

Berrington UK
Registered Number 03179466

Financial statements for the year ended 30 November 2009
together with directors' and independent auditors' reports

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Berrington UK

DIRECTORS' REPORT for the year ended 30 November 2009

The Directors present their annual report on the affairs of the company, together with the financial statements and independent auditors' report, for the year ended 30 November 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of a holding company

The company's trading performance in the year was as expected and this is anticipated to continue in the foreseeable future

RESULTS AND DIVIDENDS

The loss for the year after tax was £3,398,000 (2008 loss £3,367,000) The directors do not recommend the payment of a dividend (2008 £nil)

PRINCIPAL RISKS AND UNCERTAINTIES

The main risk that the company's activities expose it to is the impairment of investments The company annually reviews its investments for any indicators of impairment and makes provision as necessary

GOING CONCERN

The company has an obligation to repay a loan on being given 30 days notice, as set out in note 6 to the accounts However, as the company has access to a group banking facility, it has sufficient cash resources to meet this potential obligation This facility is due for renewal for a further 12 months in November 2010 and the company has no reason to believe that this will not be forthcoming After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, despite the current uncertain economic outlook Thus, the directors continue to adopt the going concern basis in preparing the annual report and accounts

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and to the date of signing of the financial statements were as follows

Mr G Hudson

Mr G Udall (resigned 30 September 2009)

Mr E Uffland

Mr A Sutherland

Mrs O Barreto-Morley (appointed 30 September 2009)

Mr P Deakin (appointed 30 September 2009)

Berrington UK

DIRECTORS' REPORT (continued)
for the year ended 30 November 2009

AUDITORS

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

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

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

Deloitte LLP were appointed as auditors during the period

99 Gresham Street
London
EC2V 7NG

By order of the Board,

A handwritten signature in black ink, consisting of a stylized 'G' followed by a horizontal line.

Mr G Hudson
Director

20 March 2010

Berrington UK

STATEMENT OF DIRECTORS' RESPONSIBILITIES

for the year ended 30 November 2009

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

The directors are responsible for keeping proper adequate 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 AUDITORS' REPORT TO THE MEMBERS OF BERRINGTON UK

We have audited the financial statements of Berrington UK for the year ended 30 November 2009 which comprise the Profit and Loss account, the Balance Sheet and the related notes 1 to 11. 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 30 November 2009 and of its loss 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.

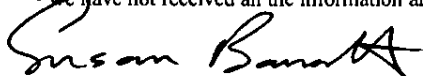
Opinion on other matter prescribed by the Companies Act 2006

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.



Susan Barratt BA ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Reading, United Kingdom

30 March 2010

Berrington UK

PROFIT AND LOSS ACCOUNT

for the year ended 30 November 2009

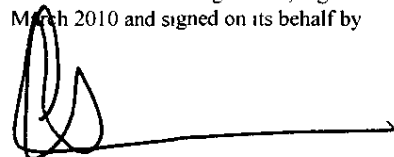
	Note	Continuing operations	
		2009 £'000	2008 £'000
Administrative expenses		-	-
OPERATING PROFIT		-	-
Interest payable and similar charges - intercompany		(4,720)	(4,720)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(4,720)	(4,720)
Tax on loss on ordinary activities	3	1,322	1,353
RETAINED LOSS FOR THE FINANCIAL YEAR TRANSFERRED FROM RESERVES	8	(3,398)	(3,367)

There were no recognised gains and losses in either year other than the results for the year as shown above. Accordingly, no statement of recognised gains and losses is presented.

Berrington UK
BALANCE SHEET
as at 30 November 2009

	Note	2009 £'000	2008 £'000
FIXED ASSETS			
Investments	4	296,050	296,050
CURRENT ASSETS			
Debtors	5	<u>1,322</u>	<u>4,098</u>
		1,322	4,098
CREDITORS Amounts falling due within one year	6	(159,622)	(159,000)
NET CURRENT LIABILITIES		<u>(158,300)</u>	<u>(154,902)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>137,750</u>	<u>141,148</u>
NET ASSETS		<u>137,750</u>	<u>141,148</u>
CAPITAL AND RESERVES			
Called up share capital	7	500	500
Share premium account	8	19,792	19,792
Capital contribution	8	237,750	237,750
Profit and loss account	8	<u>(120,292)</u>	<u>(116,894)</u>
SHAREHOLDER'S FUNDS	9	<u>137,750</u>	<u>141,148</u>

The accounts of Berrington UK, registered number, 03179466 on pages 6 to 11 were approved by the board of directors on **30**
March 2010 and signed on its behalf by



Mr G Hudson
Director

Berrington UK

NOTES TO THE ACCOUNTS for the year ended 30 November 2009

1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

BASIS OF ACCOUNTING

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

GOING CONCERN

The company has an obligation to repay a loan on being given 30 days notice, as set out in note 6 to the accounts. However, as the company has access to a group banking facility, it has sufficient cash resources to meet this potential obligation. This facility is due for renewal for a further 12 months in November 2010 and the company has no reason to believe that this will not be forthcoming. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future despite the current uncertain economic outlook. Thus, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

GROUP FINANCIAL STATEMENTS

The company is exempt from the requirement to prepare consolidated financial statements as the company is included within the consolidated accounts of Illinois Tool Works Inc., the accounts of which have been prepared in a manner equivalent to the seventh EU Directive, having regard to UITF information sheet 79.

