

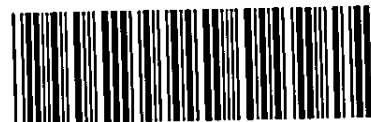
BURNFIELD LIMITED

Directors' report and financial statements

Year ended 31 December 2007

Registered number 1522736
Registered in England

MONDAY



LG8XZ4BK

LD4

27/10/2008

35

COMPANIES HOUSE

Contents	Page
Directors' report	1
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	2
Independent Auditor's Report to the members of Burnfield Limited	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6

Directors' report

The directors present their report and the financial statements for the year ended 31 December 2007

Activities

The principal activity of the Company is that of an investment company, and one month activity relating to the manufacture, sale and servicing of machinery, testing systems and instrumentation for use in the cable and extrusion industries and the associated distribution of related spares

Results and Dividends

The company made a profit after taxation in the year of £927,000 (2006 £1,751,000)

Dividends of £25,500,000 were paid in the year (2006 £39,100,000)

On 8th January 2007 Burnfield Limited acquired certain of the trade and assets of Beta Lasermike Limited for a consideration of £5,895,000 and then sold the trade and assets to Beta Lasermike Inc on 1st February 2007 for a consideration of £5,895,000. All amounts were settled in debt and no significant gain or loss arose on this transaction

Directors

The directors who held office during the year were

Stephen Harris (resigned 31 01 08)
James Webster
Roger Stephens

Disclosure of information to auditors

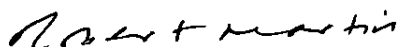
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Annual general meeting

In accordance with Section 366A of the Companies Act 1985, the Company has elected to dispense with the holding of Annual General Meetings

Pursuant to section 386 of the Companies Act 1985, a resolution has been passed that has resulted in the company not being required to reappoint its auditors annually

By order of the Board



Robert Martin
Company Secretary

23 October 2008

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgements and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the members of Burnfield Limited

We have audited the financial statements of Burnfield Limited for the year ended 31 December 2007 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 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 2.

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 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 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 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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year 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.

KPMG Audit Plc

27 October 2008

KPMG Audit Plc
Chartered Accountants
Registered Auditor

8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Profit and Loss Account

For the year ended 31 December 2007

	Note	2007 £000	2007 £000	2006 £000
Turnover				
Continuing operations		-		-
Discontinuing operations	2	<u>625</u>		-
			625	-
Cost of sales				
Continuing operations		-		-
Discontinuing operations		<u>(326)</u>		-
			(326)	-
Gross profit			<u> </u>	<u> </u>
Continuing operations		-		-
Discontinuing operations		<u>299</u>		-
			299	-
Distribution expenses				
Continuing operations		-		-
Discontinuing operations		<u>(165)</u>		-
			(165)	
Administrative expenses				
Continuing operations		-		(48)
Discontinuing operations		<u>(33)</u>		-
			(33)	
Operating profit/(loss)			<u> </u>	<u> </u>
Continuing operations		-		(48)
Discontinuing operations		<u>101</u>		-
			101	
Profit/loss on sale of a discontinued operation	6		-	-
Interest receivable and similar charges	7		1,381	2,490
Interest payable and similar charges	8		(44)	(21)
			<u> </u>	<u> </u>
Profit on ordinary activities before taxation			1,438	2,421
Tax on profit on ordinary activities	9		(511)	(670)
			<u> </u>	<u> </u>
Profit for the financial year			<u>927</u>	<u>1,751</u>

There were no recognised gains or losses in the period other than those which have been dealt with in the profit and loss account and accordingly a statement of total recognised gains and losses is not presented

Balance Sheet

As at 31 December 2007

	Note	2007 £000	2006 £000
Fixed assets			
Intangible assets	10	-	-
Tangible assets	11	-	-
		<u>-</u>	<u>-</u>
Current assets			
Debtors	12	4,491	30,367
Cash at bank		828	4
		<u>5,319</u>	<u>30,371</u>
Current liabilities			
Creditors amounts falling due within one year	13	<u>(511)</u>	<u>(663)</u>
Net current assets		4,808	29,708
Provisions for liabilities and charges	14	-	(327)
Net assets		<u><u>4,808</u></u>	<u><u>29,381</u></u>
 Capital and reserves			
Called up share capital	15	3,549	3,549
Share premium account	16	678	678
Other reserves	16	-	24,321
Profit and loss account	16	581	833
Shareholders' funds		<u><u>4,808</u></u>	<u><u>29,381</u></u>

