

GRASEBY OVERSEAS HOLDINGS LIMITED

Report and Accounts

For the year ended 31 July 2004

Company Number : 1658832



GRASEBY OVERSEAS HOLDINGS LIMITED

REPORT OF THE DIRECTORS IN RESPECT OF THE YEAR ENDED 31 JULY 2004

The directors present their report and audited financial statements for the year ended 31 July 2004.

PRINCIPAL ACTIVITIES

The sole activity of the company is the holding of shares in overseas companies and the provision of finance for those companies. Current plans envisage the continuing of this activity.

DIVIDENDS AND RESULTS

The profit and loss account is set out on page 5. The directors do not recommend the payment of a final dividend (2003 : £nil).

DIRECTORS

The directors of the company during the year were :

J. M. Hawkes
D. A. Penn

DIRECTORS' INTERESTS IN SHARES

The disclosable directors' interests in the share capital of Smiths Group plc at the beginning and end of the year was as follows :-

	Ordinary shares of 25p	
	31 July 2004	1 August 2003
J. M. Hawkes	27,159	30,036
D. A. Penn	-	-

The figures for shares held at 1 August 2003 have been restated to reflect shares acquired in the prior year which were not disclosed in those accounts.

Options have been granted over the number of ordinary shares of Smiths Group plc in the amounts shown below under the terms of the Smiths Industries 1982 SAYE and Executive Share Option Schemes and Deferred Share Scheme.

	1. 8. 03	Granted	Exercised/ Lapsed	31.7.04
J. M. Hawkes	48,940	10,000	(3,085)	55,855
D. A. Penn	45,410	10,000	(6,774)	48,636

Details of option exercise prices and dates are contained in the Report and Accounts of Smiths Group plc.

GRASEBY OVERSEAS HOLDINGS LIMITED

REPORT OF THE DIRECTORS (cont.)

SUPPLIER PAYMENT POLICY

The company agrees payment terms with its suppliers when it enters into purchase contracts and seeks to abide by those payment terms once it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

AUDITORS

PricewaterhouseCoopers LLP will remain as auditors by virtue of an elective resolution under section 386 of the Companies Act 1985 passed on 8 July 1991.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'DAP', followed by a long horizontal line extending to the right.

D. A. Penn
Director

765 Finchley Road
London NW11 8DS

31 December 2004

GRASEBY OVERSEAS HOLDINGS LIMITED

Statement of directors' responsibilities

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 as at the end of the financial year 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

The directors confirm that these financial statements comply with these requirements.

AUDITORS' REPORT TO THE MEMBERS OF GRASEBY OVERSEAS HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 9, which comprise the profit and loss account, the balance sheet, and related notes which have been prepared under the historical cost convention, and in accordance with the Accounting Policies set out on page 7.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 transactions is not disclosed.

We read the other information contained in the directors' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

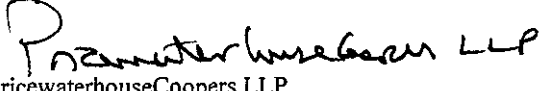
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 of the state of affairs of the company as at 31 July 2004 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
One Embankment Place
London
WC2N 6RH

31 December 2004

GRASEBY OVERSEAS HOLDINGS LIMITED

Profit and Loss Account

for the year ended 31 July 2004

	<u>2004</u>	<u>2003</u>
	<u>£000</u>	<u>£000</u>
Operating profit / (loss)	-	-
Interest receivable from group companies	-	12
Exchange variations	-	(4)
Profit on ordinary activities before taxation	-	8
Tax on profit on ordinary activities	-	(4)
Profit for the financial year	-	4

The company has no recognised gains and losses other than those included in the statement above and therefore no separate statement of total recognised gains and losses has been presented.

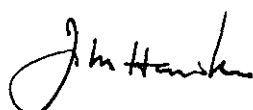
The notes on pages 7 to 9 form part of these accounts.

GRASEBY OVERSEAS HOLDINGS LIMITED

Balance Sheet - At 31 July 2004

	<u>Notes</u>	<u>£000</u>	<u>2004</u> <u>£000</u>	<u>£000</u>	<u>2003</u> <u>£000</u>
<u>Fixed Assets</u>					
Investments					
- Subsidiary undertakings	2		100		100
<u>Current Assets</u>					
Debtors falling due after one year					
- group loan accounts	5	-		355	
Less:					
Creditors falling due within one year:					
- corporation tax payable		-		-	
Net current assets			-		355
Total assets less current liabilities			100		455
Creditors falling due after one year:					
- group loan accounts	5		-		(9,955)
			100		(9,500)
<u>Capital and Reserves</u>					
Equity share capital	3		1		1
Share premium account			24,428		14,828
Profit and loss account			(24,329)		(24,329)
	4		100		(9,500)

These accounts were approved by the board of directors on 31 December 2004



J. M. Hawkes
Director

The notes on pages 7 to 9 form part of these accounts.

