

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

Report and Financial Statements

31 January 2012

TUESDAY



A45 *A1EAXCA* 31/07/2012 #186
COMPANIES HOUSE

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

REPORT AND FINANCIAL STATEMENTS 2012

| CONTENTS | Page |
|---|-------------|
| Officers and professional advisers | 1 |
| Directors' report | 2 |
| Independent auditor's report | 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 |

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

REPORT AND FINANCIAL STATEMENTS 2012

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

K A Daley
N Franklin
J F Wilson

SECRETARY

M L Reeves

REGISTERED OFFICE

c/o Elektron Technology plc
Broers Building
JJ Thomson Avenue
Cambridge
CB3 0FA

BANKERS

HSBC Bank plc
70 Pall Mall
London
SW1Y 5EZ

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

HARTEST HOLDINGS LIMITED **(formerly HARTEST HOLDINGS PLC)**

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 January 2012

CHANGE OF REGISTRATION

The company has re-registered under the Companies Act 2006 as a private company on 8 March 2012 and is now incorporated under the name of Hartest Holdings Limited

PRINCIPAL ACTIVITIES

The principal activity of the Company was that of an intermediate holding company

BUSINESS REVIEW

As at 31 January 2012, the company had transferred its trade and net assets to Elektron Technology UK Limited (a fellow subsidiary of Elektron Technology plc) at book value. Following the transfer the company is now dormant. The directors expect the company to remain dormant for the foreseeable future. The directors have therefore prepared the financial statements on the basis that the company is no longer a going concern (see Note 1).

RESULTS AND DIVIDENDS

The profit for the financial year after taxation amounted to £387,000 (10 months ended 31 January 2011 – loss of £54,000).

The directors issued a first interim dividend of £500,000 (5 653p per ordinary share) paid on 21 June 2011 and a second interim dividend of £1,250,000 (14 133p per ordinary share) paid on 15 September 2011.

DIRECTORS

The directors who served the company during the year and subsequent to the year end, unless stated otherwise, were as follows:

| | |
|------------|----------------------------|
| K Daley | |
| N Franklin | (appointed 31 August 2011) |
| G Spink | (resigned 31 August 2011) |
| J F Wilson | |

GOING CONCERN

The company ceased trading effective 1 February 2012 following the transfer of the company's trade and net assets on 31 January 2012 at book value. As required by FRS 18 'Accounting Policies', the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITIES STATEMENT

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 judgements and accounting estimates that are reasonable and prudent,
- state whether applicable 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.

AUDITOR

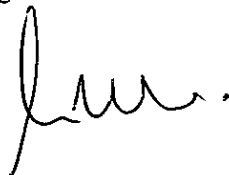
Each of the persons who is a director at the date of approval of this annual report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is 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 have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



M L Reeves
Secretary

31/07/2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HARTEST HOLDINGS LIMITED (formerly HARTEST HOLDINGS PLC)

We have audited the financial statements of Hartest Holdings Limited for the year ended 31 January 2012 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. 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 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 31 January 2012 and of its profit 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.

Emphasis of matter – financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of going concern.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROSS TECHNOLOGIES PLC (continued)

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



Stuart Henderson (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

31/07/2012

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

PROFIT AND LOSS ACCOUNT
Year ended 31 January 2012

| | Note | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|---|------|--|---|
| Administrative expenses | | (3) | (172) |
| OPERATING LOSS | 2 | (3) | (172) |
| Dividend income | 3 | 400 | - |
| Interest receivable and similar income | 6 | - | 140 |
| Interest payable and similar charges | 7 | - | (1) |
| PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION | | 397 | (33) |
| Tax on profit/(loss) on ordinary activities | 8 | (10) | (21) |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR | 15 | 387 | (54) |

All activities derive from discontinued operations

There are no recognised gains or losses for the current financial year or preceding financial period other than as stated in the profit and loss account. Accordingly a statement of total recognised gains and losses has not been prepared.

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

BALANCE SHEET
31 January 2012

| | Note | 2012 £'000 | 2011 £'000 |
|---|------|---------------|---------------|
| FIXED ASSETS | | | |
| Investments | 10 | - | 4,249 |
| CURRENT ASSETS | | | |
| Debtors | | | |
| Due within one year | 11 | 7,377 | - |
| Due after more than one year | 11 | - | 5,616 |
| | | 7,377 | 5,616 |
| CREDITORS, amounts falling due within one year | 12 | - | (161) |
| NET CURRENT ASSETS | | 7,377 | 5,455 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 7,377 | 9,704 |
| CREDITORS amounts falling due after more than one year | 13 | - | (964) |
| NET ASSETS | | 7,377 | 8,740 |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 14 | 2,121 | 2,121 |
| Share premium account | 15 | 3,033 | 3,033 |
| Profit and loss account | 15 | 2,223 | 3,586 |
| SHAREHOLDERS' FUNDS | 16 | 7,377 | 8,740 |

The financial statements of Hartest Holdings Limited, registered number 03690966, were approved by the Board of Directors and authorised for issue on 31/07/2012

Signed on behalf of the Board of Directors

N. F. U. Franklin

N Franklin
Director

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

1 ACCOUNTING POLICIES

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

Basis of accounting

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

Consolidation

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts.

