

# East Midlands Instrument Company Limited

## STATUTORY FINANCIAL STATEMENTS

for the year ended

31 May 2004

Baker Tilly Chartered Accountants  
2 Whitehall Quay, Leeds, LS1 4HG



Offices at: Basingstoke, Birmingham, Brighton, Bristol, Bromley,  
Bury St Edmunds, Chelmsford, Chester, Coventry, Crawley, Edinburgh, Glasgow, Grimsby, Guildford, Hereford, Hull, Ipswich, Leeds, Lerwick, Liverpool, London, Manchester, Milton  
Keynes, Newcastle, Norwich, Spalding, Stoke-on-Trent, Tunbridge Wells, Warrington, Watford, Yeovil  
Registered to carry on audit work and regulated for a range of Investment Business activities by the Institute of Chartered Accountants in England and Wales

An independent member of Baker Tilly International

# East Midlands Instrument Company Limited

## DIRECTORS AND OFFICERS

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### DIRECTORS

K Bingham  
C Ringsell  
J Pettit  
S Watson  
B Pettinger  
R Hind

### SECRETARY

C Ringsell

### REGISTERED OFFICE

Laughton Lane  
Morton  
Gainsborough  
Lincolnshire  
DN21 3ET

### AUDITORS

Baker Tilly  
2 Whitehall Quay  
Leeds  
LS1 4HG

### BANKERS

Royal Bank of Scotland plc  
10 Silver Street  
Hull  
HU1 1JE

# East Midlands Instrument Company Limited

## DIRECTORS' REPORT

The directors submit their report and the financial statements of East Midlands Instrument Company Limited for the year ended 31 May 2004.

### PRINCIPAL ACTIVITIES

The principal activities of the company during the year were the installation, calibration, repair and servicing of instruments and electrical controls, mechanical fabrication and control panel design and manufacture.

### RESULTS AND DIVIDENDS

The directors recommend the following dividends:

	2004 £	2003 £
Dividends paid on ordinary shares	248,911	150,525

### DIRECTORS

The following directors held office during the year:

K Bingham  
C Ringsell  
B Elsom (resigned 27 February 2004)  
J Pettit  
S Watson  
B Pettinger  
R Hind (appointed 1 March 2004)

### DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The company is a wholly owned subsidiary and the interests of group directors are disclosed in the financial statements of the parent company.

### AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board



C Ringsell  
Secretary

9 September 2004

# East Midlands Instrument Company Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST MIDLANDS INSTRUMENT COMPANY LIMITED

We have audited the financial statements on pages 5 to 19.

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 Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.


### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards 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 of the state of the company's affairs at 31 May 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
BAKER TILLY  
Registered Auditor  
Chartered Accountants  
Leeds

14 September 2004

# East Midlands Instrument Company Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 31 May 2004

	Notes	2004 £	2003 £
TURNOVER	1	9,217,027	6,599,868
Cost of sales		(6,999,176)	(5,131,335)
Gross profit		2,217,851	1,468,533
Distribution costs		( 152,786)	( 140,448)
Administrative expenses		(1,425,368)	(1,131,719)
OPERATING PROFIT	2	639,697	196,366
Interest payable	3	( 66,053)	( 49,227)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		573,644	147,139
Taxation	5	( 153,524)	( 37,875)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		420,120	109,264
Dividends	6	( 248,911)	( 150,525)
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR	15	171,209	( 41,261)

The operating profit for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

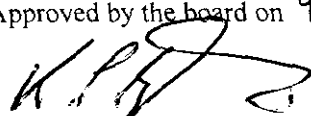
# East Midlands Instrument Company Limited

## BALANCE SHEET

31 May 2004

	Notes	2004 £	2003 £
<b>FIXED ASSETS</b>			
Tangible assets	7	677,466	611,193
Investments	8	800,000	800,000
		<u>1,477,466</u>	<u>1,411,193</u>
<b>CURRENT ASSETS</b>			
Stocks	9	821,051	909,777
Debtors	10	2,191,637	1,081,216
Cash at bank and in hand		954	210
		<u>3,013,642</u>	<u>1,991,203</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	(2,597,162)	(1,865,542)
<b>NET CURRENT ASSETS</b>		<u>416,480</u>	<u>125,661</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,893,946</u>	<u>1,536,854</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	12	(1,086,580)	( 909,143)
		<u>807,366</u>	<u>627,711</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Deferred taxation	13	( 30,377)	( 21,931)
		<u>776,989</u>	<u>605,780</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	14	150,000	150,000
Profit and loss account	15	626,989	455,780
<b>SHAREHOLDERS' FUNDS</b>		<u>776,989</u>	<u>605,780</u>

Approved by the board on 9 September 2004.

