

# EMD Drive Systems Limited

Registered number 00886763

## Directors' report and financial statements

For the period ended 30 June 2009

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# EMD DRIVE SYSTEMS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	J A C Levine (appointed 22 August 2008) S G Siggs (appointed 28 November 2008) J C Richardson (resigned 22 August 2008) I Fisher (resigned 22 August 2008) A O Fischer (resigned 22 August 2008) A T Fletcher (resigned 22 August 2008) G Howell (resigned 28 November 2008)
<b>Company secretary</b>	S Siggs
<b>Company number</b>	00886763
<b>Registered office</b>	490-492 Wallisdown Road Bournemouth Dorset BH11 8PU
<b>Auditors</b>	Mazars LLP Chartered Accountants & Registered Auditors 8 New Fields 2 Stinsford Road Nuffield Poole Dorset BH17 0NF
<b>Solicitors</b>	Steele Raymond LLP Richmond Point 43 Richmond Hill Bournemouth Dorset BH2 6LR

# **EMD DRIVE SYSTEMS LIMITED**

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# **EMD DRIVE SYSTEMS LIMITED**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2009**

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The directors present their report and the financial statements for the period ended 30 June 2009

### **Statement of directors' responsibilities**

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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,
- 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 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.

### **Principal activities**

The company extended its year end to 30 June 2009 and these accounts represent an 18 month period. The principal activity of the company continued to be the manufacture of small electric motors and geared units.

# **EMD DRIVE SYSTEMS LIMITED**

## **DIRECTORS' REPORT**

**FOR THE PERIOD ENDED 30 JUNE 2009**

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### **Business review**

The financial period was notable for the sudden and well-documented economic downturn as well as the purchase of EMD Drive Systems Limited ('EMD') by Parvalux Electric Motors Limited ('Parvalux'). Following the August 2008 purchase of EMD, the Board of Directors took the decision to close the EMD site in Halstead, Essex, and to relocate the legal entity and the trading business to the Parvalux headquarters in Bournemouth, Dorset, by the close of February 2009, the legal entity and trading business had been successfully relocated. EMD incurred exceptional costs in re-instating the business within the financial period, the costs incurred within this period fell within management expectations.

EMD's financial period was extended to eighteen months to bring the financial year-end into line with Parvalux. In general terms, sales revenues were depressed due to weakened trading conditions. Whilst the fall was unprecedented and sustained, the business did not lose customers during this period. The management took the decision to sustain both indirect and direct costs in part to absorb the EMD business as well as to ensure the sustained recovery of the business post-acquisition.

Under prior ownership, EMD utilised currency instruments which, along with a significant change in USD and Euro versus sterling, exposed the business post-acquisition to a significant forex charge to the profit and loss account. The net operating profit of £4K reflects both the impact of this negative forex movement as well as the depressed trading conditions.

The business incurred an exceptional cost of £614K as a direct result of the factory relocation to Bournemouth and therefore can be considered a one-off event.

Whilst EMD remains an independent entity to Parvalux, the business now enjoys a combined infrastructure across all key functions. Of particular note was the talent retention of EMD employees which has facilitated a management structure that is split 50/50 between the Parvalux and EMD entities. Therefore the competitive strength of the business has taken a significant step-forward.

The next financial period is expected to stabilise with perhaps a small increase in revenues. However, the management are particularly optimistic regarding long-term growth as a result of the combined infrastructure as well as the positive impact of the combined sales channel of both brands. In particular, we expect profitability to resume immediately as a result of tight cost controls following the integration period.

### **Results**

The loss for the period, after taxation, amounted to £253,640 (2007 - profit £483,877)

### **Directors**

The directors who served during the period were

J A C Levine (appointed 22 August 2008)  
S G Siggs (appointed 28 November 2008)  
J C Richardson (resigned 22 August 2008)  
I Fisher (resigned 22 August 2008)  
A O Fischer (resigned 22 August 2008)  
A T Fletcher (resigned 22 August 2008)  
G Howell (resigned 28 November 2008)

# **EMD DRIVE SYSTEMS LIMITED**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2009**

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### **Government grants**

EMD Drive Systems Limited took part in a Government funded research project in a consortium of academia, industrial and commercial partners. EMD's involvement was through "contribution in kind" (manpower and consumables) for which it received a nominal contribution in the period of £17,000, towards expenses. EMD incurred no financial liability to the Government or its consortium partners through participation in this project.

