

**GAS MEASUREMENT INSTRUMENTS LIMITED**

Registered No. SC025020

**REPORT AND ACCOUNTS**

**2005**

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**GAS MEASUREMENT INSTRUMENTS LIMITED****OFFICERS AND PROFESSIONAL ADVISORS**

<b>Directors</b>	Derek C Manson Douglas H C Cunningham David S Hunter George McGregor	Chairman Managing Financial Engineering
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<b>Secretary</b>	David S Hunter
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<b>Registered Office</b>	Inchinnan Business Park Renfrew Strathclyde PA4 9RG
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<b>Registration Number</b>	SC025020
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<b>Bankers</b>	Clydesdale Bank plc St. Vincent Place Glasgow G1
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<b>Auditors</b>	Ernst & Young LLP George House 50 George Square Glasgow G2 1RR
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<b>Solicitors</b>	Biggart Baillie Dalmore House 310 St Vincent Street Glasgow G2 5QR
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# **GAS MEASUREMENT INSTRUMENTS LIMITED**

## **DIRECTORS' REPORT**

The Directors present their report and accounts for the year ended 31 December 2005, to be submitted to the fifty-ninth Annual General Meeting to be held at the Registered Office on 24 March 2006 at 2.00pm.

### **Results and dividends :**

The trading loss for the year, after taxation, amounted to £49,527. The directors recommend that no dividend be paid.

This leaves a loss of £49,527 to be transferred to reserves.

### **Principal Activity and Review of the Business**

The company's principal activities during the year continued to be the development, manufacture, distribution and installation of electronic gas detection instruments and systems. Ongoing research and development of micro-processor based instrumentation has secured existing markets and offers the opportunity for continued expansion.

### **Directors and their interests :**

The directors at 31 December 2005 and their interests in the ordinary share capital of the company were as follows:

	At 31 December 2005	At 1 January 2005 or date of subsequent appointment
D C Manson	-	-
D S Hunter	-	-
D H C Cunningham	-	-
G McGregor (appointed 20/6/05)	-	-

Dr J R Gilchrist was a director until his resignation on 17 June 2005. Mr J A Sheriff was a director until his resignation on 30 September 2005.

The Articles of Association adopted on 14 March 1989 state that the Directors shall not be liable to retirement by rotation.

All of the Issued Share Capital of the Company is held by GMI Group Limited. The directors' interests in the share capital of GMI Group Limited are disclosed in the accounts of that company.

**GAS MEASUREMENT INSTRUMENTS LIMITED**

**DIRECTORS' REPORT**  
(continued)

**Auditors :**

A resolution to reappoint Ernst & Young LLP as the company's auditors will be put to the forthcoming annual general meeting.

On behalf of the board

A handwritten signature in black ink, appearing to read 'D S Hunter', written in a cursive style.

D S Hunter  
Director and Secretary

24 February 2006

**GAS MEASUREMENT INSTRUMENTS LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

The directors are responsible for preparing the accounts in accordance with United Kingdom law and generally accepted accounting practices.

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts 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 accounts 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 Gas Measurement Instruments Limited**

We have audited the company's financial statements for the year ended 31 December 2005 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, the Statement of Cash Flows and the related notes 1 to 24. 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 are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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 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 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.

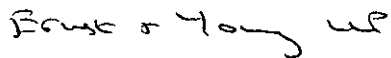
### **Basis of audit opinion**

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 31 December 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young LLP  
Registered Auditor  
Glasgow

24 February 2006

**GAS MEASUREMENT INSTRUMENTS LIMITED****PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2005

	notes	2005 £	2004 £
<b>Turnover</b>	2	<b>6,355,563</b>	6,077,759
Cost of sales		<b>(3,744,830)</b>	(3,179,996)
<b>Gross profit</b>		<b>2,610,733</b>	2,897,763
Distribution costs		<b>(119,102)</b>	(118,456)
Administrative expenses		<b>(2,561,157)</b>	(2,653,430)
<b>Operating (loss)/profit</b>	3	<b>(69,526)</b>	125,877
Interest receivable	6	<b>24,422</b>	23,899
Interest payable	7	<b>(4,330)</b>	-
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(49,434)</b>	149,776
Tax on profit on ordinary activities	8	<b>(93)</b>	(1,364)
<b>(Loss)/profit for the Financial Year</b>	17	<b>(49,527)</b>	148,412
Dividends:	9,17	-	(100,000)
<b>(Loss)/profit retained for the Financial Year</b>		<b>(49,527)</b>	48,412

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
for the year ended 31 December 2005

There are no recognised gains and losses other than the loss attributable to shareholders of the company of £49,527 in the year ended 31 December 2005 and the profit of £148,412 in the year ended 31 December 2004.