Going concern

The company ceased trading effective 1 February 2012 following the transfer of the company's trade and net assets on 31 January 2012 at book value. As required by FRS 18 'Accounting Policies', the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Investments

Investments held as fixed assets were stated at cost less provision for any impairment in value.

Pensions

The company paid defined contributions into employees' personal pension schemes and stakeholder pension schemes. Contributions are charged to the profit and loss account as they become payable. The assets of the schemes are held separately from those of the company in independently administered funds.

Share-based payments

The share option programme allows executives and employees to acquire shares of the company. The fair value of options granted after 7 November 2002 and those not yet vested as at 1 April 2006 are recognised as an employee expense, with a corresponding increase in equity. The fair value is measured at grant date and is spread over the vesting period.

Assumptions used in the calculations are given below:

- Historic volatility at date of grant,
- Assumed average holding period of six years,
- Dividend yield of 2%, and
- The current estimate of the probability of achieving performance targets.

Taxation

Current tax was provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

1 ACCOUNTING POLICIES (continued)

Taxation (continued)

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

Provision was 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 where the replacement assets are sold.

Deferred tax assets were 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 differences can be deducted.

Deferred tax was measured on an undiscounted 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.

2 OPERATING LOSS

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|---|---|---|
| Operating loss is after charging/(crediting) | | |
| Acquisition costs | - | 178 |
| Management recharges to group companies | - | (220) |
| | <hr/> | <hr/> |
| Management recharges comprised directors salaries paid by the Company | | |
| | | |
| The analysis of auditor's remuneration is as follows | | |
| Fees payable to the Company's auditor for the audit of the company's annual accounts | - | 4 |
| | <hr/> | <hr/> |
| Total audit fees | - | 4 |
| Tax services | - | 16 |
| | <hr/> | <hr/> |
| Total non-audit fees | - | 16 |
| | <hr/> | <hr/> |
| Total fees | - | 20 |
| | <hr/> | <hr/> |

Fees payable to the Company's auditor for the audit of the company's financial statements of £1,000 were borne by Elektron Technology plc

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

3 DIVIDENDS RECEIVED

The company received a dividend of £400,000 from Carnation Designs Limited on 15 September 2011

4. STAFF COSTS

The average number of staff employed by the company during the financial year amounted to

| | Year ended 31 January 2012 No | 10 months ended 31 January 2011 No |
|----------------------|---|--|
| Administrative staff | - | 1 |

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|---|--|---|
| The aggregate payroll costs of the above were: | | |
| Wages and salaries | - | 107 |
| Social security costs | - | 11 |
| Pension costs | - | 13 |
| | - | 131 |

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|---|--|---|
| Directors' emoluments | - | 102 |
| Company pension contributions to money purchase schemes | - | 13 |
| | - | 115 |
| Highest paid director | | |
| Emoluments | - | 82 |
| Company pension contributions to money purchase schemes | - | 13 |
| | - | 95 |

The Directors' remuneration was borne by Elektron Technology plc for their services during the current year and no directors (10 months ended 31 January 2011) accrued benefits under company pension schemes

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

6. INTEREST RECEIVABLE AND SIMILAR INCOME

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|--|--|---|
| Interest receivable from group companies | - | 140 |

7. INTEREST PAYABLE AND SIMILAR CHARGES

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|---------------|--|---|
| Bank interest | - | 1 |

8. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES

Analysis of charge in the year

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|--|--|---|
| Current tax | | |
| UK Corporation tax based on the results for the year at 26.3% (10 months ended 31 January 2011 - 28%) | (1) | 21 |
| Adjustment in respect of prior periods | 11 | - |
| Current tax charge | 10 | 21 |

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

8 TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES (continued)

Factors affecting current tax charge

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 26 3% (10 months ended 31 January 2011- 28%) as follows

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|--|--|---|
| Profit/(loss) on ordinary activities before taxation | 397 | (33) |
| Tax on profit/(loss) on ordinary activities at standard rate | 104 | (9) |
| Factors affecting the charge | | |
| Adjustment in respect of prior periods | 11 | - |
| Expenses not deductible for tax purposes | - | 32 |
| Dividend income not taxable | (105) | - |
| Capital allowances in excess of depreciation | - | (2) |
| Total current tax | 10 | 21 |

In March 2011, the UK Government announced a reduction in the standard rate of UK corporation tax to 26% effective 1 April 2011. This rate reduction was substantively enacted in March 2011.