### **Provision of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

### **Auditors**

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 29 March 2010 and signed on its behalf



**S G Siggs**  
Director

# **EMD DRIVE SYSTEMS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EMD DRIVE SYSTEMS LIMITED**

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We have audited the financial statements of EMD Drive Systems Limited for the period ended 30 June 2009, 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**

As described in the Statement of directors' responsibilities, the company's directors' are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, whether the financial statements are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' report is consistent with the financial statements. We also 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 transactions with the company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatement 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 judgements 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.

# EMD DRIVE SYSTEMS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EMD DRIVE SYSTEMS LIMITED

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### 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 30 June 2009 and of its loss for the period 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

Mazars LLP

### Mazars LLP

Chartered Accountants  
Registered Auditors  
8 New Fields  
2 Stinsford Road  
Nuffield  
Poole  
Dorset  
BH17 0NF

Date 30 March 2010



# EMD DRIVE SYSTEMS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2009

	Note	18 months ended 30 June 2009 £	31 December 2007 £
<b>Turnover</b>	<b>1,2</b>	11,272,223	7,895,106
Cost of sales		(9,548,837)	(6,177,035)
<b>Gross profit</b>		1,723,386	1,718,071
Selling and distribution costs		(87,092)	(46,396)
Administrative expenses		(1,632,474)	(1,159,008)
<b>Operating profit</b>	<b>3</b>	3,820	512,667
<b>Exceptional items</b>			
Other exceptional items	<b>7</b>	(614,700)	-
<b>(Loss)/profit on ordinary activities before interest</b>		(610,880)	512,667
Interest receivable		277,007	137,210
Interest payable	<b>6</b>	(48)	-
<b>(Loss)/profit on ordinary activities before taxation</b>		(333,921)	649,877
Tax on (loss)/profit on ordinary activities	<b>8</b>	80,281	(166,000)
<b>(Loss)/profit for the financial period</b>	<b>15</b>	(253,640)	483,877

All amounts relate to continuing operations

There were no recognised gains and losses for 2009 or 2007 other than those included in the Profit and loss account

The notes on pages 8 to 18 form part of these financial statements

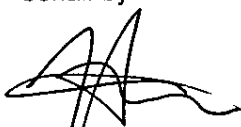
# EMD DRIVE SYSTEMS LIMITED

Registered number 00886763

## BALANCE SHEET AS AT 30 JUNE 2009

	Note	£	30 June 2009 £	31 December 2007 £
<b>Fixed assets</b>				
Tangible fixed assets	9		560,711	683,285
<b>Current assets</b>				
Stocks	10	1,769,226		1,166,149
Debtors	11	6,201,186		5,614,727
Cash at bank and in hand		390,672		926
		<u>8,361,084</u>		<u>6,781,802</u>
<b>Creditors' amounts falling due within one year</b>	12	<u>(2,810,053)</u>		<u>(1,099,705)</u>
<b>Net current assets</b>			5,551,031	5,682,097
<b>Total assets less current liabilities</b>			<u>6,111,742</u>	<u>6,365,382</u>
<b>Capital and reserves</b>				
Called up share capital	14		101,000	101,000
Share premium account	15		2,436,149	2,436,149
Other reserves	15		-	885
Profit and loss account	15		<u>3,574,593</u>	<u>3,827,348</u>
<b>Shareholders' funds</b>	16		<u>6,111,742</u>	<u>6,365,382</u>

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



**J A C Levine**  
Director



**S G Siggs**  
Director

Date 29 March 2010

The notes on pages 8 to 18 form part of these financial statements

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

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### 1 Accounting policies

#### 1.1 Basis of preparation of financial statements

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

#### 1.2 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

#### 1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	-	12.5%	straight line
Motor vehicles	-	25%	straight line
Fixtures & fittings	-	15%	straight line
Tools and moulds	-	25%	straight line
Computer equipment	-	33%	straight line

#### 1.5 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

#### 1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

# **EMD DRIVE SYSTEMS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009**

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### **1 Accounting policies (continued)**

#### **1.7 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

#### **1.8 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

#### **1.9 Research and development**

Research and development costs are written off to the Profit and loss account as incurred

#### **1.10 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred

#### **1.11 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 2. Turnover

A geographical analysis of turnover is as follows

	18 months ended 30 June 2009 £	31 December 2007 £
United Kingdom	3,857,290	3,811,416
Rest of European Union	6,084,190	3,769,075
Rest of world	1,330,743	314,615
	<u>11,272,223</u>	<u>7,895,106</u>

