

Schenck Test Automation Limited

Annual report and financial statements
for the year ended 31 December 2009

Registered number 01676643

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COMPANIES HOUSE

The directors present their annual report together with the audited financial statements for the year ended 31 December 2009. The directors' report has been prepared in accordance with Section 417 of the Companies Act 2006.

Principal activities

The company did not trade during 2009.

Review of business and future developments

The company generated a profit of £nil before taxation (2008 – profit before taxation of £53,726). The company ceased trading as at 31 December 2008.

At 31 December 2008 all trading assets and liabilities of Schenck Test Automation Limited were hived up to a sister company, Schenck Limited. There will be no further trade within Schenck Test Automation going forward. As a result of this, the accounts are no longer prepared on a going concern basis. The company was in a net assets position at 31 December 2009.

Results and dividends

The retained profit after taxation for the year of £nil (2008 – profit of £208,090). The directors paid a dividend of £nil (2008 - £344,130).

Creditors payment policy

It is the company policy that payments to suppliers are made in accordance with the terms and conditions under which the business transactions are agreed, provided that the supplier is also complying with all relevant terms and conditions.

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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,
- 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.

Schenck Test Automation Limited
Directors' report (continued)
For the year ended 31 December 2009

Directors and their interests

The directors who served during the year and subsequently were as follows

E Trucks (Chairman)
R R Fulton

Donations

No charitable or political donations were made in either 2009 or 2008

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware. Having made enquiries of fellow directors and the company's auditors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The directors have an elective resolution in place which dispenses with the need to hold an Annual General Meeting and appoint auditors annually.

On behalf of the Board,



R R Fulton
Company Secretary

Broxell Close
Warwick
CV34 5QF

Dated 15 March 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCHENCK TEST AUTOMATION LIMITED

We have audited the financial statements of Schenck Test Automation Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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 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 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 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.

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 31 December 2009 and of its result for the year 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 year 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.

Ernst & Young LLP

Nigel Meredith (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

Date *17 March 2010*

Schenck Test Automation Limited
Profit and Loss Account
As at 31 December 2009

	Notes	2009 £	2008 £
Turnover	2	-	15,000
Other operating income		-	25,695
Operating profit	3	-	40,695
Interest receivable	5	-	13,031
Profit on ordinary activities before taxation		-	53,726
Taxation	6	-	154,364
Profit on ordinary activities after taxation and attributable to the members	10	-	208,090

All operations of the company are discontinued activities

The company has no recognised gains or losses other than those included in the results above, and therefore no separate statement of total recognised gains or losses has been presented

There is no difference between the profit on ordinary activities before taxation and the retained profit for the years stated above, and their historical cost equivalents

Schenck Test Automation Limited
 Balance Sheet
 As at 31 December 2009

	Notes	2009 £	2008 £
Current assets			
Debtors	7	120,000	120,000
		<hr/>	<hr/>
Net assets		<hr/> 120,000 <hr/>	<hr/> 120,000 <hr/>
Capital and reserves			
Called-up share capital	9	97,884	97,884
Share premium account	10	8,487	8,487
Profit and loss account	10	13,629	13,629
Equity Shareholders' funds	11	<hr/> 120,000 <hr/>	<hr/> 120,000 <hr/>

The financial statements on pages 4 to 11 were approved by the board of directors on the date shown below and signed on its behalf by



R R Fulton
 Director

Dated 15 March 2010

Schenck Test Automation Limited
Notes to the financial statements
For the year ended 31 December 2009

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year unless otherwise stated.

Basis of accounting

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

Going concern

The company ceased trading as at 31 December 2008.

At 31 December 2008 all trading assets and liabilities of Schenck Test Automation Limited were hived up to a sister company, Schenck Limited. There will be no further trade within Schenck Test Automation going forward. As a result of this, the accounts are no longer prepared on a going concern basis. The company was in a net assets position at 31 December 2009.

Turnover

Turnover includes invoiced amounts (excluding value added tax) on completed contracts and for other services rendered, except in respect of long term contracts where turnover represents the sales value of work done in the year, including estimates in respect of amounts not invoiced. Turnover in respect of long term contracts is calculated on the basis of percentage completed, which is approximated based on the level of incurred cost. Profit is recognised on long term contracts, when the final outcome can be assessed with reasonable certainty by including in the profit and loss account turnover and related costs as contract activity progresses.

Stocks and work in progress

Stocks of raw materials and consumables are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

Work in progress is stated at net cost less foreseeable losses and applicable payments on account. The excess of turnover over progress payments received and receivable is classified as amounts recoverable on contracts.

Long-term contracts

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs (as defined in Stocks above) as contract activity progresses. Turnover in respect of long term contracts is calculated on the basis of percentage completed, which is approximated based on the level of incurred cost. Profit is recognised on long term contracts, when the final outcome can be assessed with reasonable certainty by including in the profit and loss account turnover and related costs as contract activity progresses.

