

**Company Registration No. 04145638**

**Hamsard 2273 Limited**

**Report and Financial Statements**

**31 December 2009**



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## **Hamsard 2273 Limited**

### **Report and financial statements 2009**

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# **Hamsard 2273 Limited**

## **Report and financial statements 2009**

### **Officers and professional advisers**

#### **Directors**

S A Peckham  
G P Martin  
G E Barnes

#### **Secretary**

G E Barnes

#### **Registered Office**

Precision House  
Arden Road  
Alcester  
Warks  
B49 6HN

#### **Auditors**

Deloitte LLP  
Chartered Accountants  
London, United Kingdom

# **Hamsard 2273 Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

### **Results and dividends**

The audited financial statements for the year ended 31 December 2009 are set out on pages 7 to 13. The retained profit for the year amounted to £7,691,000 (nine month period ended 31 December 2008: loss of £52,292,000).

The directors do not recommend the payment of a dividend for the year (nine month period ended 31 December 2008: nil).

### **Principal activity and review of the business**

The principal activity of the company is to act as an intermediate holding company. The Directors do not expect any change in this activity in the foreseeable future.

### **Going concern**

The Directors have considered the going concern assumption given the current economic climate and the net liabilities of the Company, and have reviewed the Company forecasts and considered the financial commitment from the ultimate parent Company, which has been confirmed in writing, for the foreseeable future.

After making enquiries and considering the above facts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Financial risk management and policies**

#### *Credit risk*

Through its activities the Company is exposed to credit risk. The company's principal financial assets are receivables from fellow Group undertakings.

The Company's credit risk is primarily attributable to its receivables from fellow Group undertakings. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

#### *Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available to meet obligations as they fall due, the Company ensures regular communication with other Group Companies.

# Hamsard 2273 Limited

## Directors' report (continued)

### Directors

The Directors who served during the year ended 31 December 2009 and thereafter are as listed on page 1. No Director had any interests in the shares of the company at 31 December 2009.

### Directors' liabilities

The ultimate parent undertaking has indemnified one or more Directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force throughout the year and at the date of this report.

### Auditors

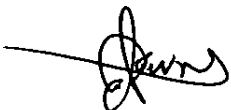
Each of the persons who is a Director at the date of approval of this report confirms that

- 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 ought to have taken as a Director in order to make himself 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 have indicated their willingness to continue in office as auditors and will be deemed to be re-appointed after the end of the next "period for appointing auditors" as defined in s485(2) of the Companies Act 2006.

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



G E Barnes  
Director

16 July 2010

## **Hamsard 2273 Limited**

### **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 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 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.

## **Independent auditors' report to the members of Hamsard 2273 Limited**

We have audited the financial statements of Hamsard 2273 Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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 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.

### **Opinion on other matters 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 auditors' report to the members of Hamsard 2273 Limited (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



Jeremy Black (Senior Statutory Auditor)  
**for and on behalf of Deloitte LLP**  
Chartered Accountants and Statutory Auditors  
London, United Kingdom

19 July 2010

## Hamsard 2273 Limited

### Profit and loss account

Year ended 31 December 2009

		Year ended 31 December 2009 £'000	Nine month period ended 31 December 2008 £'000
	Notes		
Admin expenses – exchange gain/(loss)	2	11,539	(22,025)
Admin expenses – exceptional items	3	-	(27,383)
<b>Profit/(loss) on ordinary activities before interest and taxation</b>		<b>11,539</b>	<b>(49,408)</b>
Net interest payable and similar charges	4	(3,848)	(2,884)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>7,691</b>	<b>(52,292)</b>
Tax on result on ordinary activities	5	-	-
<b>Retained profit/(loss) for the financial period</b>	10	<b>7,691</b>	<b>(52,292)</b>

All results derive from continuing activities

There were no recognised gains or losses other than the profit/(loss) for the financial periods and consequently no statement of total recognised gains and losses has been prepared

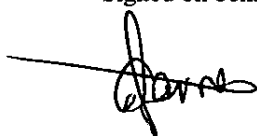
# Hamsard 2273 Limited

## Balance sheet 31 December 2009

	Notes	31 December 2009 £'000	31 December 2008 £'000
<b>Fixed assets</b>			
Investments	6	-	-
<b>Current assets</b>			
Debtors	7	9,045	8,828
<b>Creditors: amounts falling due within one year</b>	8	(71,764)	(79,238)
<b>Net current liabilities</b>		(62,719)	(70,410)
<b>Net liabilities</b>		(62,719)	(70,410)
<b>Capital and reserves</b>			
Called up share capital	9	-	-
Profit and loss account	10	(62,719)	(70,410)
<b>Shareholders' deficit</b>	10	(62,719)	(70,410)

The financial statements of Hamsard 2273 Limited registered number 04145638 were approved by the Board of Directors on 16 July 2010

Signed on behalf of the Board of Directors



G E Barnes  
Director

# **Hamsard 2273 Limited**

## **Notes to the accounts**

**Year ended 31 December 2009**

### **1. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, in accordance with applicable United Kingdom law and accounting standards, and on a going concern basis as described in the Director's report on page 2