### 3. Operating profit

The operating profit is stated after charging

	18 months ended 30 June 2009 £	31 December 2007 £
Depreciation of tangible fixed assets		
- owned by the company	290,275	171,124
Auditors' remuneration	16,500	20,450
Operating lease rentals		
- plant and machinery	90,689	90,000
Difference on foreign exchange	178,644	5,613
	<u>555,108</u>	<u>287,187</u>

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 4. Staff costs

Staff costs, including directors' remuneration, were as follows

	18 months ended 30 June 2009 £	31 December 2007 £
Wages and salaries	2,530,739	1,920,000
Social security costs	252,823	169,282
Other pension costs	133,440	107,409
	<u>2,917,002</u>	<u>2,196,691</u>

The average monthly number of employees, including the directors, during the period was as follows

	18 months ended 30 June 2009 No	31 December 2007 No.
Management	4	4
Production and selling	64	87
	<u>68</u>	<u>91</u>

### 5 Directors' remuneration

	18 months ended 30 June 2009 £	31 December 2007 £
Emoluments	<u>182,702</u>	<u>104,000</u>
Company pension contributions to money purchase pension schemes	<u>8,067</u>	<u>8,000</u>

During the period retirement benefits were accruing to 1 director (2007 - 1) in respect of money purchase pension schemes

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 6. Interest payable

	18 months ended 30 June 2009 £	31 December 2007 £
On bank loans and overdrafts	48	-

### 7. Exceptional items

	18 months ended 30 June 2009 £	31 December 2007 £
Reorganisation and restructuring costs	614,700	-

During the year the company closed its operation in Halstead and moved to Bournemouth and as a result restructuring of the company occurred

### 8 Taxation

	18 months ended 30 June 2009 £	31 December 2007 £
<b>Analysis of tax charge in the period/year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on (loss)/profit for the period/year	-	66,000
<b>Deferred tax</b> (see note 13)		
Origination and reversal of timing differences	(80,281)	100,000
<b>Tax on (loss)/profit on ordinary activities</b>	<b>(80,281)</b>	<b>166,000</b>

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 8 Taxation (continued)

#### Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than (2007 - lower than) the standard rate of corporation tax in the UK (28%) The differences are explained below

	18 months ended 30 June 2009 £	31 December 2007 £
(Loss)/profit on ordinary activities before tax	(333,921)	649,877
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2007 - 30%)	(93,498)	194,963
<b>Effects of.</b>		
Expenses not deductible for tax purposes	6,391	(37,963)
Capital allowances for period/year in excess of depreciation	(41,781)	(80,000)
Fixed asset loss on disposal	24,336	-
Losses carried forward	104,552	-
Adjustments to tax charge in respect of prior periods	-	(11,000)
<b>Current tax charge for the period/year (see note above)</b>	-	66,000

#### Factors that may affect future tax charges

The company has approximately £373,000 tax losses carried forward to use against future profits



# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 9 Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Furniture, fittings and equipment £	Total £
<b>Cost</b>				
At 1 January 2008	2,285,290	10,577	154,916	2,450,783
Additions	233,007	-	26,393	259,400
Disposals	(118,004)	(10,577)	(75,014)	(203,595)
At 30 June 2009	2,400,293	-	106,295	2,506,588
<b>Depreciation</b>				
At 1 January 2008	1,670,620	220	96,658	1,767,498
Charge for the period	251,445	3,300	35,530	290,275
On disposals	(47,787)	(3,520)	(60,589)	(111,896)
At 30 June 2009	1,874,278	-	71,599	1,945,877
<b>Net book value</b>				
At 30 June 2009	526,015	-	34,696	560,711
At 31 December 2007	614,670	10,357	58,258	683,285

### 10 Stocks

	30 June 2009 £	31 December 2007 £
Raw materials	1,125,142	803,702
Work in progress	574,366	271,120
Finished goods and goods for resale	69,718	91,327
	1,769,226	1,166,149

### 11. Debtors

	30 June 2009 £	31 December 2007 £
Trade debtors	1,036,676	707,885
Amounts owed by group undertakings	4,828,938	4,657,322
Other debtors	61,716	-
Prepayments and accrued income	11,170	67,115
Deferred tax asset (see note 13)	262,686	182,405
	6,201,186	5,614,727

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 12. Creditors. Amounts falling due within one year

	30 June 2009 £	31 December 2007 £
Bank loans and overdrafts	29,927	143,746
Trade creditors	913,740	429,312
Amounts owed to group undertakings	1,609,558	37,232
Corporation tax	-	76,756
Social security and other taxes	26,651	65,000
Other creditors	4,141	-
Accruals and deferred income	226,036	347,659
	<u>2,810,053</u>	<u>1,099,705</u>

The bank facilities were guaranteed at the balance sheet date by Mortgage Debenture dated 15 August 2008, incorporating a fixed and floating charge over the company's current and future assets. Since the year end this guarantee has been released.