The notes on pages 11 to 21 form part of these accounts.



## GAS MEASUREMENT INSTRUMENTS LIMITED

BALANCE SHEET  
at 31 December 2005

	notes	2005 £	2004 £
<b>Fixed assets :</b>			
Tangible assets	10	988,210	988,010
<b>Current assets :</b>			
Stocks	11	852,696	836,796
Debtors	12	3,011,775	2,022,863
Cash at bank and in hand		361,700	1,022,440
		4,226,171	3,882,099
<b>Creditors: amounts falling due within one year</b>	13	833,342	814,465
<b>Net current assets</b>		3,392,829	3,067,634
<b>Total assets less current liabilities</b>		4,381,039	4,055,644
<b>Creditors: amounts falling due after more than one year</b>			
Loans	14	375,000	-
<b>Provision for liabilities and charges :</b>			
Deferred taxation	15	3,507	3,585
		4,002,532	4,052,059
<b>Capital and reserves :</b>			
Called up share capital	16	27,440	27,440
Capital redemption reserve		3,500	3,500
Share premium account		279,180	279,180
Revaluation reserve		701,800	718,000
Profit and loss account		2,990,612	3,023,939
<b>Equity shareholders' funds</b>	17	4,002,532	4,052,059

D C Manson



Director

24 February 2006

The notes on pages 11 to 21 form part of these accounts.

## GAS MEASUREMENT INSTRUMENTS LIMITED

**CASH FLOW STATEMENT**  
for the year ended 31 December 2005

	notes	2005 £	2004 £
<b>Net cash (outflow)/inflow from operating activities</b>	18	<b>(1,036,910)</b>	<b>287,041</b>
<b>Returns on investments and servicing of finance :</b>			
Interest received	6	24,422	23,899
Interest paid	7	(4,330)	-
<b>Taxation :</b>			
Corporation tax paid		(23,903)	(8,620)
<b>Capital expenditure and financial investment :</b>			
Payments to acquire tangible fixed assets		(119,584)	(81,990)
Receipts from sales of tangible fixed assets		24,565	22,067
<b>Equity dividends paid :</b>			
Dividend to Group Company		-	(100,000)
		<b>(1,135,740)</b>	<b>142,397</b>
<b>Financing :</b>			
New loan		500,000	-
Repayment of loan		(25,000)	-
		<b>(660,740)</b>	<b>142,397</b>
<b>(Decrease)/increase in cash</b>		<b>(660,740)</b>	<b>142,397</b>
<b>Reconciliation of net cash flow to movement in net (debt)/funds</b>			
<b>(Decrease)/increase in cash</b>		<b>(660,740)</b>	<b>142,397</b>
Cash inflow from new loan		(500,000)	-
Repayment of loan		25,000	-
		<b>(1,135,740)</b>	<b>142,397</b>
<b>Movement in net (debt)/funds</b>	18	<b>(1,135,740)</b>	<b>142,397</b>
<b>Net funds at 1 January</b>	18	<b>1,022,440</b>	<b>880,043</b>
		<b>(113,300)</b>	<b>1,022,440</b>
<b>Net (debt)/funds at 31 December</b>	18	<b>(113,300)</b>	<b>1,022,440</b>

The notes on pages 11 to 21 form part of these accounts.

**GAS MEASUREMENT INSTRUMENTS LIMITED****NOTES TO THE ACCOUNTS at 31 December 2005****1 ACCOUNTING POLICIES :****a) Accounting convention**

The accounts are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

**b) Fixed assets**

All fixed assets are initially recorded at cost. Freehold land and buildings have subsequently been revalued as at 11 August 2004 with the revaluation surplus being taken to the revaluation reserve.