1 Accounting policies (continued)

Tax

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 in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only when the replacement assets are sold, and
- Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Schenck Test Automation Limited
Notes to the financial statements (continued)
For the year ended 31 December 2009

1 Accounting policies (continued)

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis

Research and development costs

Expenditure on research and development is written off in the year in which the expenditure is incurred

Foreign currencies

Trading transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the date the transaction was entered into. Monetary assets and liabilities denominated in foreign currencies and covered by forward contracts are translated into sterling at the contract rate, while other monetary assets and liabilities are translated into sterling at the exchange rate ruling at the balance sheet date. Exchange gains or losses are included in operating profit.

Pensions

The company operates a defined contribution pension scheme for its employees. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown in either accruals or prepayments in the balance sheet.

Cash flow

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

Fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value of each asset on a straight line basis over its expected useful life as follows:

Short leasehold improvements	- over the shorter of the period of the lease and its useful life
Plant and equipment	- between 5 and 10 years
Motor vehicles	- between 4 and 5 years

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

The carrying value of fixed assets is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

2 Turnover

Turnover originates from the principal activities of the company in the UK. An analysis of turnover by geographical destination is as follows:

	2009 £	2008 £
Rest of World	-	15,000
	<hr/>	<hr/>
	-	15,000

Schenck Test Automation Limited
Notes to the financial statements (continued)
For the year ended 31 December 2009

3 Operating profit

The operating profit is stated after charging/(crediting)

	2009 £	2008 £
Foreign exchange (gains) /losses	-	(577)
Auditors' remuneration - audit	-	6,220
- taxation	-	7,900
	<u>-</u>	<u>7,900</u>

4 Directors' Emoluments

The Directors did not receive any emoluments for their services to the company

5 Interest Receivable

	2009 £	2008 £
Intercompany interest receivable	-	12,916
Bank Interest receivable	-	115
	<u>-</u>	<u>13,031</u>

6 Taxation

a) Tax on profit on ordinary activities

The tax credit is made up as follows

	2009 £	2008 £
Current tax:		
UK Corporation tax (group relief)	-	(45,973)
Adjustments in respect of prior years (group relief)	-	(108,391)
Total current tax	-	(154,364)
Deferred tax		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	<u>-</u>	<u>(154,364)</u>

Schenck Test Automation Limited
Notes to the financial statements (continued)
For the year ended 31 December 2009

6 Taxation continued

b) Factors affecting the tax credit for the year

The tax (credit) on the profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK (28%) The differences are explained below -

	2009 £	2008 £
Profit on ordinary activities before tax	-	53,726
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 28.5%)	-	15,311
Effects of		
Capital allowances for the period in excess of depreciation	-	(81,712)
Other timing differences	-	20,428
Adjustments in respect of prior years	-	(108,391)
Current tax charge for year (note a)	-	(154,364)

Adjustments in respect of prior years

The 2008 adjustment related to the surrender of group relief to a sister company, Durr Limited, further to the conclusion of an HMRC enquiry within the latter company

7 Debtors

	2009 £	2008 £
Amounts owed by group undertakings	120,000	120,000

8 Dividends

	2009 £	2008 £
Dividends paid and proposed	-	344,130

Schenck Test Automation Limited
Notes to the financial statements (continued)
For the year ended 31 December 2009

9 Called-up share capital

	2009 £	2008 £
<i>Authorised</i>		
100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
<i>Allotted, called-up and fully paid</i>		
97,884 ordinary shares of £1 each	<u>97,884</u>	<u>97,884</u>

10 Reserves

	Share premium Account £	Profit and loss account £
At 1 January 2009	8,487	13,629
At 31 December 2009	<u>8,487</u>	<u>13,629</u>

11 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Shareholders' funds at 1 January	120,000	256,040
Retained profit for the year	-	208,090
Dividend paid in the year	-	(344,130)
Shareholders' funds at 31 December	<u>120,000</u>	<u>120,000</u>

12 Financial commitments

a) Lease commitments There were no lease commitments under non-cancellable operating leases at either year end

b) Contingent liabilities There were no contingent liabilities at either year end

13 Pension arrangements

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund. Amounts unpaid at year end – £NIL (2008: £NIL)

14 Ultimate holding company

The Directors regard Carl Schenck AG, a company incorporated in Germany, as the immediate parent. The directors regard Durr AG, a company incorporated in Germany as the ultimate holding company and controlling party. Copies of the parent's consolidated financial statements may be obtained from Carl Schenck AG, Landwehrstrasse 55, D-64293 Darmstadt or Durr AG, 74321 Bietigheim-Bissingen