

Halma Financing Limited

Report and Financial Statements

52 weeks ended 28 March 2009



REPORT AND FINANCIAL STATEMENTS 2009

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REPORT AND FINANCIAL STATEMENTS 2009

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A J Williams
K J Thompson

SECRETARY

C T Chesney

REGISTERED OFFICE

Misbourne Court
Rectory Way
Amersham
Bucks HP7 0DE

AUDITORS

Deloitte LLP
Reading

DIRECTORS' REPORT

The directors present the annual report and the audited financial statements for the 52 weeks to 28 March 2009.

ACTIVITIES

The Company acts as a holding company. The Company is a subsidiary of Halma Holdings, Inc., a member of the Halma plc group of companies.

The directors expect the current level of activity to continue.

RISKS AND UNCERTAINTIES

The company acts as a holding company of investments. The main risk facing the company is the underlying performance of its subsidiary companies. The directors address this by ensuring the subsidiaries have sufficient resources from within the Halma group to be able to continue trading.

GOING CONCERN

The current economic conditions create uncertainty. The company has net assets, net current assets and a positive cash balance as set out in the balance sheet on page 6. The company also has access to the Halma Group's financial resources (including a £165m 5-year revolving credit facility). After making enquiries, the directors have a reasonable expectation that despite the current economic uncertainty the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

RESULTS AND DIVIDENDS

The loss on ordinary activities after taxation was US\$4,408 (2008: profit - US\$122,677). The directors have proposed no dividends in the period (2008: US\$ nil).

DIRECTORS

The directors of the company during the period and at the date of signing were as follows:

A J Williams
K J Thompson

AUDITORS

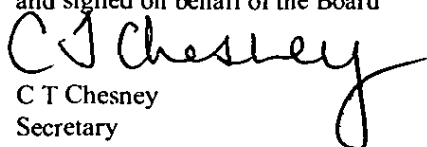
Each of the persons who is a director at the date of approval of this report confirms that:

- 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 they ought to have taken as a director in order to make themselves 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 S234ZA of the Companies Act 1985.

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

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


C T Chesney
Secretary
21 July 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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). 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; 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 the financial statements comply with 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 HALMA FINANCING LIMITED

We have audited the financial statements of Halma Financing Limited for the 52 weeks ended 28 March 2009 which comprise the profit and loss account, the balance sheet, the statement of movements in shareholder's funds and the related notes 1 to 10. 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.

Our responsibility is to audit the financial statements in accordance with relevant 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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 March 2009 and of its loss for the 52 weeks 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.



Deloitte LLP
Chartered Accountants and Registered Auditors
Reading, United Kingdom
21 July 2009

PROFIT AND LOSS ACCOUNT
52 weeks ended 28 March 2009

	Notes	52 weeks ended 28 March 2009 US\$	52 weeks ended 29 March 2008 US\$
Administrative expenses		(51)	(24)
Operating loss		(51)	(24)
Interest receivable and similar income:			
Interest receivable from group undertakings		-	10,976,629
Foreign exchange gains		-	287
		-	10,976,916
Interest payable and similar charges:			
Interest payable to group undertakings		-	(10,852,742)
Foreign exchange losses		(6,106)	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(6,157)	124,150
Tax credit/(charge) on (loss)/profit on ordinary activities	4	1,749	(1,473)
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD	8	(4,408)	122,677

The results for the period are from continuing operations.

There are no recognised gains or losses for the current and preceding financial periods other than as stated above. Accordingly, no statement of total recognised gains and losses is presented.

Halma Financing Limited

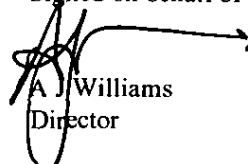
BALANCE SHEET

28 March 2009

	Notes	28 March 2009 US\$	29 March 2008 US\$
FIXED ASSETS			
Investments	5	161,374,002	161,374,002
CURRENT ASSETS			
Debtors: Amounts falling due within one year			
Deferred tax	6	1,749	-
Amounts owed by group companies		-	135,919
Debtors: Amounts falling due after more than one year			
Amounts owed by group companies		127,738	-
Cash at bank and in hand		2,000	-
		<u>131,487</u>	<u>135,919</u>
CREDITORS: amounts falling due within one year			
Bank overdrafts		-	(24)
Amounts owed to group companies		-	(30,073)
		<u>-</u>	<u>(30,097)</u>
NET CURRENT ASSETS		<u>131,487</u>	<u>105,822</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		161,505,489	161,479,824
CREDITORS: amounts falling due after more than one year			
Amounts owed to group companies		(30,073)	-
NET ASSETS		<u>161,475,416</u>	<u>161,479,824</u>
CAPITAL AND RESERVES			
Share capital	7	36,000,002	36,000,002
Share premium account	8	125,374,000	125,374,000
Profit and loss account	8	101,414	105,822
SHAREHOLDER'S FUNDS		<u>161,475,416</u>	<u>161,479,824</u>

These financial statements were approved by the Board of Directors on 21 July 2009

