Company Registration No. 01069143

Volumatic Limited

Report and Financial Statements

52 week period ended 2 April 2011

Volumatic Limited

REPORT AND FINANCIAL STATEMENTS 2011

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Volumatic Limited

REPORT AND FINANCIAL STATEMENTS 2011

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS
J M Summerfield
D M Johnson
C P Amos
N A Quinn
J W Harris

SECRETARY
J M Summerfield

REGISTERED OFFICE
Taurus House
Endemere Road
Coventry

BANKERS
HSBC plc
422 Foleshill Road
Coventry

AUDITORS
Deloitte LLP
Reading

Volumatic Limited

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the 52 week period ended 2 April 2011

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The company is a wholly owned subsidiary of Halma p l c and operates as part of the group's Safety Sensors Division

The company's principal activities are the assembly, servicing and distribution of intelligent cash handling products to the banking, leisure and retail industries in the UK, Europe and USA The company continues to focus on developing products and services that reduce the costs and increase the security of handling cash 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 period

The company continues to invest in research and development 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 increased by 104% as a consequence of sales of a newly launched product

We ended the year with a strong balance sheet and net cash of £552,702 as shown by the Balance Sheet on page 7 of the financial statements Details of amounts owed to the parent company are shown in note 17 on page 17 Details of amounts owed by other group companies are shown in note 16 on page 17 Halma p l c manages its operations 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 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 pressure in the company's key markets 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 in handling all customer queries, and by maintaining strong relationships with customers

Some of the company's sales in Europe are made in Euros and it is therefore exposed to the movement in the Euro to Pound exchange rate Similarly, some of the company's sales in the USA are made in US Dollars and is therefore exposed to the movement in the US Dollar to Pound exchange rate Forward contracts are taken out to manage this exposure where significant

Group risks are discussed in Halma p l c's Annual Report which does not form part of this Report

GOING CONCERN

The current economic conditions create uncertainty over the level of demand for the company's products The company has net 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) 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 Thus, the directors continue to adopt the going concern basis in preparing the annual report and accounts

RESULTS AND DIVIDENDS

The profit and loss account shows a profit before taxation of £1,393,278 (2010 profit of £22,947) and the profit after taxation of £1,031,246 (2010 loss of £15,848) The directors have recommended the payment of an interim dividend of £1,000,000 (2010 £nil)

Volumatic Limited

DIRECTORS' REPORT (CONTINUED)

SUBSEQUENT EVENTS

On 20 May 2011, the company purchased its offices from its parent company, Halma plc, for £515,000

ENVIRONMENT

Halma p l c 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 The company operates an environmental management system that meets the requirements of ISO 14001 2004 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 10 to the financial statements on page 14

FUTURE PROSPECTS

The directors expect to take advantage of the company's existing product range and also new products under development

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

AUDITORS

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

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all the steps they ought to have taken as a director in order to make themselves aware of relevant audit information and to establish that the company's auditors are aware of the information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have 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 M Summerfield

Secretary
27 July 2011

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) 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 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, 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VOLUMATIC LIMITED

We have audited the financial statements of Volumatic Limited for the 52 week period ended 2 April 2011 which comprise the Profit and Loss account, the Balance Sheet and the related notes 1 to 25 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 auditor's 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 auditor
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 and express an opinion on 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 In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

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 2 April 2011 and of its profit for the period 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 period for which the financial statements are prepared is consistent with the financial statements

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

Alex Butterworth

Alexander Butterworth, ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom
27 July 2011

PROFIT AND LOSS ACCOUNT
For the 52 week period ended 2 April 2011

	Note	52 Weeks ended 2 April 2011 £	£	53 Weeks ended 3 April 2010 £	£
TURNOVER	2		6,793,184		3,323,847
Cost of Sales			(4,562,069)		(2,548,030)
Gross Profit			2,231,115		775,817
Distribution costs		(71,114)		(46,973)	
Administrative expenses		(777,300)		(703,182)	
Other operating income		3,576		3,543	
			(844,838)		(746,612)
OPERATING PROFIT			1,386,277		29,205
Interest payable and similar charges	4		(4,821)		(8,029)
Interest receivable and similar income	5		11,822		1,771
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3		1,393,278		22,947
Tax on profit on ordinary activities	11		(362,032)		(38,795)
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD	21, 22		1,031,246		(15,848)

All amounts derive from continuing operations

The company has no recognised gains or losses during the current or preceding period other than those reflected in the above profit and loss account Accordingly, no statement of total recognised gains and losses is presented

