

BOC HOLDINGS

(Registered No: 212945)

ANNUAL ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 1994



BOC HOLDINGS

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 SEPTEMBER 1994

The directors present their Report together with the Audited Accounts for the year ended 30 September 1994.

REVIEW OF ACTIVITIES

The results for the year are contained in the accompanying Profit and Loss Account on page 5.

The Company's principal activity is and has been throughout the year that of an investment holding company and it is envisaged that this will continue to be the principal activity of the Company for the foreseeable future.

DIVIDENDS

An interim dividend on the Company's Ordinary shares amounting to £30,000,000 was paid on 28 September 1994.

The directors do not recommend the payment of a final dividend for the year ended 30 September 1994.

DIRECTORS

The directors of the Company during the year were:

Mr I M Clubb	(resigned 30 September 1994)
Mr W E Connell (alternate)	
Mr A P Dyer	(appointed 28 March 1994)
Mr P J J Rich	(resigned 28 March 1994)
Mr F D Rosenkranz	
Mrs G J Stuart	(appointed 1 June 1994)
Mr A N Tarallo	(resigned 1 June 1994)

Mr A E Isaac was appointed a director of the Company on 17 October 1994.

The directors are not subject to retirement by rotation.

During the year The BOC Group plc, the Company's holding company, purchased liability insurance covering the directors and officers of its subsidiaries including those of the Company.

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of section 324 of the Companies Act 1985, no director was interested in any shares or debentures of the Company at 30 September 1994. Interests in shares or debentures of The BOC Group plc, the Company's holding company, were as follows:

<u>Name</u>	<u>Ordinary shares</u>		<u>30.9.94</u>	<u>Options over Ordinary shares</u>		<u>1.10.93</u>
	<u>30.9.94</u>	<u>1.10.93</u>		<u>Granted in year</u>	<u>Exercised in year</u>	
W E Connell	2,755	1,998	98,230	15,452	690	83,468
G J Stuart	-	-*	63,776	-	-	63,776*

* on appointment

The interests of Mr I M Clubb, Mr A P Dyer and Mr F D Rosenkranz in the shares or debentures of The BOC Group plc are disclosed in that company's accounts.

AUDITORS

Pursuant to section 386(1) of the Companies Act 1985 (as inserted by the Companies Act 1989) the members have dispensed with the obligation to appoint auditors annually and Coopers & Lybrand are deemed to be re-appointed each year.

ANNUAL GENERAL MEETING AND LAYING OF ACCOUNTS

Pursuant to sections 366A(1) and 252(1) of the Companies Act 1985 (as inserted by the Companies Act 1989) the members have resolved to dispense with the holding of Annual General Meetings and the laying of the Report and Accounts of the Company before the members in general meeting.

BY ORDER OF THE BOARD



D G PAVEY
SECRETARY
28 November 1994

BOC HOLDINGS

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on pages 5 to 12.

As described on the following page, the company's directors are responsible for preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 1994 and of the profits of the company for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand.

LONDON
28 November 1994

COOPERS & LYBRAND
Chartered Accountants and Registered Auditors

BOC HOLDINGS

RESPONSIBILITY OF THE DIRECTORS

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,
- 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.

BOC HOLDINGS**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 1994**

	<u>Note</u>	<u>1994</u> <u>£000</u>	<u>1993</u> <u>£000</u>
INCOME FROM INVESTMENTS			
Dividend income:			
Subsidiary undertakings	2	38,794	35,598
Related undertakings	2	9,127	12,587
Other investments		8	6
		<hr/> 47,929	<hr/> 48,191
Interest receivable	3	4,236	4,629
Other		4	2
		<hr/> 52,169	<hr/> 52,822
Provision charged against investments		582	(8,486)
(Loss)/profit on disposal of investments (net)		(6,341)	473
Exchange gains/(losses) (net)		1,497	(1,144)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<hr/> 47,907	<hr/> 43,665
Tax on profit on ordinary activities	4	(1,452)	(1,138)
PROFIT FOR THE FINANCIAL YEAR		<hr/> 46,455	<hr/> 42,527
RETAINED PROFITS AT 1 OCTOBER		12,859	15,332
Ordinary dividends paid		(30,000)	(45,000)
RETAINED PROFITS AT 30 SEPTEMBER		<hr/> 29,314	<hr/> 12,859

There were no recognised gains or losses in the year other than those included in the profit and loss account and therefore no separate statement of recognised gains and losses has been presented.