GRASEBY OVERSEAS HOLDINGS LIMITED

Notes to the Accounts – year ended 31 July 2004

1. Principal Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

(a) Accounting convention

The accounts are prepared in accordance with the historical cost convention.

(b) Investments

Investments in subsidiary undertakings are stated at historical cost less provision for any permanent diminution in value.

(c) Cash flows

The company is a wholly owned subsidiary of Smiths Group plc and the cash flows of the company are included in the consolidated group cash flow statement of the parent company. Consequently the company is exempt, under the terms of Financial Reporting Standard Number 1, from publishing a cash flow statement.

(d) Consolidated accounts

In accordance with the provisions of Section 228 of the Companies Act 1985 the company is exempt from the requirement to prepare and deliver group accounts because the whole of its issued share capital is in the beneficial ownership of Smiths Group plc, a company incorporated in England and Wales, and the accounts of the company and of its subsidiary undertakings are included in the consolidated accounts of the parent company.

(e) Employees

The company has no active employees (2003: none). Employees of other Smiths Group companies perform all administration of the company's affairs. No charge for these services is levied upon the company.

GRASEBY OVERSEAS HOLDINGS LIMITED

Notes to the Accounts – year ended 31 July 2004 (Cont.)

2. Investments in Subsidiary Undertakings

£'000's	2004			2003
	Cost	Provision	Net Book Value	Net Book Value
At 1 August 2003 and 31 July 2004	<u>11,735</u>	<u>(11,635)</u>	<u>100</u>	<u>100</u>

The companies retained at 31 July 2004 comprised :

	Proportion of share capital directly held	Country of incorporation
Andersen Samplers BV	<u>100%</u>	<u>Netherlands</u>
Smiths Medical (S.E. Asia) Ltd.	<u>100%</u>	<u>Hong Kong</u>

3. Called Up Share Capital

	2004 £	2003 £
<u>Authorised</u>		
10,000 Ordinary Shares of £1 each	<u>10,000</u>	<u>10,000</u>
<u>Issued and Fully Paid</u>		
600 Ordinary Shares of £1 each at 1 August	600	600
1 Ordinary Share of £1 issued during the year	<u>1</u>	<u>-</u>
601 Ordinary Shares of £1 each at 31 July	<u>601</u>	<u>600</u>

4. Reconciliation of Movements in Shareholders Funds

	2004 £'000	2003 £'000
Equity shareholders' funds at beginning of period, as previously stated	(9,500)	(9,504)
Profit for the financial year	-	4
Increase in equity capital	9,600	
Equity shareholders' funds at 31 July	<u>100</u>	<u>(9,500)</u>

During the year the company issued 1 ordinary share at a premium of £9,599,999.

GRASEBY OVERSEAS HOLDINGS LIMITED

Notes to the Accounts – year ended 31 July 2004 (Cont.)

5. Group Loan Accounts

	<u>2004</u>	<u>2003</u>
	<u>£000</u>	<u>£000</u>
Owed by ultimate holding company	-	355
Owed by subsidiary undertakings	-	-
	<u>-</u>	<u>355</u>
Creditors falling due after one year:	<u>£000</u>	<u>£000</u>
Owing to immediate holding company	-	(9,955)
Owing to ultimate holding company	-	-
	<u>-</u>	<u>(9,955)</u>

6. Directors Emoluments

The directors received no emoluments in respect of their services to the company. All directors are employed by Smiths Group plc and are remunerated by that company in respect of their services to the group as a whole.

7. Auditors' Remuneration

The remuneration of the auditors was borne by Smiths Group plc.

8. Parent Company

At the balance sheet date the company's parent company was Graseby Limited, and its ultimate holding company was Smiths Group plc, both incorporated in England and Wales. Copies of the group accounts of Smiths Group plc may be obtained from the Company Secretary, Smiths Group plc, 765 Finchley Road, London NW11 8DS.

The company has taken advantage of the exemption under paragraph 3(c) of FRS 8 from disclosing transactions with other subsidiary companies of the Smiths Group plc group.