  
K Bingham Director

# East Midlands Instrument Company Limited

## CASH FLOW STATEMENT for the year ended 31 May 2004

	Notes	2004 £	2003 £
Cash flow from operating activities	17a	42,211	344,144
Returns on investments and servicing of finance	17b	( 66,053)	( 49,227)
Taxation		( 28,056)	( 29,999)
Capital expenditure and servicing of finance	17b	( 49,549)	( 68,684)
		<u>( 101,447)</u>	<u>196,234</u>
Equity dividends paid		( 248,911)	( 150,525)
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		( 350,358)	45,709
Financing	17b	586,515	( 98,814)
INCREASE/(DECREASE) IN CASH IN THE PERIOD		<u>236,157</u>	<u>( 53,105)</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT		2004 £	2003 £
Increase/(decrease) in cash in the period	17c	236,157	( 53,105)
Net cash inflow from bank loans		( 624,233)	( 107,999)
Net cash outflow in respect of hire purchase		37,718	( 7,418)
Net cash outflow from other long term creditors		-	20,400
New finance leases		( 83,488)	-
Change in net debt		<u>( 433,846)</u>	<u>( 148,122)</u>
Net debt at 1 June 2003		<u>( 1,621,064)</u>	<u>(1,472,942)</u>
Net debt at 31 May 2004		<u>( 2,054,910)</u>	<u>(1,621,064)</u>

# East Midlands Instrument Company Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

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

### CONSOLIDATION

The company was, at the end of the year, a wholly owned subsidiary of another company incorporated in the United Kingdom. As a result, the company, in accordance with section 228 of the Companies Act 1985, is not required to produce and has not published consolidated accounts. The parent entity's accounts therefore present information about it as an individual undertaking and not as a group.

### TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Freehold property	2%
Plant and machinery	15%
Fixtures, fittings and equipment	15%
Motor vehicles	25%

### STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling prices less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow moving items.

### DEFERRED TAXATION

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.

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

### LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lesser.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the profit and loss account on a straight line basis over the lease term.

### PENSIONS CONTRIBUTIONS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

# East Midlands Instrument Company Limited

## ACCOUNTING POLICIES

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### TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

### GOVERNMENT GRANTS

Government grants on capital expenditure are released to revenue by equal annual amounts over the expected useful life of the assets to which they relate.

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

### 1 TURNOVER

The company's turnover and profit before taxation were all derived from its principal activity.

An analysis of turnover is given below:

	2004 £	2003 £
United Kingdom	9,217,027	6,599,868

### 2 OPERATING PROFIT

Operating profit is stated after charging/(crediting)

Government grant releases	( 710)	( 540)
Depreciation – owned assets	49,884	48,688
– assets held under HP	16,880	9,488
Auditors' remuneration		
- as auditors	11,000	11,378
Operating lease rentals		
- plant and machinery	80,211	54,016
- land and buildings	33,301	20,964

### 3 INTEREST PAYABLE

	2004 £	2003 £
Interest payable on bank borrowing	54,062	39,471
Finance charges	4,796	2,236
Other similar charges payable	7,195	7,520
	66,053	49,227

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

### 4 EMPLOYEES

2004  
No.

2003  
No.

The average monthly number of persons (including directors) employed by the company during the year was:

Production staff

127

132

Administrative staff

34

33

161

165

2004  
£

2003  
£

Staff costs for above persons:

Wages and salaries

3,625,879

3,409,516

Social security costs

357,634

319,251

Pension costs

69,963

68,863

4,053,476

3,797,630

### DIRECTORS' EMOLUMENTS

2004  
£

2003  
£

The directors' aggregate emoluments in respect of qualifying services were:

Emoluments receivable

154,674

68,727

Value of company pension contributions to money purchase schemes

31,919

32,918

186,593

101,645

The number of directors who are accruing benefits under company pension schemes were as follows:

2004  
No

2003  
No

Money purchase schemes

7

6

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

5	TAXATION	2004 £	2003 £
	Corporation tax:		
	Current tax	145,078	28,056
	Deferred taxation:		
	Current year	8,446	9,819
		<u>153,524</u>	<u>37,875</u>
	Tax on profit on ordinary activities		