CASHFLOW

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it is a wholly owned subsidiary in a group, the ultimate parent of which prepares consolidated accounts which are available to the public.

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 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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when on the basis of all available evidence 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 is measured on a non-discounted basis.

INVESTMENTS

Fixed asset investments are shown at cost, less any provision for impairment.

Berrington UK

NOTES TO THE ACCOUNTS for the year ended 30 November 2009

2 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Audit fees are borne by another group company. The audit fee for the year, if allocated to the company, would be £4,000 (2008 £4,000)

The company had no employees during either financial year and the directors did not receive any remuneration from the company. Five directors (2008 three) are also directors of ITW Limited, a fellow group company. ITW Limited paid the directors £429,743 (2008 £356,798) of emoluments and the directors accrued benefits under a defined benefit scheme. The directors' emoluments have not been apportioned between each fellow group company for which the directors acted and the directors do not feel that any amount should be allocated as group recharges. The emoluments of the highest paid director were £118,002 (2008 £127,730) and the accrued pension entitlement under the company's defined benefit pension schemes of the highest paid director at 30 November 2009 was £11,874 (2008 £28,700).

3 TAX ON LOSS ON ORDINARY ACTIVITIES

The corporation tax credit comprises

	2009	2008
	£'000	£'000
Corporation tax	(1,322)	(1,353)
	<u>(1,322)</u>	<u>(1,353)</u>

There is no difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax of 28% (2008 28.67%) to the loss on ordinary activities before tax.

There is no un-provided deferred tax at either year end.

4 FIXED ASSET INVESTMENTS

Investments in subsidiary undertaking

	£000
Cost - beginning and end of year	396,750
Provision for impairment - beginning and end of year	<u>(100,700)</u>
Net book value - beginning and end of year	<u>296,050</u>

Principal subsidiary

The company owns 100% of the issued ordinary share capital of ITW Limited, which is registered in England and Wales. ITW Limited manufactures and distributes a wide range of components to a wide range of businesses. These industries include the steel and plastic strapping, packaging, motor, consumer durables, canned drinks, construction and electronics industries.

Berrington UK

NOTES TO THE ACCOUNTS for the year ended 30 November 2009

5 DEBTORS

	2009 £'000	2008 £'000
Corporation tax	1,322	1,353
Amounts owed by group undertakings	-	2,745
	<u>1,322</u>	<u>4,098</u>

6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £'000	2008 £'000
Amounts owed to group undertaking	622	-
Amounts owed to group undertaking - non interest bearing unsecured loan notes	100,000	100,000
Amounts owed to group undertakings - 8% unsecured promissory note	59,000	59,000
	<u>159,622</u>	<u>159,000</u>

The non interest bearing unsecured loan notes and the 8% unsecured promissory note are repayable to ITW Holdings UK at any time after 30 days notice. However they have confirmed they will not seek to recall this amount in the foreseeable future.

7 CALLED UP SHARE CAPITAL

	2009 £'000	2008 £'000
Authorised 100,000,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Called up, allotted and fully paid 500,000 ordinary shares of £1 each	<u>500</u>	<u>500</u>

8 MOVEMENTS IN RESERVES

The movement on reserves during the year was as follows

	Share Premium Account £'000	Capital Contribution £'000	Profit and Loss Account £'000	Total £'000
At 1 December 2008	19,792	237,750	(116,894)	140,648
Loss for the year	-	-	(3,398)	(3,398)
At 30 November 2009	<u>19,792</u>	<u>237,750</u>	<u>(120,292)</u>	<u>137,250</u>

Berrington UK

NOTES TO THE ACCOUNTS for the year ended 30 November 2009

9 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2009	2008
	£'000	£'000
Loss for the year	(3,398)	(3,367)
Opening shareholders' funds	<u>141,148</u>	<u>144,515</u>
Closing shareholders' funds	<u>137,750</u>	<u>141,148</u>

10 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary undertaking of ITW UK a company incorporated in Great Britain and registered in England and Wales. The ultimate holding company and controlling party is Illinois Tool Works Inc, a company incorporated in Delaware, USA.

The only group in which the results of the company are consolidated is that headed by the Illinois Toolworks Inc. The consolidated financial statements of this group are available to the public and may be obtained from Illinois Tool Works Inc, 3600 West Lake Avenue, Glenview, Illinois, 60025, United States of America.

11 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions available under FRS 8 Related Party Disclosures, from disclosing transactions with other members of the group headed by Illinois Tool Works Inc.