BOC HOLDINGS**BALANCE SHEET AT 30 SEPTEMBER 1994**

	<u>Note</u>	<u>1994</u> £000	<u>1993</u> £000
FIXED ASSETS			
Investments	6	410,100	474,243
CURRENT ASSETS			
Debtors	7	6,487	2,692
Cash at bank and in hand		2,495	8,834
		8,982	11,526
CREDITORS: Amounts falling due within one year	8	(43,933)	(126,175)
NET CURRENT LIABILITIES		(34,951)	(114,649)
Total assets less current liabilities		375,149	359,594
CREDITORS: Amounts falling due after more than one year		-	(900)
		375,149	358,694
CAPITAL AND RESERVES			
Called up share capital	9	340,000	340,000
Capital reserve		5,835	5,835
Profit and loss account		29,314	12,859
		375,149	358,694

These accounts were approved by the Board of Directors and are signed on its behalf by:



MR A E ISAAC
Director

28 November 1994

BOC HOLDINGS**NOTES ON FINANCIAL STATEMENTS****1. PRINCIPAL ACCOUNTING POLICIES****a) Accounting convention**

The financial statements have been prepared under the historical cost convention and comply with all applicable accounting standards.

b) Investment income

Income from shares is included in profit on ordinary activities upon receipt. All other income is included when receivable.

c) Exchange rates

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of receipt or at the contracted rate if the transaction is covered by a forward exchange contract. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange approximating to those ruling at the financial year-end. All exchange differences are included in the profit and loss account.

d) Group accounts

The Company is exempt from the requirement to prepare Group accounts as it is a wholly owned subsidiary undertaking of The BOC Group plc, which is registered in England and is the Company's ultimate parent undertaking. The Group accounts of The BOC Group plc are available from the Company's registered office.

2. DIVIDEND INCOME**a) Subsidiary undertakings**

	<u>1994</u> £000	<u>1993</u> £000
Listed securities	9,891	8,309
Other	28,903	27,289
	<u>38,794</u>	<u>35,598</u>

2. DIVIDEND INCOME (Continued)**b) Related undertakings**

	<u>1994</u> £000	<u>1993</u> £000
Listed securities	-	-
Other	9,127	12,587
	<u>9,127</u>	<u>12,587</u>

3. INTEREST RECEIVABLE

	<u>1994</u> £000	<u>1993</u> £000
Group undertakings	4,236	4,628
Other	-	1
	<u>4,236</u>	<u>4,629</u>

4. TAX

The charge for tax is made up as follows:

	<u>1994</u> £000	<u>1993</u> £000
United Kingdom Corporation Tax at 33 % (1993: 33 %)	(26,300)	(24,500)
Advance Corporation Tax offset	2,900	2,900
Relief for overseas taxation	22,650	21,100
	<u>(750)</u>	<u>(500)</u>
Overseas tax - current year	(702)	(638)
	<u>(1,452)</u>	<u>(1,138)</u>
Tax on profit on ordinary activities	(1,452)	(1,138)

5. DIRECTORS' EMOLUMENTS

The Directors were employed as officers of The BOC Group plc and remunerated by that Company in respect of their service to the Group as a whole. Their emoluments are dealt with in the accounts of The BOC Group plc.

6. INVESTMENTS

a) Summary

	<u>1994</u> £000	<u>1993</u> £000
Equity investments - net book value	330,874	381,101
Loans to subsidiary and related undertakings	79,226	93,142
Total investments	<u>410,100</u>	<u>474,243</u>

b) Equity investments

	<u>Total</u> £000	<u>Subsidiary</u> <u>Under-</u> <u>takings</u> £000	<u>Related</u> <u>Under-</u> <u>takings</u> £000
Cost:			
At 1 October 1993	414,798	373,087	41,711
Additions	23,446	19,880	3,566
Disposals	(86,815)	(86,221)	(594)
Transfers	-	3,161	(3,161)
At 30 September 1994	<u>351,429</u>	<u>309,907</u>	<u>41,522</u>
Provisions:			
At 1 October 1993	(33,697)	(32,358)	(1,339)
Provided during the year	(6,382)	(1,098)	(5,284)
Disposals	19,524	19,524	-
At 30 September 1994	<u>(20,555)</u>	<u>(13,932)</u>	<u>(6,623)</u>
Listed investments	9,888	9,888	-
Others	320,986	286,087	34,899
Investments - net book value	<u>330,874</u>	<u>295,975</u>	<u>34,899</u>
Listed investments - market value	<u>394,181</u>	<u>394,181</u>	<u>-</u>

In the opinion of the directors of the Company the value of the assets of the Company consisting of shares in, or amounts owing (whether on account of a loan or otherwise) from the Company's subsidiary, related undertakings and other investments is not less than the aggregate of the amounts at which these assets are stated or included in the balance sheet.