Signed on behalf of the Board of Directors


A J Williams
Director


K J Thompson
Director

Halma Financing Limited

STATEMENT OF MOVEMENTS IN SHAREHOLDER'S FUNDS

52 weeks ended 28 March 2009

	52 weeks ended 28 March 2009 US\$	52 weeks ended 29 March 2008 US\$
Shareholder's funds brought forward	161,479,824	161,357,147
(Loss)/profit for the financial period	(4,408)	122,677
Shareholder's funds carried forward	<u>161,475,416</u>	<u>161,479,824</u>

NOTES TO THE ACCOUNTS
52 weeks ended 28 March 2009

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

The accounting policies have been applied consistently throughout the current and preceding period.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Going concern

The current economic conditions create uncertainty. The company has net assets, net current assets and a positive cash balance as set out in the balance sheet on page 6. The company also has access to the Halma Group's financial resources (including a £165m 5-year revolving credit facility). After making enquiries, the directors have a reasonable expectation that despite the current economic uncertainty the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

Investments

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

Taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively 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. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Foreign currency

Transactions denominated in foreign currencies are translated at the exchange rate ruling on the date of the transaction. Balance sheet items denominated in foreign currencies are translated at the exchange rate ruling on the balance sheet date. Foreign currency exchange differences are dealt with in the profit and loss account, except to the extent they relate to movements in the company's investment in overseas companies, in which case they are taken to the statement of total recognised gains and losses.

Consolidation

The Company has taken advantage of the exemption from preparing consolidated accounts permitted by S228 of the Companies Act 1985 because it is a wholly-owned subsidiary of Halma plc which prepares consolidated accounts that are publicly available. Hence the information provided in these financial statements presents information about the company as an individual undertaking and not as a group.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company had no employees during the period other than the directors. The directors are also directors of other group companies and their remuneration has been borne by those companies. The allocation of the total remuneration that relates to their services to this company is US\$nil (2008: US\$nil).

NOTES TO THE ACCOUNTS
52 weeks ended 28 March 2009

3. AUDITORS' REMUNERATION

The auditors' remuneration charge of US\$1,500 (2008: US\$2,000) for audit services has been borne by Halma plc.

4. TAX (CREDIT)/CHARGE ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

	52 weeks ended 28 March 2009 US\$	52 weeks ended 29 March 2008 US\$
<i>Current taxation:</i>		
UK corporation tax on (loss)/profit of the period	-	-
Tax charge on (loss)/profit on ordinary activities	-	-
<i>Deferred taxation:</i>		
Origination and reversal of timing differences	(1,749)	5,684
Adjustments in respect of previous periods	-	(4,211)
Tax (credit)/charge on (loss)/profit on ordinary activities	<u>(1,749)</u>	<u>1,473</u>
	52 weeks ended 28 March 2009 US\$	52 weeks ended 29 March 2008 US\$
(Loss)/profit on ordinary activities before tax	(6,157)	124,150
Applying standard rate of UK corporation tax 28% (2008: 30%)	(1,724)	37,245
Expenses not deductible for tax purposes	(25)	-
Recognition/(utilisation) of tax losses	1,749	(5,684)
Group relief	-	(31,561)
Current tax on (loss)/profit on ordinary activities	<u>-</u>	<u>-</u>

5. INVESTMENTS

US\$

At 28 March 2009 and 29 March 2008 161,374,002

The company holds 100% of the ordinary shares in Halma Investment Holdings Limited, which is incorporated in the United Kingdom. The principal activity of Halma Investment Holdings Limited is that of a holding company.

NOTES TO THE ACCOUNTS
52 weeks ended 28 March 2009

6. DEFERRED TAX ASSET

	28 March 2009 US\$	29 March 2008 US\$
Tax losses carried forward	<u>1,749</u>	<u>-</u>
The movement on deferred taxation comprises:		
At 29 March 2008	-	
Credited to profit and loss (note 4)	<u>1,749</u>	
At 28 March 2009	<u>1,749</u>	

7. SHARE CAPITAL

	Authorised Number	Issued and fully paid Number	Issued and fully paid US\$
Ordinary shares of £1 each			
At 28 March 2009 and 29 March 2008	<u>96,000,000</u>	<u>20,000,001</u>	<u>36,000,002</u>

8. RESERVES

The movement of reserves during the period was as follows:

	Share premium account US\$	Profit and loss account US\$
At 29 March 2008	125,374,000	105,822
Loss transferred to reserves	<u>-</u>	<u>(4,408)</u>
At 28 March 2009	<u>125,374,000</u>	<u>101,414</u>

9. CASH FLOW STATEMENT AND RELATED PARTIES

The company is a wholly owned subsidiary of Halma plc and is included in the consolidated financial statements of Halma plc, which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (Revised 1996).

The company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the Halma group of companies.

10. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The ultimate parent company and controlling party of Halma Financing Limited and the parent of the largest and smallest group for which consolidated accounts are prepared which includes the company is Halma plc, which is incorporated in England and Wales. The accounts of Halma plc can be obtained from the Company Secretary, Misbourne Court, Rectory Way, Amersham, Bucks HP7 0DE.