

Luxfer Gas Cylinders China Holdings Limited

Report and Financial Statements

31 December 2006

Registered Number 5165622

TUESDAY



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COMPANIES HOUSE

Director's Report

The director presents his report and the financial statements for the year ended 31 December 2006

Principal activity and review of the business

The company is a holding company for an overseas subsidiary

Directors and their interests

The name of the director who served as sole director during the year was

B G Purves

B G Purves has no interest in the share capital of the company. B G Purves is a director of the parent undertaking, Luxfer Holdings PLC, and details of his emoluments, interests and shareholdings are disclosed in the financial statements of that company.

Directors' liabilities

During the year the company had in force an indemnity provision in favour of the Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985.

Director's statement as to disclosure of information to auditors

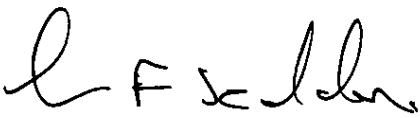
The director who served during the year and at the time of approving the director's report is listed above. Having made enquiries of the Company's auditors, the director confirms that

- to the best of his knowledge and belief, there is no information relevant to the preparation of his report to which the Company's auditors are unaware, and
- the director has taken all steps a director may be reasonably expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Ernst & Young have been appointed auditors by the sole director, and a resolution to re-appoint them as auditors will be put to the members at the Annual General Meeting.

By order of the sole director on

6th September 2007


Linda F Seddon
Secretary

Statement of Director's Responsibilities in Respect of the Financial Statements

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements 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 financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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 Luxfer Gas Cylinders China Holdings Limited

We have audited the company's financial statements for the year ended 31 December 2006 which comprise the Balance Sheet and the related notes 1 to 4. These financial statements have been prepared on the basis of 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 Annual Report and 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also 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 transactions with the company 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 judgements 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 affairs of the company as at 31 December 2006, have been properly prepared in accordance with the Companies Act 1985 and that the information given in the Directors' Report is consistent with the financial statements.


Ernst & Young LLP
Registered Auditor
Manchester
6/9/07

Balance Sheet

at 31 December 2006

	<i>Notes</i>	<i>2006</i> <i>£000</i>	<i>2005</i> <i>£000</i>
Fixed assets			
Investments	2	594	328
Current assets			
Cash at bank and in hand		2	2
Net assets		<u>596</u>	<u>330</u>
Capital and reserves			
Called up share capital	3	<u>596</u>	<u>330</u>

Approved by the sole director on 6 September 2007



B G Purves

Sole Director

Notes to the Financial Statements

at 31 December 2006

1. Accounting policies

Basis of preparation

The financial statements for the year ended 31 December 2006 were authorised for issue by the sole Director on 6 September 2007 and the balance sheet was signed by him. Luxfer Gas Cylinders China Holdings Limited is a company incorporated and domiciled in England and Wales.

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

2. Investment

	<i>Subsidiary undertaking £000</i>
<i>Cost</i>	
At 1 January 2006	328
Additions	266
At 31 December 2006	<u>594</u>

The investment represents the entire issued ordinary share capital of Luxfer Gas Cylinders (Shanghai) Co., Limited, a manufacturing company registered in China.

3. Share capital

	<i>2006 £</i>	<i>2005 £</i>
Authorised		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid		
595,958 (2005: 330,000) ordinary shares of £1 each	<u>595,958</u>	<u>330,000</u>

On 30 August 2006 the company allotted a further 265,958 ordinary shares of £1 each at par, increasing its issued share capital to £595,958. This enabled the company to increase its investment in its subsidiary, Luxfer Gas Cylinders (Shanghai) Co., Limited.

4. Parent undertaking

The ultimate parent undertaking and controlling party is Luxfer Holdings PLC, which is registered in England and Wales. The company is included in the consolidated financial statements of Luxfer Holdings PLC. Copies of Luxfer Holdings PLC's financial statements may be obtained from The Company Secretary, The Victoria, 150-182 Harbour City, Salford Quays, Salford, M50 3SP.

The immediate parent undertaking is Luxfer Overseas Holdings Limited, which is registered in England and Wales.