Volumatic Limited

BALANCE SHEET
2 April 2011

	Note	2 April 2011 £	2 April 2011 £	3 April 2010 £	3 April 2010 £
FIXED ASSETS					
Intangible assets	13		-		85,428
Tangible assets	14		331,301		402,117
			331,301		487,545
CURRENT ASSETS					
Stocks	15	541,458		698,594	
Debtors	16	1,058,908		879,320	
Cash at bank and in hand		552,702		267,073	
		2,153,068		1,844,987	
CREDITORS: amounts falling due within one year	17	(973,921)		(853,095)	
NET CURRENT ASSETS			1,179,147		991,892
TOTAL ASSETS LESS CURRENT LIABILITIES			1,510,448		1,479,437
PROVISIONS FOR LIABILITIES AND CHARGES	18		(18,760)		(18,995)
NET ASSETS			1,491,688		1,460,442

CAPITAL AND RESERVES		**Authorised**	**Issued and fully paid**	**Authorised**	**Issued and fully paid**
CALLED UP SHARE CAPITAL					
Ordinary share capital @ £1 each		900	900	900	900
Preference shares @ £1 each	20	100	100	100	100
Called up share capital			1,000		1,000
Profit and loss account	21		1,490,688		1,459,442
SHAREHOLDERS' FUNDS	22		1,491,688		1,460,442

These financial statements of Volumatic Limited (registration number 01069143) were approved by the Board of Directors on 27 July 2011

Signed on behalf of the Board of Directors

C P Amos
Director

J M Summerfield
Director

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards The principal accounting policies are summarised below They have all been applied consistently throughout the current and preceding period

Accounting convention

The financial statements are prepared under the historical cost convention

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 enquires the directors have a reasonable expectation that despite the current economic uncertainty the company has adequate resources to continue in operational existence for foreseeable future Thus, 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 from the sale of goods is recognised when the goods are physically delivered to 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, the cost less estimated residual value of each item being written off over its estimated life The principal annual rates used for this purpose are

Plant, equipment and vehicles	8% to 20%

Residual value is calculated on prices prevailing at the date of acquisition

Product development costs

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 even if payments are not made on such a basis

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

UK Corporation 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

Foreign currency

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences are recognised in the profit and loss account in the period in which they arise except for exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments)

Derivative financial instruments

The company applies FRS 26 Financial Instruments Recognition and Measurement The company is not in scope for FRS 29 which is applicable to all entities adopting FRS 26, with the exception of subsidiary undertakings, other than banks or insurance companies, 90 per cent or more of whose voting rights are controlled within the group, provided the entity is included in publicly available consolidated financial statements which include disclosures that comply with FRS 29 The ultimate parent company, into which the results of this company are consolidated, produces disclosures that comply with IFRS7 Financial Instruments Disclosures (the IFRS equivalent to FRS 29)

The company enters into derivative financial instruments to manage its exposure to foreign exchange rate risk, including foreign exchange forward contracts Further details of derivative financial instruments are disclosed in note 6

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability The resulting gain or loss is recognised in the profit and loss account

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months Other derivatives are presented as current assets or current liabilities

Financial instruments

Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument

1. ACCOUNTING POLICIES (CONTINUED)

Financial assets

All financial assets are recognised and derecognised on a trade date basis where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned They are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through the profit and loss account, which are initially measured at fair value

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments of a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value Bank overdrafts are shown within short-term borrowings in current liabilities on the combined and consolidated statement of financial position Cash and cash equivalents in the combined and consolidated statement of cash flows and in the presentation of net debt are reflected net of overdrafts

Trade receivables

Trade receivables are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest rate method, less allowance for any impairment as appropriate The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, where the time value of money has a material impact, discounted at the effective interest rate computed at initial recognition

Trade payables

Trade payables are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest rate method

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 or defective items where appropriate

Pensions

The company makes pension contributions to the Halma group pension plan on behalf of its employees The company makes contributions to defined contribution pension plans, which are charged against profits when they become payable The company also participates in a group-wide defined benefit pension plan This plan is operated on a basis that does not enable the company to determine its share of the underlying assets and liabilities and accordingly accounts for its contributions as if it were a defined contribution plan

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

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

2. TURNOVER

The geographical analysis of the company's turnover by destination is as follows

	52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
United Kingdom	5,517,722	2,457,476
Rest of Europe	1,092,046	708,941
Rest of World	183,416	157,430
	6,793,184	3,323,847

Turnover originates from the United Kingdom and derives from a single business activity, that of the assembly, servicing and distribution of intelligent cash handling products

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This arises wholly from continuing activities, and is arrived at after charging/(crediting)

		52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
Depreciation - owned assets		183,408	188,388
Amortisation		85,428	156,127
Research and development		456,786	545,622
Auditor's remuneration	- audit fees	12,762	12,300
	- other	4,500	-
(Profit)/loss on disposal of fixed assets		(2,632)	1,954
Foreign exchange loss		18,909	1,135
Operating lease rentals	- plant and machinery	14,300	14,300

4. INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
Bank interest payable	23	501
Group loan interest payable	-	7,371
Change in fair value of derivative financial instruments	4,798	157
	4,821	8,029

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

5 INTEREST RECEIVABLE AND SIMILAR INCOME

	52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
Bank interest receivable	2,840	-
Interest on corporation tax repayment	8,982	1,771
	11,822	1,771

6. DERIVATIVE FINANCIAL INSTRUMENTS

	Carrying value	
	2011 £	2010 £
Financial assets carried at fair value through profit and loss (FVTPL)		
FX Forward contracts	-	252
Financial liabilities carried at fair value through profit and loss (FVTPL)		
FX Forward contracts	4,955	409

7. DIRECTORS' EMOLUMENTS

	52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
Aggregate emoluments (excluding pension contributions)	234,688	220,690
Pension contributions	30,441	31,541
Highest paid director	83,665	90,648
Highest paid director – accrued pension	-	-

The cost for directors who are also directors of Halma p l c is borne by Halma p l c The allocation of their remuneration in respect of services to the company is £nil (2010 £nil)

The services of one of the company's directors are provided under an agreement with the immediate holding company The total costs incurred under this agreement were £82,415 (2010 £84,000)

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

8. **PENSIONS**

The company participates in the Halma group pension plan, which operates both defined benefit and defined contribution sections The company is unable to identify its share of the underlying assets and liabilities of the defined benefit section and accordingly accounts for the defined benefit section as if it were a defined contribution section 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 Independent valuations were carried out as at 1 December 2008 and updated to 2 April 2011 by an independent qualified actuary

The assets of the scheme and the expected long-term rates of return were

Halma group pension plan	**2011**		**2010**		**2009**	
	%	**£'000**	**%**	**£'000**	**%**	**£'000**
Equities	7 50	68,168	7 75	67,007	7 50	46,148
Bonds	5 20	38,082	5 20	29,789	6 00	24,209
Property	6 00	10,937	6 75	10,099	7 50	3,026
S75 debt			-	-		2,269
Total market value of assets		117,187		106,895		75,652
Present value of scheme liabilities		(146,662)		(142,067)		(111,230)
Deficit in the scheme		(29,475)		(35,172)		(35,578)
Related deferred tax		7,664		9,848		9,962
Net pension liability		(21,811)		(25,324)		(25,616)

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

The total defined benefit pension cost of the company was £250,246 (2010 £252,151) Retirement benefits are accruing to two directors (2010 two) under this scheme

Defined Contribution Scheme
The amount charged to the income statement in respect of the defined contribution scheme was £12,382 (2010 £14,307)

9. **SHARE-BASED PAYMENTS**

The total cost recognised in the profit and loss account in respect of share-based payment schemes was £21,519 (2010 £20,233)

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

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 group's relative Total Shareholder Return against the FTSE 250 excluding financial companies, combined with an absolute Return on Total Invested Capital measure

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

9. SHARE-BASED PAYMENTS (CONTINUED)

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

	2011	2010	2009
Expected volatility (%)	27	27 5	25
Expected life (years)	3	3	3
Share price on date of grant (p)	281 08	196 9	192 75
Option price (p)	nil	nil	nil
Fair value per option (%)	66 9	61 8	56
Fair value per option (p)	188 04	121 68	107 94

The expected volatility was determined by calculating the historic volatility of the group's share price over the previous three years

10. EMPLOYEE INFORMATION

	52 weeks ended 2 April 2011 No.	53 weeks ended 3 April 2010 No.
The average number of persons employed by the company during the period (including directors) was		
Full time	27	23

Employee costs of the company (including directors) comprised	52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
Wages and salaries	912,885	836,375
Social security costs	86,552	70,953
Other pension costs	262,628	266,458
Share based payments	21,519	20,233
	1,283,584	1,194,019

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

11. TAX ON PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
Current tax		
UK corporation tax on profits of the period	361,853	53,317
Prior year adjustment	414	38,934
Current tax	362,267	92,251
Foreign tax		
Foreign tax on profits for the period	-	1,447
Prior year adjustment	-	1,350
Total current tax	362,267	95,048
Deferred tax		
Origination and reversal of timing differences	7,150	(62,151)
Effect of change in future tax rate	(1,445)	-
Adjustments in respect of previous periods	(5,940)	5,898
Total deferred tax	(235)	(56,253)
Tax charge on profit on ordinary activities	362,032	38,795