6. INVESTMENTS (Continued)

c) Loans to subsidiary and related undertakings

	<u>Total</u> £000	<u>Subsidiary</u> <u>Under-</u> <u>takings</u> £000	<u>Related</u> <u>Under-</u> <u>takings</u> £000
Cost:			
At 1 October 1993	106,969	104,702	2,267
Advances	61,959	61,959	-
Repayments	(84,335)	(84,335)	-
Exchange	1,497	1,497	-
At 30 September 1994	86,090	83,823	2,267
Provisions:			
At 1 October 1993	(13,827)	(13,827)	-
Provided during the year (net)	6,963	6,963	-
At 30 September 1994	(6,864)	(6,864)	-
Loans - net book value	79,226	76,959	2,267

d) Principal subsidiary and related undertakings

The following is a list of subsidiary and related undertakings carrying on business, the results of which, in the opinion of the Directors, principally affected the results and the assets of the Company.

<u>Country of Incorporation</u>		<u>Equity</u> <u>held</u> %
<u>Subsidiary undertakings</u>		
Australia	The Commonwealth Industrial Gases Limited	100 (a)
Eire	Irish Industrial Gases Limited	100
New Zealand	BOC Gases New Zealand Limited	100 (b)
South Africa	African Oxygen Limited	58
Singapore	Ohmeda (Singapore) Pte Limited	100
United States	The BOC Group Inc	100
<u>Related undertakings</u>		
Singapore	Singapore Oxygen Air Liquide Pte Limited	50 (b)(c)
Hong Kong	Hong Kong Oxygen and Acetylene Company Limited	50 (d)

6. INVESTMENTS (Continued)

d) Principal subsidiary and related undertakings (continued)

- (a) 20% held indirectly.
- (b) Held indirectly.
- (c) Aggregate capital and reserves at 30 September 1994 £35,186,000
(1993: £30,681,000), profit for the year then ended £10,425,000
(1993: £10,240,000).
- (d) Aggregate capital and reserves at 30 September 1994 £26,591,000
(1993: £11,083,000), profit for the year then ended £23,985,000
(1993: £9,440,000).

Ohmeda (Singapore) Pte Limited is engaged in the manufacture of medical equipment. All other companies are principally involved in the manufacture and supply of industrial and medical gases and/or allied products.

The equity shares of the companies listed are held either directly or indirectly by BOC Holdings and the shares held are ordinary shares.

7. DEBTORS

	<u>1994</u> £000	<u>1993</u> £000
Amounts falling due within one year:		
Amounts owed by subsidiary undertakings	6,487	2,692

8. CREDITORS

	<u>1994</u> £000	<u>1993</u> £000
Amounts falling due within one year:		
Amounts owed to subsidiary undertakings	6,789	7,318
Amount owed to parent undertaking	35,433	115,211
Taxation - United Kingdom	1,588	2,738
Accruals and deferred income	123	908
	<u>43,933</u>	<u>126,175</u>

9. SHARE CAPITAL

	<u>Authorised</u> <u>1994 & 1993</u>	<u>Allotted, called up</u> <u>and fully paid</u> <u>1994 & 1993</u>
Ordinary shares of £1 each	500,000	340,000

10. MOVEMENT ON SHAREHOLDERS' FUNDS

	<u>1994</u> £000	<u>1993</u> £000
Balance at 1 October	358,694	361,167
Profit for the year	46,455	42,527
Dividend	(30,000)	(45,000)
Balance at 30 September	<u>375,149</u>	<u>358,694</u>

11. CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

The company jointly guarantees certain borrowings of a related undertaking which at 30 September 1994 amounted to £16,202,000 (1993: £14,397,000). In previous years, the company guaranteed amounts owed by certain subsidiary undertakings to a fellow subsidiary undertaking, BOC Overseas Finance Limited. During the year, the investments were transferred to an alternative holding company, therefore, no such guarantee will be required from BOC Holdings for 1994 (1993: £60,623,000).