

# Company Balance Sheet

	Notes	3 April 2010 £000	28 March 2009 £000
<b>Fixed assets</b>			
Tangible assets	C3	2,128	2,086
Investments	C4	90,191	120,317
		<b>92,319</b>	122,403
<b>Current assets</b>			
Debtors (amounts falling due within one year)	C5	23,087	31,109
Debtors (amounts falling due after more than one year)	C5	140,605	106,630
Short-term deposits		1,591	7,924
Cash at bank and in hand		12	208
		<b>165,295</b>	145,871
<b>Creditors: amounts falling due within one year</b>			
Borrowings	C6	2,334	6,019
Creditors	C7	25,494	13,190
Current tax payable		3,338	1,736
		<b>31,166</b>	20,945
<b>Net current assets</b>		<b>134,129</b>	124,926
<b>Total assets less current liabilities</b>		<b>226,448</b>	247,329
<b>Creditors: amounts falling due after more than one year</b>			
Borrowings	C6	21,924	79,613
Creditors	C8	26,538	33,479
<b>Net assets</b>		<b>177,986</b>	134,237
<b>Capital and reserves</b>			
Share capital	C10	37,765	37,539
Share premium account	C11	20,959	18,146
Treasury shares	C11	(2,581)	(2,759)
Capital redemption reserve	C11	185	185
Other reserves	C11	1,061	2,000
Profit and loss account	C11	120,597	79,126
<b>Shareholders' funds</b>		<b>177,986</b>	134,237

The financial statements of Halma p.l.c., company number 40932, were approved by the Board of Directors on 22 June 2010.

**A J Williams**  
Director

**K J Thompson**  
Director

# Notes to the Company Accounts

## C1 Accounting Policies

### Basis of accounting

The separate Company financial statements are presented as required by the Companies Act 2006 and have been prepared on the historical cost basis and comply with applicable United Kingdom Accounting Standards and law. The principal Company accounting policies have been applied consistently throughout the current and preceding years and are described below.

### Foreign currencies

Transactions in foreign currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates prevailing at that date. Any gain or loss arising from subsequent exchange rate movements is included as an exchange gain or loss in the profit and loss account.

### Share-based payments

The Company has adopted FRS 20 and the accounting policies followed are in all material respects the same as the Group's policy under IFRS 2. This policy is shown on page 78.

### Investments

Investments are stated at cost less provision for impairment.

### Fixed assets and depreciation

Fixed assets are stated at cost less provisions for impairment and depreciation which, with the exception of freehold land which is not depreciated, is provided on all fixed assets on the straight-line method, each item being written off over its estimated life. The principal annual rates used for this purpose are:

Freehold property	2%
Plant, equipment and vehicles	8% to 20%

### Leases

The costs of operating leases of property and other assets are charged as incurred.

### Pensions

The Company makes contributions to defined contribution pension plans, which are charged against profits when they become payable. The Company also participates in a Group-wide defined benefit pension plan. This plan is operated on a basis that does not enable individual companies to identify their share of the underlying assets and liabilities, and in accordance with Financial Reporting Standard 17 the Company accounts for its contributions to the plan as if it was a defined contribution plan.

### Taxation

Taxation comprises current and deferred tax.

Current tax is the expected tax payable, on the taxable income for the year, using tax rates enacted, or substantially enacted, at the balance sheet date, and any adjustments to tax payable in respect of previous years.

The Company provides for tax deferred because of timing differences between profits as computed for taxation purposes and profits as stated in the accounts, on an undiscounted basis. 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 substantially enacted by the balance sheet date. Deferred tax assets are only recognised if recovery is considered more likely than not on the basis of all available evidence.

### Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including direct issue costs, are accounted for on an accruals basis in profit or loss and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

## C2 Result for the year

As permitted by Section 408(3) of the Companies Act 2006, the Profit and Loss Account of Halma p.l.c. is not presented as part of these accounts. The Company has reported a profit after taxation of £71,570,000 (2009: loss of £1,733,000).

Auditors' remuneration for audit services to the Company was £98,000 (2009: £88,000).

