>

Keeler Limited

NOTES TO THE ACCOUNTS 52 week period ended 28 March 2009

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant, equipment, motor vehicles and short life tooling £	Total £
Cost			
At 30 March 2008	1,565,413	5,087,120	6,652,533
Additions	-	289,701	289,701
Disposals	-	(102,718)	(102,718)
At 28 March 2009	<u>1,565,413</u>	<u>5,274,103</u>	<u>6,839,516</u>
Accumulated depreciation			
At 30 March 2008	238,236	4,297,909	4,536,145
Charge for the period	23,891	302,583	326,474
Disposals	-	(75,706)	(75,706)
At 28 March 2009	<u>262,127</u>	<u>4,524,786</u>	<u>4,76,913</u>
Net book value			
At 28 March 2009	<u>1,303,286</u>	<u>749,317</u>	<u>2,052,603</u>
At 29 March 2008	<u>1,327,177</u>	<u>789,211</u>	<u>2,116,388</u>

12. STOCKS

	28 March 2009 £	29 March 2008 £
Raw materials and consumables	510,832	575,856
Work in progress	195,980	322,059
Finished goods	915,062	845,621
	<u>1,621,874</u>	<u>1,743,536</u>

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

Keeler Limited

NOTES TO THE ACCOUNTS 52 week period ended 28 March 2009

13. DEBTORS

	28 March 2009 £	29 March 2008 £
Falling due within one year:		
Trade debtors	2,239,933	3,143,419
Amounts due from Group Companies	5,852,182	6,136,175
Other debtors	-	20,593
Corporation tax receivable	591,188	-
Prepayments and accrued income	157,681	181,754
	<u>8,840,984</u>	<u>9,481,941</u>
Falling due after one year:		
Prepayments and accrued income	-	428
	<u>8,840,984</u>	<u>9,482,369</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28 March 2009 £	29 March 2008 £
Trade creditors	1,024,305	1,872,626
Amounts due to Group Companies	187,349	1,480,956
Other taxation and social security	154,215	398,649
Corporation tax payable	-	363,583
Deferred taxation	94,522	77,146
Other creditors	5,102	26,525
Accruals and deferred income	276,965	220,752
	<u>1,742,458</u>	<u>4,440,237</u>

Deferred taxation

	28 March 2009 £	29 March 2008 £
Accelerated capital allowances	19,487	(4,764)
Other short term timing differences	(114,009)	(72,382)
	<u>(94,522)</u>	<u>(77,146)</u>

The movement on deferred tax comprises:

	£
At 29 March 2008	(77,146)
Charged to profit and loss account (note 7)	(17,376)
At 28 March 2009 - included within creditors	<u>(94,522)</u>

NOTES TO THE ACCOUNTS
52 week period ended 28 March 2009

15. PROVISIONS FOR LIABILITIES AND CHARGES

	Other provisions		Product warranties	
	2009	2008	2009	2008
	£	£	£	£
At beginning of period	-	-	20,000	-
Charged to profit and loss account	20,000	-	20,000	20,000
At end of period	<u>20,000</u>	<u>-</u>	<u>40,000</u>	<u>20,000</u>

The provision for product warranties relates to the expected warranty claims on products sold in the last year. It is expected that this expenditure will be incurred in the next financial year.

Other provisions consists of various dilapidations. It is expected that this expenditure will be incurred between 2011 and 2016.

16. FINANCIAL COMMITMENTS

Capital commitments:

Capital expenditure authorised and contracted at 28 March 2009, but not provided in these accounts amounts to £83,699 (2008: £nil).

Commitments under operating leases:

At 28 March 2009 the Company had annual commitments under non-cancellable operating leases expiring as follows:

	Land and buildings	
	28 March	29 March
	2009	2008
	£	£
Within two to five years	10,750	9,500
After five years	30,500	29,000
	<u>41,250</u>	<u>38,500</u>

17. RESERVES

	Share premium account	Profit and loss account
	£	£
Brought forward at 30 March 2008	2,531,777	2,450,392
Profit for the financial period	-	2,872,696
Dividends	-	(1,500,000)
Carried forward at 28 March 2009	<u>2,531,777</u>	<u>3,823,088</u>

NOTES TO THE ACCOUNTS
52 week period ended 28 March 2009

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	52 weeks ended 28 March 2009	52 weeks ended 29 March 2008
	£	£
Profit for the financial period	2,872,696	1,771,286
Dividends	(1,500,000)	(2,300,000)
Net addition to / (deduction from) shareholder's funds	1,372,696	(528,714)
Brought forward	9,990,173	10,518,887
Carried forward	<u>11,362,869</u>	<u>9,990,173</u>

19. RELATED PARTIES

The Company is exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Halma group of Companies.

20. ULTIMATE PARENT COMPANY

The ultimate parent Company of Keeler Limited and the parent of the only group for which consolidated accounts are prepared which include the Company is Halma p.l.c. The accounts of Halma p.l.c. can be obtained from the Company Secretary, Misbourne Court, Rectory Way, Amersham, Bucks, HP7 0DE.