#### **Group financial statements**

The Company has not prepared group financial statements as it is exempt from the requirement to do so by section 400 of the Companies Act 2006, as it is a subsidiary undertaking of Melrose PLC, a company incorporated in Great Britain and is included in the consolidated financial statements of that company

#### **Statement of cash flows**

The Directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from preparing a statement of cash flows on the grounds that the Company's ultimate parent undertaking, Melrose PLC, has prepared consolidated financial statements which include the financial statements of the Company and which contain a statement of cash flows

#### **Investments**

Investments are stated at their cost at the time of acquisition less provision for impairment

#### **Taxation**

Current tax, including UK corporation tax and foreign 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

#### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. The resulting exchange differences are included in the profit and loss account for the year

# Hamsard 2273 Limited

## Notes to the accounts Year ended 31 December 2009

### 2. Operating profit/(loss)

	Year ended 31 December 2009 £'000	Nine month period ended 31 December 2008 £'000
This is stated after crediting/(charging)		
Foreign exchange gain/(loss)	11,539	(22,025)

The audit fees payable to the Company's auditors of £2,000 (nine month period ended 2008 £2,000) were borne by a fellow Group undertaking in both periods

The Company did not have any employees in the current or prior period

The Directors were remunerated by other Group companies in the current and prior period

### 3. Administrative expenses – exceptional items

	Year ended 31 December 2009 £'000	Nine month period ended 31 December 2008 £'000
Impairment of investments in subsidiaries	-	27,383

As a result of a review of the carrying values of the Company's investment in the prior year, an impairment charge of £27,383,000 was recognised, fully impairing the carrying value of the investment

### 4. Net interest payable and similar charges

	Year ended 31 December 2009 £'000	Nine month period ended 31 December 2008 £'000
Interest payable to fellow Group undertakings	4,065	3,226
Interest receivable from fellow Group undertakings	(217)	(342)
Net interest payable and similar charges	3,848	2,884

# Hamsard 2273 Limited

## Notes to the accounts Year ended 31 December 2009

### 5. Tax on profit/(loss) on ordinary activities

	Year ended 31 December 2009 £'000	Nine month period ended 31 December 2008 £'000
Corporation tax	-	-
The tax assessed for the year is lower (31 December 2008 higher) than the standard rate of corporation tax in the UK as explained below		
Profit/(loss) on ordinary activities before tax	7,691	(52,292)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (31 December 2008 28%)	2,153	(14,642)
Effects of		
Disallowable expense – exceptional	-	7,667
Group relief (claimed)/surrendered for nil consideration	(2,153)	6,975
	-	-

### 6. Investments

Investment in subsidiary undertakings

	£'000
<b>Cost:</b>	
At 31 December 2008 and at 31 December 2009	27,383
<b>Provision for impairment:</b>	
At 31 December 2008 and at 31 December 2009	(27,383)
<b>Net book value:</b>	
At 31 December 2009	-
At 31 December 2008	-

Details of the subsidiaries at 31 December 2009 are as follows

Name	Nature of business	Country of incorporation
Hamsard 2686	Investment company	UK

All investments in subsidiaries are wholly and directly owned

## Hamsard 2273 Limited

### Notes to the accounts Year ended 31 December 2009

#### 7. Debtors

	31 December 2009 £'000	31 December 2008 £'000
Amounts owed by fellow Group undertakings	9,045	8,828

#### 8. Creditors' amounts falling due within one year

	31 December 2009 £'000	31 December 2008 £'000
Amounts due to fellow Group undertakings	71,764	79,238

#### 9. Share capital

	31 December 2009 £'000	31 December 2008 £'000
<b>Authorised</b>		
100 ordinary shares of £1 each	-	-
<b>Allotted, called up and fully paid</b>		
One ordinary share of £1	-	-

#### 10. Reconciliation of shareholders' deficit and movements on reserves

	Share capital £'000	Profit and loss account £'000	Total £'000
At 31 December 2008	-	(70,410)	(70,410)
Profit for the financial year	-	7,691	7,691
At 31 December 2009	-	(62,719)	(62,719)

#### 11. Related party transactions

The Company is an indirect wholly owned subsidiary of Melrose PLC, the consolidated accounts of which are publicly available. Accordingly, the Company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the Melrose Group.

## **Hamsard 2273 Limited**

### **Notes to the accounts**

#### **Year ended 31 December 2009**

##### **12. Ultimate parent undertaking**

The immediate parent company is FKI Engineering Limited registered in England and Wales. The Directors regard Melrose PLC, a company incorporated in Great Britain and registered in England and Wales, as the Company's ultimate parent undertaking and controlling party for the year ended 31 December 2009. The Group into which the results of the Company are consolidated is that headed by Melrose PLC. Copies of the financial statements are available from the Company Secretary, Melrose PLC, Precision House, Arden Road, Alcester, Warwickshire B49 6HN.