Factors affecting the tax charge for the period:

The tax charge assessed for the period is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	573,644	147,139
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2003: 30%)	172,093	44,142
Effects of:		
Expenses not deductible for tax purposes	5,387	1,290
Capital allowances in excess of depreciation	( 6,798)	( 1,133)
Smaller companies rate relief	( 25,604)	( 16,243)
	<u>145,078</u>	<u>28,056</u>
Current tax charge for the period		

6	DIVIDENDS	2004 £	2003 £
	The following dividends have been paid in respect of the year:		
	Dividend paid on ordinary shares	248,911	150,525

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

### 7 TANGIBLE FIXED ASSETS

	<i>Freehold properties £</i>	<i>Plant and machinery £</i>	<i>Fixtures, fittings and equipment £</i>	<i>Motor vehicles £</i>	<i>Total £</i>
Cost					
At 1 June 2003	510,244	555,757	131,565	21,734	1,219,300
Additions	2,779	83,827	46,431	-	133,037
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2004	513,023	639,584	177,996	21,734	1,352,337
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 June 2003	79,950	405,075	106,829	16,253	608,107
Charge for the year	11,260	42,689	10,190	2,625	66,764
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2004	91,210	447,764	117,019	18,878	674,871
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value					
At 31 May 2004	421,813	191,820	60,977	2,856	677,466
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 May 2003	430,294	150,682	24,736	5,481	611,193
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

#### Hire purchase agreements

Included within the net book value of £643,762 is £127,777 (2003: £61,169) relating to assets held under hire purchase agreements. The depreciation charged to the accounts in the year in respect of such assets amounted to £16,880(2003: £9,488).

### 8 FIXED ASSETS INVESTMENTS

	<i>Investments other than loans £</i>
Cost	
At 1 June 2003 and 31 May 2004	800,000
	<hr/>
Net book value	
At 31 May 2004	800,000
	<hr/>
At 31 May 2003	800,000
	<hr/>

Investments shown above relate to 100% of the issued share capital of East Midlands Instrument Company (1996) Limited, the company's only subsidiary.

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

9	STOCKS	2004 £	2003 £
	Raw materials	6,529	48,485
	Work in progress	814,522	861,292
		<u>821,051</u>	<u>909,777</u>
10	DEBTORS	2004 £	2003 £
	Trade debtors	2,147,506	1,051,518
	Prepayments and accrued income	44,131	29,698
		<u>2,191,637</u>	<u>1,081,216</u>
11	CREDITORS: Amounts falling due within one year	2004 £	2003 £
	Bank loans and overdrafts	890,315	670,793
	Trade creditors	939,869	697,365
	Hire purchase agreements	43,644	21,338
	Corporation tax	145,078	28,056
	Other taxation and social security	395,976	327,258
	Other creditors	97,380	68,497
	Accruals and deferred income	84,900	52,235
		<u>2,597,162</u>	<u>1,865,542</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company.

	2004 £	2003 £
Bank loans and overdrafts	890,315	670,793
Hire purchase agreements	43,644	21,338
	<u>933,959</u>	<u>692,131</u>

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

12	CREDITORS: Amounts falling due in more than one year	2004 £	2003 £
	Bank loans and overdrafts	168,556	72,458
	Amounts owed to group undertakings	800,000	800,000
	Hire purchase agreements	44,824	21,360
	Other creditors	73,200	15,325
		<hr/>	<hr/>
		1,086,580	909,143
		<hr/>	<hr/>
		2004 £	2003 £

Amounts repayable by instalments falling due:

In more than one but not more than two years	148,797	109,143
In more than two but not more than five years	937,783	800,000
	<hr/>	<hr/>
	1,086,580	909,143
	<hr/>	<hr/>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company.

	2004 £	2003 £
Bank loans and overdrafts	168,556	72,458
Hire purchase agreement	44,824	21,360
	<hr/>	<hr/>
	213,380	93,818
	<hr/>	<hr/>

During the year the company increased its term loan by £200,000, this is to be repaid over five years at an interest rate of 1.75% above base rate.

They also increased their SSAS loan from the SSAS pension scheme by £100,000 repayable over five years.