In March 2012, the UK Government announced a reduction in the standard rate of UK corporation tax to 24% effective 1 April 2012 and to 23% effective 1 April 2013. These rate reductions became substantively enacted in March 2012 and July 2012 respectively. The UK Government also proposed to further reduce the standard rate of UK corporation tax to 22% effective 1 April 2014, but this change has not been substantively enacted.

The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted.

9 DIVIDENDS

| | Year ended 31 January 2012 £'000 | 10 months ended 31 January 2011 £'000 |
|-----------------------------------|--|---|
| Dividends paid on ordinary shares | 1,750 | - |

The directors issued a first interim dividend of £500,000 (5 653p per ordinary share) paid on 21 June 2011 and a second interim dividend of £1,250,000 (14 133p per ordinary share) paid on 15 September 2011.

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

10 INVESTMENTS

| | Shares in subsidiary undertaking £'000 |
|------------------------------|---|
| Cost | |
| At 1 February 2011 | 4,249 |
| Transferred to group company | (4,249) |
| | <hr/> |
| At 31 January 2012 | - |
| | <hr/> |
| Net book value | |
| At 31 January 2012 | - |
| | <hr/> |
| At 31 January 2011 | 4,249 |
| | <hr/> |

The following were the principal trading subsidiary undertakings which were wholly owned and operated primarily in the country of incorporation during the year

| The company | Nature of business | Country of incorporation |
|---|--------------------|-----------------------------|
| Agar Scientific Limited | Instrumentation | England and Wales |
| Carnation Designs Limited | Instrumentation | England and Wales |
| Cross Technology plc | Medical services | England and Wales |
| H Tinsley & Co Limited | Instrumentation | England and Wales |
| Hartest Precision Instruments Limited* | Instrumentation | England and Wales |
| Hartest Precision Instruments India Private Limited** | Instrumentation | India |

* Hartest Precision Instruments Limited also operates through a branch in India established under the Indian Foreign Exchange Regulation Act 1973

** Hartest Precision Instruments India Private Limited is held via Hartest Precision Instruments Limited

11 DEBTORS

| | 2012 £'000 | 2011 £'000 |
|--------------------------------------|---------------|---------------|
| Due within one year | | |
| Amounts due from group undertakings | 7,377 | - |
| Due after more than one year | | |
| Amounts due from group undertakings | - | 5,029 |
| Amounts due from parent undertakings | - | 587 |
| | <hr/> | <hr/> |
| | 7,377 | 5,616 |
| | <hr/> | <hr/> |

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2012 | 2011 |
|------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Bank loans and overdrafts | - | 118 |
| Trade creditors | - | 6 |
| Corporation tax | - | 2 |
| Other taxation and social security | - | 1 |
| Accruals and deferred income | - | 34 |
| | <u>-</u> | <u>161</u> |

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2012 | 2011 |
|------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Amounts owed to group undertakings | - | 964 |
| | <u>-</u> | <u>964</u> |

14. CALLED UP SHARE CAPITAL

| | 2012 | 2011 |
|---|--------------|--------------|
| | £'000 | £'000 |
| Called up, allotted and fully paid 8,844,789 ordinary shares of 10p each | 2,121 | 2,121 |
| | <u>2,121</u> | <u>2,121</u> |

During the prior period the company issued 239,500 of new shares following the exercise of share options

15. STATEMENT OF MOVEMENT IN RESERVES

| | Share premium account £'000 | Profit and loss account £'000 | Total £'000 |
|-------------------------------|--|--|------------------------|
| Balance brought forward | 3,033 | 3,586 | 6,619 |
| Profit for the financial year | - | 387 | 387 |
| Dividends paid (note 9) | - | (1,750) | (1,750) |
| | <u>3,033</u> | <u>2,223</u> | <u>5,256</u> |
| Balance carried forward | 3,033 | 2,223 | 5,256 |

HARTEST HOLDINGS LIMITED
(formerly HARTEST HOLDINGS PLC)

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 January 2012

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2012 £'000 | 2011 £'000 |
|--|-----------------------------|-----------------------------|
| Profit/(loss) for the financial year | 387 | (54) |
| Dividends paid (note 9) | (1,750) | - |
| Employee share compensation | - | 5 |
| Proceeds from share issue | - | 129 |
| | <hr/> | <hr/> |
| Net (reduction in)/addition to shareholders' funds | (1,363) | 80 |
| Opening shareholders' funds | 8,740 | 8,660 |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 7,377 | 8,740 |
| | <hr/> | <hr/> |

17. PENSIONS

The company operates a money purchased pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £nil (10 months ended 31 January 2011 - £13,000). There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption not to disclose transactions with group companies as it is a wholly owned subsidiary of Elektron Technology Plc and its results are included in that company's consolidated financial statements.

19. ULTIMATE PARENT COMPANY

The company's immediate and ultimate parent undertaking is Elektron Technology Plc which is registered in England and Wales.

Copies of the group financial statements, which include this company, are available from the registered office of this company.