**c) Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value based on prices prevailing at the date of acquisition or valuation, of each asset evenly over its expected useful life as follows:

Freehold Buildings	4%
Leasehold improvements	10%
Plant and equipment	10%
Office equipment and computers	20%
Vehicles	25%

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

The carrying values of tangible fixed assets are reviewed for impairment in periods, if events or changes in circumstances indicate the carrying value may not be recoverable.

**d) Stocks**

Stocks are stated at the lower of cost and net realisable value.

Costs include all costs incurred in bringing each product to its present location and condition as follows:

- Raw materials - purchase cost on a first-in, first-out basis.
- Work-in-progress and finished goods - cost of direct materials.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

**GAS MEASUREMENT INSTRUMENTS LIMITED****NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)****1 ACCOUNTING POLICIES : (continued)****e) 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 have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the exception that deferred tax assets are 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 underlying timing differences can be deducted.

Deferred tax is 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.

**f) 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 re- translated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

**g) Research and development**

All expenditure incurred on research and development is written off in the year of expenditure.

**h) Leasing commitments**

The interest elements of the rental obligations are charged in the profit and loss account over the periods of the leases and hire purchase contracts and represent a constant proportion of the balance of capital payments outstanding.

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

**i) Pensions**

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)

<b>4 DIRECTORS' EMOLUMENTS :</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Emoluments	<b>410,348</b>	<b>385,403</b>
Company contributions paid to money purchase pension schemes	<b>34,927</b>	<b>34,707</b>
	<b>2005</b>	<b>2004</b>
	<b>No.</b>	<b>No.</b>
Members of money purchase pension schemes	<b>4</b>	<b>5</b>
	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
The amounts in respect of the highest paid director are as follows:		
Emoluments	<b>99,565</b>	<b>90,514</b>
Company contributions paid to money purchase pension schemes	<b>8,235</b>	<b>7,994</b>
<b>5 STAFF COSTS :</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>2,202,896</b>	<b>2,296,403</b>
Social security costs	<b>231,678</b>	<b>222,724</b>
Other pension costs	<b>82,753</b>	<b>83,751</b>
	<b>2,517,327</b>	<b>2,602,878</b>
The average weekly number of employees during the year was as follows :	<b>No.</b>	<b>No.</b>
Office and management	<b>53</b>	<b>52</b>
Manufacturing	<b>30</b>	<b>30</b>
	<b>83</b>	<b>82</b>
<b>6 INTEREST RECEIVABLE :</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Bank interest and short term deposits	<b>24,422</b>	<b>23,899</b>

## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)**2 TURNOVER :**

Turnover represents the invoiced amount of goods sold and services provided stated net of value added tax.

The turnover and profit on ordinary activities before taxation is wholly attributable to the continuing activities of manufacture, distribution and installation of electronic gas detection instruments and systems.

An analysis of turnover by market is given below :

	2005 £	2004 £
United Kingdom	3,690,076	3,459,856
Europe	990,633	765,998
North and South America	1,197,882	1,448,143
Rest of World	476,972	403,762
	<b>6,355,563</b>	<b>6,077,759</b>

**3 OPERATING LOSS/PROFIT :**

This is stated after charging :

	2005 £	2004 £
Depreciation of owned fixed assets	<b>103,036</b>	<b>128,535</b>
Development expenditure written off	<b>722,501</b>	<b>843,955</b>
Auditors' remuneration - audit services	<b>10,500</b>	<b>10,250</b>
- non-audit services	<b>8,400</b>	<b>13,200</b>
Operating lease rentals - land and buildings	<b>19,750</b>	<b>19,750</b>
- plant and machinery	<b>6,614</b>	<b>5,547</b>

## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)

<b>7 INTEREST PAYABLE :</b>	notes	<b>2005</b> £	<b>2004</b> £
Bank loan interest		<b>4,330</b>	-
<b>8 TAX ON LOSS/PROFIT ON ORDINARY ACTIVITIES :</b>		<b>2005</b> £	<b>2004</b> £
(a) Based on the loss/profit for the year:			
Corporation tax		<b>1,003</b>	24,735
Corporation tax overprovided in previous years		<b>(832)</b>	(18,674)
Total current tax		<b>171</b>	6,061
Deferred taxation	14	<b>(78)</b>	(4,697)
		<b>93</b>	1,364

