Registered number: 3700635

Amended

DSS Holdings Limited

Amending Annual report and financial statements for the year ended 31 December 2006

Directors on 16 September 2008: K Waldron
D J Goma

Secretary : D J Goma

Registered Office : Moor Lane, Derby DE24 8BJ

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Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the year ended 31 December 2006

The directors report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

Principal activities

The principal activity of the Company during the year was that of a holding company

Dividends

No dividends were paid during the year

Directors

The directors, who served throughout the year except as noted, were as follows
J E Warren (resigned 28th February 2008)
D J Goma
K Waldron (appointed 28th February 2008)

Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report

Disclosure of information to auditors

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

(1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(2) the director has taken all the steps that he/she ought to have taken as a director in order 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 section 234ZA of the Companies Act 1985

Auditors

In accordance with section 386 of the Companies Act 1985, a resolution has been passed dispensing with the obligation to appoint auditors annually and KPMG Audit Plc will therefore continue in office

Approved by the Board and signed on its behalf by

D J Goma
Secretary
16 September 2008

Statement of directors' responsibilities in respect of the annual report and 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 judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its 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 auditors' report to the members of DSS Holdings Limited

We have audited the financial statements (the "financial statements") of DSS Holdings Limited for the year ended 31 December 2006 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 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities on page number 2

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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 other transactions 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 judgments 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 2006 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
Chartered Accountants
Registered Auditor
London

16 September 2008

Profit and loss account

For the year ended 31 December 2006

	Notes	2006 £	2005 £
Foreign exchange gains		403,717	-
Profit on ordinary activities before taxation	2	403,717	-
Tax on profit on ordinary activities	4	-	-
Profit on ordinary activities after taxation and profit for the financial year		403,717	-

All results have been derived from continuing activities

There were no recognised gains or losses in either the current year or the previous year, other than the profit for the year as shown above

Balance sheet
31 December 2006

	Notes	2006 £	2005 £
Fixed assets			
Investments	5	5,437,681	1,878,788
Current assets			
Debtors	6	1	1
Creditors Amounts falling due within one year	7	(5,033,964)	(1,878,788)
Net current assets		(5,033,963)	(1,878,787)
Total assets less current liabilities		403,718	1
Net assets		403,718	1
Capital and reserves			
Called-up share capital	8	1	1
Profit and loss account	9	403,717	-
Shareholders' funds	10	403,718	1

The financial statements on pages 4 to 10 were approved by the board of directors and signed on its behalf by

K Waldron

Director

16 September 2008

1 Significant accounting policies

The principal accounting policies are summarised below

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, on the historical cost basis except where FRS requires an alternative treatment

The Company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group financial statements

As permitted by Financial Reporting Standard 1 "Cash flow statements" (Revised 1996), no cash flow statement has been prepared, as a consolidated cash flow statement has been prepared by the ultimate parent company

Changes in accounting policy

The following new standard relating has been adopted in full in these financial statements

FRS 23 (IAS 21) The Effects of Changes in Foreign Exchange Rates There is no effect on the financial statements on this adoption

FRS 28 'Corresponding Amounts' has been adopted and corresponding amounts have been shown in the primary financial statements and the notes to the accounts where applicable

Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling at the year end Exchange differences arising on foreign exchange transactions and the retranslation of assets and liabilities into sterling at the rate ruling at the year end are taken into account in determining profit before taxation

Taxation

The tax charge on the profit or loss for the year comprises current and deferred tax

Provision for taxation is made at the current rate and for deferred taxation at the projected rate on all timing differences which have originated, but not reversed at the balance sheet date

2 Auditors' remuneration

The fees for the audit of the company financial statements were £1,000 (2005 £Nil) and were paid by Rolls-Royce plc

3 Staff costs and directors remuneration

The company had no employees during the year ended 31 December 2006 (2005 Nil)
No remuneration has been received by the directors in respect of their services to the Company (2005 Nil)

4 Tax on profit on ordinary activities

The tax charge comprises

	2006 £	2005 £
Current tax		
Group relief payable at 30%	121,115	-
Group relief not paid for	(121,115)	-
Total current tax	-	-
Total tax on profit on ordinary activities	-	-

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2006 £	2005 £
Profit on ordinary activities before tax	403,717	-
Tax on profit on ordinary activities at standard UK corporation tax rate of 30% (2005 - 30%)	121,115	-
Effects of		
Group relief not paid for	(121,115)	-
Current tax charge for period	-	-

5 Fixed asset investments

	2006 £	2005 £
Subsidiary undertakings	5,437,681	-
Joint ventures	-	1,878,788
	5,437,681	1,878,788

The company owns 100% of the issued preference share capital of Data Systems & Solutions Limited, a company registered in England and engaged in the design and manufacture of advanced controls and predictive data management systems

Subsidiary undertakings

	£
Cost and net book value	
At 1 January 2006	-
Additions	3,558,893
Transfer from joint ventures	1,878,788
At 31 December 2006	5,437,681

Joint ventures

	£
At 1 January 2006	1,878,788
Transfer to subsidiary undertakings	(1,878,788)
At 31 December 2006	-

6 Debtors

	2006 £	2005 £
Amounts falling due within one year		
Amounts owed by group undertakings	1	1

7 Creditors. Amounts falling due within one year

	2006 £	2005 £
Amounts owed to group undertakings	5,033,964	1,878,788

8 Share capital

	2006 £	2005 £
Authorised		
50,000 ordinary shares of £1 each	50,000	50,000
Allotted, called-up and fully-paid		
1 ordinary shares of £1 each	1	1

9 Reserves

	Profit and loss account £
At 1 January 2006	-
Profit for the financial year	403,717
At 31 December 2006	403,717

10 Reconciliation of movements in shareholders' funds

	2006 £	2005 £
Opening shareholders' funds	1	1
Profit for the financial year	403,717	-
Closing shareholders' funds	403,718	1

11 Related party transactions

The Company has taken advantage of the exemption in Financial Reporting Standard 8 not to disclose related party transactions with other group companies

12 Ultimate Parent Company

The Company is a subsidiary undertaking of Rolls-Royce Group plc, incorporated in Great Britain The largest group in which the results of the Company are consolidated is that headed by Rolls-Royce Group plc The smallest group in which the results of the Company are consolidated is that headed by Rolls-Royce plc, incorporated in Great Britain

The consolidated accounts of these groups are available to the public and may be obtained from 65 Buckingham Gate, London, SW1E 6AT