The company has an Inter Company Guarantee for the facilities with Parvalux Electric Motors Limited.

### 13 Deferred tax asset

	30 June 2009 £	31 December 2007 £
At beginning of period/year	182,405	282,405
Released during/(charged for) period/year	80,281	(100,000)
At end of period/year	<u>262,686</u>	<u>182,405</u>

The deferred tax asset is made up as follows

	30 June 2009 £	31 December 2007 £
Accelerated capital allowances	158,134	178,405
Tax losses carried forward	104,552	4,000
	<u>262,686</u>	<u>182,405</u>

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 14 Share capital

	30 June 2009 £	31 December 2007 £
<b>Authorised</b>		
150,000 Ordinary shares of £1 each	150,000	150,000
<b>Allotted, called up and fully paid</b>		
101,000 Ordinary shares of £1 each	101,000	101,000

### 15. Reserves

	Share premium account £	Other reserves £	Profit and loss account £
At 1 January 2008	2,436,149	885	3,827,348
Loss for the period			(253,640)
Movement on other reserves		(885)	
Transfer between reserves			885
At 30 June 2009	2,436,149	-	3,574,593

### 16 Reconciliation of movement in shareholders' funds

	30 June 2009 £	31 December 2007 £
Opening shareholders' funds	6,365,382	5,881,356
(Loss)/profit for the period/year	(253,640)	483,877
Share premium on shares issued (net of expenses)	-	149
Closing shareholders' funds	6,111,742	6,365,382

### 17 Contingent liabilities

The directors have confirmed that there were no contingent liabilities as at 30 June 2009

### 18 Capital commitments

At 30 June 2009 the company had capital commitments as follows

	30 June 2009 £	31 December 2007 £
Contracted for but not provided in these financial statements	-	7,000

# EMD DRIVE SYSTEMS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009

### 19 Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £133,440 (2007 - £138,000). Contributions totalling £4,141 (2007 - £10,000) were payable to the fund at the balance sheet date and are included in creditors.

### 20 Operating lease commitments

At 30 June 2009 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	30 June 2009	31 December 2007	30 June 2009	31 December 2007
	£	£	£	£
<b>Expiry date</b>				
Within 1 year	2,100	-	17,571	-
Between 2 and 5 years	-	90,000	12,150	20,000

### 21 Forward exchange contracts

The company purchases forward foreign currency contracts to hedge currency exposure on firm future transactions. The fair value of the derivatives held at the balance sheet date, determined by reference to their market value, are as follows:

	2009 £	2007 £
Forward foreign currency contracts	60,646	-

The gains and losses on these contracts are not recognised until the contracts mature. Such gains and losses are recognised in the profit and loss account.

### 22 Related party transactions

During the year the company entered into the following transactions with its group companies prior to its acquisition by the Parvalux Limited group -

Loan repayments received from Rubicon Partners Industries LLP £1,071,675, the company's ultimate parent company until 22 August 2008.

Loan interest received totalling £277,007, purchases of £118,067 and loan repayment received from Vector Industries Limited, the company's fellow subsidiary until 22 August 2008.

Purchases made of £168,459 from W H Boddington & Co Ltd, the company's fellow subsidiary until 22 August 2008.

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transaction with group companies from the 22 August 2008 on the grounds that these are transactions within the group whose consolidated financial statements are publicly available.

# **EMD DRIVE SYSTEMS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2009**

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### **23 Ultimate parent undertaking and controlling party**

The company is a wholly owed subsidiary of its immediate parent company Minortravel Limited, a company incorporated in England and Wales. The ultimate parent company is Parvalux Limited, a company incorporated in England and Wales, which is the largest group in which the results of the company are consolidated.

The directors control the day to day activities of the company. The ultimate controlling parties are the Clark Trusts which together own the majority of Parvalux Limited.