## (b) Factors affecting the tax charge for the year:

The tax assessed on the loss/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	<b>2005</b> £	<b>2004</b> £
Profit on ordinary activities before tax	<b>(49,434)</b>	149,776
Loss/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2004 : 19%)	<b>(9,392)</b>	28,457
Disallowed expenses/(non taxable income)	<b>9,031</b>	(5,385)
Depreciation in advance of capital allowances	-	1,663
Capital allowances in excess of depreciation	<b>(4,146)</b>	-
Adjustments in respect of previous periods	<b>(832)</b>	(18,674)
Others	<b>5,510</b>	-
	<b>171</b>	6,061

## (c) Factors that may affect future tax charges:

At the balance sheet date there are no future factors that will significantly affect future tax charges.

## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)

<b>9 DIVIDENDS :</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Equity dividends on ordinary shares:		
Final paid	-	100,000

**10 TANGIBLE FIXED ASSETS:**

	Land, Bldgs & Leasehold Improvements £	Plant and Fixtures £	Motor Vehicles £	Total £
<b>Cost or valuation :</b>				
<b>At 1 January 2005</b>	<b>941,759</b>	<b>528,596</b>	<b>341,840</b>	<b>1,812,195</b>
Additions	9,464	31,666	78,454	119,584
Disposals	-	-	(113,747)	(113,747)
<b>At 31 December 2005</b>	<b>951,223</b>	<b>560,262</b>	<b>306,547</b>	<b>1,818,032</b>
<b>Depreciation :</b>				
<b>At 1 January 2005</b>	<b>149,284</b>	<b>435,622</b>	<b>239,279</b>	<b>824,185</b>
Charge for year	30,648	23,671	48,717	103,036
Disposals	-	-	(97,399)	(97,399)
<b>At 31 December 2005</b>	<b>179,932</b>	<b>459,293</b>	<b>190,597</b>	<b>829,822</b>
<b>Net Book Value :</b>				
<b>At 31 December 2005</b>	<b>771,291</b>	<b>100,969</b>	<b>115,950</b>	<b>988,210</b>
<b>At 1 January 2005</b>	<b>792,475</b>	<b>92,974</b>	<b>102,561</b>	<b>988,010</b>

The freehold land and buildings situated at Renfrew were valued at their open market value for existing use, in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors, on 11 August 2004 by Graham & Sibbald, Chartered Surveyors, at £780,000.

On the historical cost basis, freehold land and buildings would have been included as follows:

	<b>£</b>
<b>Cost:</b>	
At 1 January 2005 and 31 December 2005	<b>375,000</b>
<b>Cumulative depreciation based on cost:</b>	
At 1 January 2005	<b>237,500</b>
At 31 December 2005	<b>252,500</b>



## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)

<b>11 STOCKS :</b>	notes	<b>2005</b>	<b>2004</b>
		£	£
Raw materials and consumables		716,674	727,161
Work-in-progress		105,226	50,314
Finished goods and goods for resale		30,796	59,321
		<u>852,696</u>	<u>836,796</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

<b>12 DEBTORS :</b>		<b>2005</b>	<b>2004</b>
		£	£
Trade debtors		1,024,857	1,197,981
Other debtors		1,700	1,850
Prepayments and accrued income		160,415	109,729
Amounts owed by parent undertaking		1,824,803	713,303
		<u>3,011,775</u>	<u>2,022,863</u>

<b>13 CREDITORS : Amounts falling due within one year</b>		<b>2005</b>	<b>2004</b>
		£	£
Trade creditors		403,863	493,391
Corporation tax		1,003	24,735
Other taxes and social security costs		88,277	98,753
Current instalments due on bank loan (note 14)		100,000	-
Accruals		240,199	197,586
		<u>833,342</u>	<u>814,465</u>

## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)

14 LOANS:	2005 £	2004 £
Wholly repayable within five years:		
Bank loan of £500,000	475,000	-
Less: included in creditors: amounts falling due within one year	(100,000)	-
	<u>375,000</u>	<u>-</u>
Amounts repayable:		
In one year or less	100,000	-
In more than one year but not more than two years	100,000	-
In more than two years but not more than five years	275,000	-
	<u>475,000</u>	<u>-</u>