Total employee costs (including Directors) were:

	2010 £000	2009 £000
Wages and salaries	3,102	3,097
Social security costs	386	531
Pension costs	423	386
	<b>3,911</b>	<b>4,014</b>

# Notes to the Company Accounts

## continued

### C2 Result for the year continued

	2010 Number	2009 Number
Number of employees	41	42

Details of Directors' remuneration are set out on pages 57 to 64 within the Remuneration Report and form part of these financial statements.

### C3 Fixed assets – tangible assets

	Freehold properties £000	Plant equipment and vehicles £000	Total £000
<b>Cost</b>			
At 28 March 2009	1,780	1,866	3,646
Additions at cost	–	344	344
Disposals	–	(489)	(489)
<b>At 3 April 2010</b>	<b>1,780</b>	<b>1,721</b>	<b>3,501</b>
<b>Accumulated depreciation</b>			
At 28 March 2009	356	1,204	1,560
Charge for the year	20	256	276
Disposals	–	(463)	(463)
<b>At 3 April 2010</b>	<b>376</b>	<b>997</b>	<b>1,373</b>
<b>Carrying amounts</b>			
<b>At 3 April 2010</b>	<b>1,404</b>	<b>724</b>	<b>2,128</b>
At 28 March 2009	1,424	662	2,086

### C4 Investments

Shares in Group companies

	2010 £000	2009 £000
At cost less amounts written off at beginning of year	120,317	121,332
Reduction	(30,126)	(1,015)
At cost less amounts written off at end of year	90,191	120,317

The reduction in the current year related to write down of investments in non-trading subsidiary companies after one company's reserves were distributed as dividends to Halma p.l.c. and three other companies' trade, assets and liabilities were transferred to fellow subsidiary companies. The reduction in the prior year related to downward revisions in the estimates of deferred purchase consideration payable in respect of acquisitions made in prior years.

Details of principal subsidiary companies are set out on pages 114 and 115. All these subsidiaries are wholly owned subsidiaries of Halma p.l.c. and are incorporated in Great Britain, other than those listed below, where they principally operate. All of the companies' interests below are held by subsidiary companies.

## C4 Investments continued

Name of company	Country of incorporation
Fortress Interlocks Pty Limited	Australia
Hydreka S.A.S.	France
SERV Trayvou Interverrouillage S.A.S.	France
Apollo Gesellschaft für Meldetechnologie mbH	Germany
Rudolf Riester GmbH	Germany
Berson Milieutechniek B.V.	The Netherlands
Netherlocks Safety Systems B.V.	The Netherlands
Bureau D'Electronique Appliquée S.A.	Belgium
TL Jones Limited	New Zealand
E-Motive Display Pte Limited	Singapore
Halma Holdings Inc.	USA
Air Products and Controls Inc.	USA
Aquionics Inc.	USA
B.E.A. Inc.	USA
Bio-Chem Fluidics Inc.	USA
Diba Industries, Inc.	USA
Fiberguide Industries Inc.	USA
Janus Elevator Products Inc.	USA
Labsphere, Inc.	USA
Ocean Optics, Inc.	USA
Oklahoma Safety Equipment Co. Inc.	USA
Perma Pure LLC	USA
SphereOptics Inc.	USA
Volk Optical Inc.	USA

## C5 Debtors

	2010 £000	2009 €000
Amounts falling due within one year:		
Amounts due from Group companies	<b>20,284</b>	28,819
Other debtors	<b>11</b>	18
Prepayments and accrued income	<b>1,987</b>	1,795
Deferred tax asset (note C9)	<b>805</b>	477
	<b>23,087</b>	31,109
Amounts falling due after more than one year:		
Amounts due from Group companies	<b>140,605</b>	106,630

# Notes to the Company Accounts

## continued

### C6 Borrowings

	2010 £000	2009 £000
Falling due within one year:		
Overdrafts	2,334	6,019
Falling due after more than one year:		
Unsecured bank loans	21,924	79,613
<b>Total borrowings</b>	<b>24,258</b>	<b>85,632</b>

The facility under which the bank loans are drawn expires within two to five years (2009: within two to five years) and at 3 April 2010 £143,076,000 (2009: £85,387,000) remained committed and undrawn.