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

### 13 DEFERED TAXATION

	2004 £	2003 £
The movement in the deferred taxation provision during the year was:		
Provision brought forward	21,931	12,112
Increase in provision	8,446	9,819
	<u>30,377</u>	<u>21,931</u>
Provision carried forward	<u>30,377</u>	<u>21,931</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2004 £	2003 £
Accelerated capital allowances	<u>30,377</u>	<u>21,931</u>

### 14 SHARE CAPITAL

	2004 £	2003 £
Authorised: 150,000 ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>
Allotted, issued and fully paid: Ordinary share capital	<u>150,000</u>	<u>150,000</u>

### 15 PROFIT AND LOSS ACCOUNT

	2004 £	2003 £
1 June 2003	455,780	497,041
Retained profit/(loss) for the year	<u>171,209</u>	<u>( 41,261)</u>
31 May 2004	<u>626,989</u>	<u>455,780</u>

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

16	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2004 £	2003 £
	Profit for the financial year	420,120	109,264
	Dividends	( 248,911)	( 150,525)
		<hr/>	<hr/>
		171,209	( 41,261)
	Opening shareholders' equity funds	<hr/>	<hr/>
		605,780	647,041
	Closing shareholders' equity funds	<hr/>	<hr/>
		776,989	605,780
		<hr/>	<hr/>
17	CASH FLOWS	2004 £	2003 £
a	Reconciliation of operating profit to net cash inflow from operating activities		
	Operating profit	639,697	196,366
	Depreciation	66,764	57,636
	Decrease/(increase) in stocks	88,726	( 75,246)
	(Increase) in debtors	(1,110,421)	( 199,719)
	Increase in creditors	357,445	365,107
		<hr/>	<hr/>
	Net cash flow from operating activities	42,211	344,144
		<hr/>	<hr/>
		2004 £	2003 £
b	Analysis of cash flows for headings netted in the cash flow		
	<b>Returns on investments and servicing of finance</b>		
	Interest paid	( 61,257)	( 46,991)
	Interest element of finance lease rental payments	( 4,796)	( 2,236)
		<hr/>	<hr/>
	<b>Net cash outflow from returns on investments and servicing of finance</b>	( 66,053)	( 49,227)
		<hr/>	<hr/>
	<b>Capital expenditure and financial investment</b>		
	Purchase of tangible fixed assets	( 49,549)	( 68,684)
		<hr/>	<hr/>
	<b>Net cash outflow from capital expenditure and financial investment</b>	( 49,549)	( 68,684)
		<hr/>	<hr/>

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

17	CASH FLOWS ( <i>continued</i> )		2004 £	2003 £
	<b>Financing</b>			
	Increased borrowing		624,233	-
	Repayment of bank loans		-	( 61,076)
	Capital element of finance lease rental payments		( 37,718)	( 17,338)
	Net outflow from other long term creditors		-	( 20,400)
	<b>Net cash inflow/(outflow) from financing</b>		<b>586,515</b>	<b>( 98,814)</b>
c	Analysis of changes in net debt	<i>At 31 May 2003 £</i>	<i>Cash flows £</i>	<i>Other non-cash changes £</i>
				<i>At 31 May 2004 £</i>
	Net cash			
	Cash in hand and at bank	210	744	-
	Overdrafts	( 434,965)	235,413	-
				( 199,552)
		( 434,755)	236,157	-
				( 198,598)
	Debt			
	Debt due within 1 year	( 255,828)	(470,260)	-
	Debt due after 1 year	( 887,783)	(153,973)	-
	Hire purchase agreements	( 42,698)	37,718	( 83,488)
		(1,186,309)	(586,515)	( 83,488)
				(1,856,312)
	Net debt	(1,621,064)	(350,358)	( 83,488)
				(2,054,910)

# East Midlands Instrument Company Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2004

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### 18 COMMITMENTS UNDER OPERATING LEASES

At 31 May 2004 the company had annual commitments under non-cancellable operating leases as follows:

	2004 £	2003 £
Plant and machinery		
expiring within one year	22,504	17,513
expiring between two and five years	119,969	67,874
Land and buildings		
expiring within one year	12,337	-
expiring between two and five years	20,964	-
	<hr/>	<hr/>
	175,774	85,387
	<hr/>	<hr/>

### 19 CONTINGENCIES

The company has given a cross guarantee in favour of Royal Bank of Scotland plc in respect of all monies owing by East Midlands Instrument Company (1996) Limited and East Midlands Holdings Limited.

### 20 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of East Midlands Holdings Limited, a company registered in England.