The financial statements were approved by the Board of Directors and were signed on its behalf by



James Webster
Director

23 October

2008

Notes to the financial statements

1. Accounting policies

Basis of preparation

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

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of Spectris plc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties) The consolidated financial statements of Spectris plc, within which this company is included, can be obtained from the address given in note 18

Foreign Currency Transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction Monetary assets and liabilities recorded in foreign currencies are translated into sterling at the rates ruling at the balance sheet date and the foreign exchange differences arising on retranslation are recognised in the profit and loss account

Intangible Assets

Intangible assets that are acquired by the group are stated at cost less accumulated amortisation and impairment losses Amortisation of intangible assets is charged to administrative expenses in the income statement on a straight-line basis over the estimated useful lives of intangible assets The estimated useful lives are as follows

Other intangible assets	3 to 10 years
-------------------------	---------------

Research and development

Development costs on clearly defined development projects, the outcome of which has been assessed with reasonable certainty, are capitalised as intangible assets, to the extent that their recovery can be assured, and amortised over their useful economic lives, all other research and development expenditure is written off as incurred

Tangible Assets

Tangible fixed assets are depreciated at rates calculated to write off the original cost, less the estimated residual value, in equal instalments over the expected useful life of the assets concerned

Depreciation is provided at the following rates on a straight line basis

Plant, computer and other equipment	10-33% per annum
Motor vehicles and fixtures and fittings	10-25% per annum

Stocks

Stocks are valued at the lower of cost and net realisable value Cost comprises raw materials, direct labour and attributable manufacturing overheads where appropriate Net realisable value represents the estimated selling price less the costs of completion, marketing, selling and distribution

Turnover

Turnover comprise sales to outside customers after discounts and excluding value added tax

Revenue from the sale of goods is recognised in the income statement when the significant risk and rewards of ownership of the goods have been transferred to the customer For contracts which involve a significant element of installation or testing of equipment, revenue is recognised at the point of customer acceptance Revenue from services rendered is recognised in the income statement in proportion to the measurement of the stage of completion of services rendered as at the balance sheet date Rental income is recognised in the income statement on a straight-line basis over the term of the agreement Revenue is not recognised if there are significant uncertainties regarding recovery of the consideration due

Notes to the financial statements (continued)

Interest

Interest payable comprises the interest payable on borrowings calculated using the effective interest method

Interest receivable and payable is recognised in the income statement as it accrues using the effective interest method

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Notes to the financial statements (continued)

2 Turnover

Turnover represents the invoiced amount of goods sold, excluding value added tax

3 Remuneration of directors

The directors received no remuneration in respect of activities performed for the company during the year

4 Remuneration of auditor

The audit fee of £2,100 (2006 £2,000) has been borne by the ultimate parent company, Spectris plc

5 Remuneration of employees

The actual number of persons employed for 1 month were as follows

	2007	2006
Factory	8	-
Sales and administration	26	-
	<u>34</u>	<u>-</u>

The aggregate payroll costs are as follows

	2007 £000	2006 £000
Wages and salaries	62	-
Social security costs	13	-
Other pension costs	1	-
	<u>76</u>	<u>-</u>

6 Acquisition and disposal of trade and assets

On 8th January 2007 Burnfield Limited acquired certain of the trade and assets of Beta Lasermike Limited for a consideration of £5,895,000 and then sold the trade and assets to Beta Lasermike Inc on 1st February 2007 for a consideration of £5,895,000. All amounts were settled in debt and no significant gain or loss arose on this transaction

	2007 £000	2006 £000
Net assets acquired and disposed		
Intangible fixed assets (see note 10)	213	-
Tangible fixed assets (see note 11)	60	-
Inventories	698	-
Trade and other receivables	1,612	-
Net assets acquired	<u>2,583</u>	<u>-</u>
Goodwill (see note 10)	3,312	-
Total consideration	<u>5,895</u>	<u>-</u>

7 Interest receivable and similar charges

	2007 £000	2006 £000
Interest receivable from group undertakings	1,375	2,488
Other interest receivable	6	2
	<u>1,381</u>	<u>2,490</u>

Notes to the financial statements (continued)

8 Interest payable and similar charges	2007	2006
	£000	£000
Other interest payable	<u>(44)</u>	<u>(21)</u>
9 Tax on profit on ordinary activities	2007	2006
	£000	£000
Analysis of charge in the period		
<i>UK Corporation Tax</i>		
Current tax on income for the year at 30% (2006 30%)	511	617
Adjustments in respect of prior periods	-	53
Tax charge on profit on ordinary activities	<u>511</u>	<u>670</u>

The company carries forward non-trading capital losses of £5,155,000 (2006 £8,466,000). No deferred tax asset is recognised for these losses as there is insufficient evidence to support their future recoverability.