## 15 PROVISIONS FOR LIABILITIES AND CHARGES :

The movements in deferred taxation during the current and previous years are as follows:

	notes	2005 £	2004 £
At 1 January		3,585	8,282
Release for the year	8	(79)	(4,702)
Adjustment relating to prior year	8	1	5
At 31 December		<u>3,507</u>	<u>3,585</u>

Full provision for deferred taxation has been made as follows:

Capital allowances in advance of depreciation	17,307	6,815
Other timing differences	(13,800)	(3,230)
	<u>3,507</u>	<u>3,585</u>

## 16 SHARE CAPITAL :

	2005 No.	2004 No.
Authorised : Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Issued : Allotted, called up and fully paid	<u>£ 27,440</u>	<u>£ 27,440</u>

## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)

## 17 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES :

	Share Capital £	Redemp'n Reserve £	Share Premium £	Revalua'n Reserve £	Profit & Loss Account £	Total £
At 1 January 2004	27,440	3,500	279,180	546,000	2,975,527	3,831,647
Profit for the year	-	-	-	-	148,412	148,412
Dividend paid	-	-	-	-	(100,000)	(100,000)
Revaluation surplus	-	-	-	172,000	-	172,000
At 1 January 2005	27,440	3,500	279,180	718,000	3,023,939	4,052,059
Profit for the year	-	-	-	-	(49,527)	(49,527)
Transfer in respect of dep'n on revalued assets	-	-	-	(16,200)	16,200	-
At 31 December 2005	27,440	3,500	279,180	701,800	2,990,612	4,002,532

## 18 NOTES TO THE STATEMENT OF CASH FLOWS :

a) Reconciliation of operating loss/profit to net cash inflow from operating activities	2005 £	2004 £
Operating (loss)/profit	(69,526)	125,877
Depreciation	103,036	128,535
Gain on sale on disposal of fixed assets	(8,217)	(12,755)
Increase in stocks	(15,900)	(243,022)
(Increase)/decrease in debtors	(988,912)	96,504
(Decrease)/increase in creditors	(57,391)	191,902
Net cash (outflow)/inflow from operating activities	(1,036,910)	287,041

## b) Analysis of changes in net funds

	At 1 Jan 2005 £	Cash Flows £	At 31 Dec 2005 £
Cash at bank and in hand	1,022,440	(660,740)	361,700
Debt due within one year	-	(100,000)	(100,000)
Debt due after one year	-	(375,000)	(375,000)
	1,022,440	(1,135,740)	(113,300)

## GAS MEASUREMENT INSTRUMENTS LIMITED

NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)**19 CAPITAL COMMITMENTS :**

Amounts contracted for but not provided in the financial statements amounted to £Nil (2004 - £Nil).

**20 PENSION COMMITMENTS :**

The company has defined contribution pension schemes for its present directors and employees and for employees this operates on the basis of a group personal pension plan. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge for the year in respect of these schemes amounted to:

	2005 £	2004 £
Directors	34,927	34,710
Employees	47,826	49,041
	<u>82,753</u>	<u>83,751</u>

No amounts were outstanding in respect of the above pension schemes at the balance sheet date.

**21 OTHER FINANCIAL COMMITMENTS :**

## Operating leases

At 31 December 2005, the company had annual commitments under non-cancellable operating leases as set out below:

	2005 £	Land and buildings 2004 £
Operating leases which expire:		
In two to five years	<u>19,750</u>	<u>19,750</u>

**22 CONTINGENT LIABILITY :**

The directors confirm that there are no contingent liabilities at the year end.

**GAS MEASUREMENT INSTRUMENTS LIMITED**

**NOTES TO THE ACCOUNTS at 31 December 2005  
(continued)**

**23 ULTIMATE HOLDING COMPANY :**

In the directors' opinion, the company's immediate and ultimate parent undertaking and controlling party is GMI Group Limited, a company incorporated in Scotland. Copies of the accounts of GMI Group Limited can be obtained from the registered office of that company.

**24 RELATED PARTY TRANSACTIONS :**

The directors have taken advantage of the exemptions allowed under FRS 8 relating to subsidiary undertakings.