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 2 April 2011 £	53 weeks ended 3 April 2010 £
Profit on ordinary activities before tax	1,393,278	22,947
Applying standard rate of UK corporation tax (28%)	390,118	6,425
Research and development tax credit	(19,512)	(16,491)
Other permanent differences	(7,628)	(4,434)
Other timing differences	31,306	47,301
Net of depreciation and capital allowances	(32,431)	20,516
Foreign tax	-	1,447
Adjustment in respect of prior periods	414	40,284
Current UK corporation tax charge	362,267	95,048

The company earns its profits in the United Kingdom Therefore the tax rate used for tax on profit on ordinary activities is the standard rate for UK corporation tax, currently 28%

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

12. DIVIDENDS

	52 weeks ended 2 April 2011 £	53 weeks ended 3 April 2010 £
Interim dividend of £1,111 11 (2010 £nil) per ordinary share	1,000,000	-

13. INTANGIBLE FIXED ASSETS

	Development costs £
Cost	
At 4 April 2010	775,156
At 2 April 2011	775,156
Amortisation	
At 4 April 2010	689,728
Charge for the period	85,428
At 2 April 2011	775,156
Net book value	
At 2 April 2011	-
At 3 April 2010	85,428

14. TANGIBLE FIXED ASSETS

	Plant, equipment and vehicles £
Cost	
At 4 April 2010	1,804,574
Additions	115,160
Disposals	(33,165)
At 2 April 2011	1,886,569
Accumulated depreciation	
At 4 April 2010	1,402,457
Charge for the period	183,408
Disposals	(30,597)
At 2 April 2011	1,555,268
Net book value	
At 2 April 2011	331,301
At 3 April 2010	402,117

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

15. STOCKS

	2 April 2011 £	3 April 2010 £
Raw materials and consumables	355,612	499,605
Finished goods and goods for resale	185,846	198,989
	541,458	698,594

There is no material difference between the balance sheet value of stock and its replacement cost

16. DEBTORS

	2 April 2011 £	3 April 2010 £
Trade debtors	845,036	730,841
Amounts due from group companies	92,909	185
UK Corporation tax receivable	-	58,732
Derivative financial instruments	-	252
Prepayments and accrued income	120,963	89,310
	1,058,908	879,320

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2 April 2011 £	3 April 2010 £
Trade creditors	309,441	321,850
Amounts due to group companies	51,185	201,547
UK corporation tax payable	256,879	-
Other taxes and social security	77,211	87,064
Derivative financial instruments	4,955	409
Accruals and deferred income	274,250	242,225
	973,921	853,095

18. PROVISIONS FOR LIABILITIES AND CHARGES

	2 April 2011 £	3 April 2010 £
Accelerated capital allowances	22,706	(9,180)
Other timing differences	(3,946)	28,175
Provision for deferred tax	18,760	18,995

Deferred tax liabilities have not been discounted

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

18. PROVISIONS FOR LIABILITIES AND CHARGES (CONTINUED)

The movement on deferred taxation comprises

	£
At 4 April 2010	18,995
Credited to profit and loss (Note 11)	(235)
At 2 April 2011	18,760

The amount of deferred tax that has not been provided is £nil (2010 £nil)

19. COMMITMENTS

Capital commitments

Capital expenditure authorised and contracted at 2 April 2011, but not provided in these accounts amounts to £nil (2010 £nil)

Commitments under operating leases

At 2 April 2011 the company had annual commitments under non-cancellable operating leases expiring as follows

	Plant and machinery	
	2 April 2011 £	3 April 2010 £
Within two to five years	14,300	14,300

20. PREFERENCE SHARES

The preference shares are presented as equity and included as called-up share capital in the balance sheet as the shares are non-convertible, irredeemable and there is no obligation to pay dividends to the preference shareholders

21 RESERVES

	Profit & loss account £
At 3 April 2010	1,459,442
Profit for the financial period	1,031,246
Dividend paid on ordinary shares	(1,000,000)
At 2 April 2011	1,490,688

NOTES TO THE ACCOUNTS
52 week period ended 2 April 2011

22. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2 April 2011 £	3 April 2010 £
Opening shareholder's funds	1,460,442	1,476,290
Profit/(loss) for the financial period	1,031,246	(15,848)
Dividends paid on ordinary shares	(1,000,000)	-
Net movement in shareholders' funds	31,246	(15,848)
Closing shareholders' funds	1,491,688	1,460,442

23. CASH FLOW STATEMENT AND RELATED PARTIES

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)

The company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Halma group of companies

24. ULTIMATE PARENT COMPANY

The ultimate parent company and controlling party of Volumatic Limited and the parent company 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

25. SUBSEQUENT EVENTS

On 20 May 2011, the company purchased its offices from its parent company, Halma plc, for £515,000