The current tax charge is higher (2006 lower) than the standard rate of corporation tax in the UK. The difference is explained below:

Profit on ordinary activities before tax	<u>1,438</u>	<u>2,421</u>
Current tax charge at 30% (2006 30%)	431	726
Taxable gain on transfer of business	178	-
Capital Allowances	(98)	-
Utilisation of tax losses	-	(109)
Adjustments to tax charge in respect of prior periods	-	53
Current tax charge	<u>511</u>	<u>670</u>

Factors that may affect future tax charges

The UK corporation tax rate will fall from 30% to 28% with effect from 1 April 2008.

10 Intangible fixed assets

	Goodwill	Other Intangible	Total
	£000	£000	£000
Cost			
At 1 January 2007	-	-	-
Additions	3,312	213	3,525
Disposals	<u>(3,312)</u>	<u>(213)</u>	<u>(3,525)</u>
At 31 December 2007	<u>-</u>	<u>-</u>	<u>-</u>
Amortisation			
At 1 January 2007 and 31 December 2007	<u>-</u>	<u>-</u>	<u>-</u>
Net book value			
At 31 December 2007 and 31 December 2006	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

11. Tangible fixed assets

	Plant and equipment	Total
	£000	£000
Cost		
At 1 January 2007	-	-
Additions	60	60
Disposals	(60)	(60)
At 31 December 2007	<u>-</u>	<u>-</u>
Depreciation		
At 1 January 2007 and 31 December 2007	<u>-</u>	<u>-</u>
Net book value		
At 31 December 2007 and 31 December 2006	<u>-</u>	<u>-</u>

12 Debtors	2007	2006
	£000	£000
Amounts owed by group undertakings	4,491	30,275
Prepayments and accrued income	-	92
	<u>4,491</u>	<u>30,367</u>

13 Creditors - amounts falling due within one year	2007	2006
	£000	£000
Amounts owed to group undertakings	-	663
Corporation tax	511	-
	<u>511</u>	<u>663</u>

14 Provisions for liabilities and charges	2007	2006
	£000	£000
At 1 January	327	415
Charged during the year	14	69
Transfer to group company	(284)	-
Utilised during the year	(57)	(157)
At 31 December	<u>-</u>	<u>327</u>

Provisions relate to an onerous lease contract

Notes to the financial statements (continued)

15 Share capital

	Number of shares	£000
Authorised		
Ordinary shares of 10p each at 1 January and 31 December 2007	<u>50,000,000</u>	<u>5,000</u>
Issued and fully paid		
Balance at 1 January and 31 December 2007	<u>35,492,715</u>	<u>3,549</u>

16 Reserves

	Share Premium £000	Other Reserves £000	Profit and Loss £000	Total £000
At 1 January 2007	678	24,321	833	25,832
Profit for the financial year	-	-	927	927
Dividends paid	-	(24,321)	(1,179)	(25,500)
At 31 December 2007	<u>678</u>	<u>-</u>	<u>581</u>	<u>1,259</u>

Other reserves relate to a Capital Redemption Reserve. The reserve was created by eliminating the company's Share Premium Account, and for the purpose of writing off goodwill on acquisition following the company's acquisition of Malvern Instruments in 1992. All external restrictions that might have prevented this reserve from being distributable were removed during the year.

17 Reconciliation of movements in equity shareholders' funds

	2007 £000	2006 £000
Opening equity shareholders' funds	29,381	66,730
Profit for the financial year	927	1,751
Dividends paid	(25,500)	(39,100)
Closing equity shareholders' funds	<u>4,808</u>	<u>29,381</u>

18 Ultimate holding company

The company's ultimate holding company is Spectris plc, which is incorporated in Great Britain and registered in England. Copies of Spectris plc financial statements can be obtained from

Spectris plc
Station Road
Egham
Surrey
TW20 9NP