The bank overdrafts, which are unsecured, at 3 April 2010 and 28 March 2009 were drawn on uncommitted facilities which all expire within one year, and were held pursuant to a Group pooling arrangement which offsets them against credit balances in subsidiary undertakings.

The Company is part of an arrangement between UK subsidiaries whereby overdraft facilities of £20,684,000 (2009: £21,023,000) are cross-guaranteed. Of these facilities £169,000 (2009: £242,000) was drawn.

### C7 Creditors: amounts falling due within one year

	2010 £000	2009 £000
Trade creditors	1,075	784
Amounts owing to Group companies	21,151	8,498
Other taxation and social security	1,308	977
Other creditors	694	1,550
Accruals and deferred income	1,266	1,381
	<b>25,494</b>	<b>13,190</b>

### C8 Creditors: amounts falling due after more than one year

	2010 £000	2009 £000
Amounts owing to Group companies	26,158	33,094
Other creditors	380	385
	<b>26,538</b>	<b>33,479</b>
These liabilities fall due as follows:		
Within one to two years	309	385
Within two to five years	71	–
After more than five years	26,158	33,094

### C9 Deferred tax

	2010 £000	2009 £000
Movement in deferred tax asset:		
At beginning of year	477	(370)
Credit to profit and loss account	33	651
Credit to reserves	295	196
At end of year (note C5)	<b>805</b>	<b>477</b>

Deferred tax comprises short-term timing differences.

## C10 Share capital

	Authorised		Issued and fully paid	
	2010 £000	2009 £000	2010 £000	2009 £000
Ordinary shares of 10p each	<b>43,656</b>	43,656	<b>37,765</b>	37,539

The number of ordinary shares in issue at 3 April 2010 was 377,654,037 (2009: 375,390,677), including treasury shares of 1,130,036 (2009: 1,274,108). Changes during the year in the issued ordinary share capital were as follows:

	Issued and fully paid £000
At 28 March 2009	37,539
Share options exercised	<b>226</b>
<b>At 3 April 2010</b>	<b>37,765</b>

The total consideration received in cash in respect of share options exercised amounted to £3,039,000 (2009: £1,290,000). At the date of these accounts, the number of ordinary shares in issue was 377,721,994 (2009: 375,413,293), including treasury shares of 1,523,217 (2009: 1,438,837). Details of share options in issue on the Company's share capital and share-based payments are included in note 22 to the Group accounts.

## C11 Reserves

	Non-distributable				Distributable
	Share premium account £000	Treasury shares £000	Capital redemption reserve £000	Other reserves £000	Total profit and loss account £000
At 28 March 2009	18,146	(2,759)	185	2,000	79,126
Profit transferred to reserves	-	-	-	-	<b>71,570</b>
Dividends paid	-	-	-	-	<b>(30,394)</b>
Issue of shares	<b>2,813</b>	-	-	-	-
Movement in other reserves	-	-	-	<b>(939)</b>	-
Net movement in treasury shares	-	<b>178</b>	-	-	-
Deferred tax to equity	-	-	-	-	<b>295</b>
<b>At 3 April 2010</b>	<b>20,959</b>	<b>(2,581)</b>	<b>185</b>	<b>1,061</b>	<b>120,597</b>

The capital redemption reserve was created on repurchase and cancellation of the Company's own shares. The other reserves represent the provision being established in respect of the value of equity-settled share option plans and performance share plan awards made by the Company. Treasury shares are the Company's own shares purchased and held to fulfil its obligations under the performance share plan.

## C12 Reconciliation of movement in shareholders' funds

	2010 £000	2009 £000
At beginning of year	<b>134,237</b>	158,012
Profit/(loss) after taxation	<b>71,570</b>	(1,733)
Dividends paid	<b>(30,394)</b>	(28,785)
Exchange adjustments	-	5,307
Issue of shares	<b>3,039</b>	1,290
Net movement in treasury shares	<b>178</b>	533
Movement in other reserves	<b>(939)</b>	(583)
Deferred tax to equity	<b>295</b>	196
At end of year	<b>177,986</b>	134,237