

Registered Number 652822

Westland Industries Limited  
Annual report and financial statements  
for the year ended 31 December 2007



# **Westland Industries Limited**

## **Annual report and financial statements for the year ended 31 December 2007**

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# **Westland Industries Limited**

## **Directors and auditors for the year ended 31 December 2007**

### **Directors**

W D Lee (appointed 15 September 2007)

U Vinti (appointed 20 November 2007)

A Johnston (resigned 14 September 2007)

A Brookes (resigned 21 September 2007)

N A Cranidge (appointed 18 October 2007, resigned 19 November 2007)

### **Secretary**

D L May

### **Registered Office**

Lysander Road

Yeovil

Somerset

BA20 2YB

### **Auditors**

PricewaterhouseCoopers LLP

31 Great George Street

Bristol

BS1 5QD

# **Westland Industries Limited**

## **Directors' report for the year ended 31 December 2007**

The Directors present their report and the audited financial statements of the Company for the year ended 31 December 2007

### **Directors' responsibility for the preparation of the accounts**

At the end of each financial year the Directors are required by the Companies Act 1985 to prepare accounts 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 year. In presenting these financial statements appropriate accounting policies, supported by reasonable and prudent judgements and estimates, have been consistently applied.

The Directors are responsible for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the accounts comply with the Companies Act 1985. In addition, the Directors are responsible for ensuring that an appropriate system of internal control is in operation to provide them with reasonable assurance that the assets of the Company are properly safeguarded and to ensure that reasonable steps are taken to prevent or detect fraud and other irregularities. The auditors' responsibilities in relation to the accounts are set out in their report on page 3.

### **Provision of information to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware and the directors have taken all the necessary steps to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Principal activities and review of business**

The principal activities of the Company were to provide manufacturing and support services to defence, aerospace and other advanced technology industries. The operations of the company ceased during 2002 following the decision to consolidate the UK operations of the AgustaWestland group at Yeovil.

### **Results and dividends**

The profit and loss account of the Company shows a net profit attributable to equity shareholders of £ nil (2006 £nil). No dividend is recommended for the year (2006 £nil).

### **Directors and their interests**

The Directors of the Company are detailed on page 1. During the year none of the Directors had any interest in the shares of the Company or its parent or subsidiary companies which are required to be disclosed.

### **Auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

### **By order of the Board**



D L May  
Secretary  
10 March 2008

# Westland Industries Limited

## Independent Auditors' report to the members of Westland Industries Limited

We have audited the financial statements of Westland Support Services Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Statement of Changes in Shareholders' Equity, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are 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). 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 into 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 whether the financial statements have been 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. In addition we 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 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 IFRSs as adopted by the European Union, of the state of the company's affairs as at 31<sup>st</sup> December 2007 and of its loss and cash flows for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Bristol

12 March 2008

# Westland Industries Limited

## PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2007

	Note	Discontinued Operations	
		2007 £000	2006 £000
Operating profit	3	-	-
Financial income		-	-
<b>Profit before taxation</b>		-	-
Taxation	4	-	-
<b>Net profit for the year attributable to equity shareholders</b>		-	-

# Westland Industries Limited

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY For the year ended 31 December 2007

	Share capital £000	Accumulated profits £000	Total equity £000
At 1 January 2006	9,163	(10,693)	(1,530)
Net profit for the year	-	-	-
At 31 December 2006	9,163	(10,193)	(1,030)
Net profit for the year	-	-	-
At 31 December 2007	9,163	(10,193)	(1,030)

# Westland Industries Limited

## BALANCE SHEET At 31 December 2007

	Note	2007 £000	2006 £000
Share capital	6	9,163	9,163
Accumulated profits		(10,193)	(10,193)
<b>Total equity</b>		<b>(1,030)</b>	<b>(1,030)</b>
Non current payables	7	1,030	-
<b>Non current liabilities</b>		<b>1,030</b>	<b>-</b>
Trade payables	8	-	1,030
Current tax payable		-	-
Provisions		-	-
<b>Current liabilities</b>		<b>-</b>	<b>1,030</b>
<b>Total liabilities</b>		<b>1,030</b>	<b>1,030</b>
<b>Equity and liabilities</b>		<b>-</b>	<b>-</b>

The financial statements on pages 4 to 11 were approved by the Board of Directors on 18 February 2008 and were signed on its behalf by



Ugo Vinti

Director

10 March 2008

# Westland Industries Limited

## CASH FLOW STATEMENT

For the year ended 31 December 2007

	2007 £000	2006 £000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating profit	-	-
Decrease in Trade payable	(1,030)	-
Net cash used by operations	(1,030)	-
Taxation paid	-	-
Interest received	-	-
Net cash provided/(used) by operating activities	(1,030)	-
<b>CASH FLOWS PROVIDED BY INVESTING ACTIVITIES</b>		
Increase in financial payable to group company	1,030	-
Net cash provided by investing activities	1,030	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	-	-
Cash and cash equivalents at beginning of period	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	-	-

# Westland Industries Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

### 1 INTRODUCTION

The Company is domiciled and incorporated in the United Kingdom. The principal activities of the Company were to provide manufacturing and support services to defence, aerospace and other advanced technology industries. The operations of the company ceased during 2002 following the decision to consolidate the UK operations of the AgustaWestland group at Yeovil.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of preparation**

The financial statements have been prepared in accordance with International Financial Standards issued and mandatory for accounting periods ending on or after 1 January 2007 and International Financial Reporting Interpretation Committee (IFRIC) interpretations at the time of preparing these statements (31 December 2007) endorsed by the European Union (EU) and those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

#### *Standards, amendments and interpretations effective in 2007*

IFRS 7, 'Financial instruments - Disclosures', and the complementary amendment to IAS 1, 'Presentation of financial statements - Capital disclosures', introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Company's financial instruments.

Standards, amendments and interpretations effective in 2007 IFRS 7, 'Financial instruments - Disclosures' and the complementary amendment to IAS 1 'Presentation of financial statements- Capital Disclosures' introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Group's financial instruments.

There have been no standards or interpretations issued which are not yet mandatory and relevant to the Company.

The preparation of the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumption that affect the reported amounts of the assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the reported period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately differ from those estimates.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets (including derivative instruments) at fair value through profit and loss account.

#### **Deferred taxation**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

# Westland Industries Limited

## 3. OPERATING PROFIT

The Company did not trade during the year

## 4 TAXATION

Analysis of charge in period	2007	2006
	£000	£000
Total tax charge – Current tax	-	-

The tax on the Company's profit before tax differs to the theoretical amount that would arise using the standard rate of corporation tax in the UK (30%) as follows

Reconciliation of tax charge to standard UK tax rate	2007	2006
	£000	£000
Profit before tax	-	-
Profit before tax multiplied by rate of corporation tax in the UK of 30% (2006 30%)	-	-
Adjustments to tax in respect of prior periods	-	-
Potential deferred tax asset not previously recognised	-	-
Total tax charge	-	-

## 5. DIRECTORS' REMUNERATION

The company has no employees

None of the directors of the company had any emoluments during the year as these were borne by fellow group subsidiary companies

## 6. SHARE CAPITAL

	At 31 December 2006 and 2007 £
<b>Authorised, allotted, called up and fully paid</b>	
Ordinary shares of £1 each	9,162,521
<b>Total called up share capital</b>	<b>9,162,521</b>

# Westland Industries Limited

## 7. NON CURRENT PAYABLES

	2007	2006
	£000	£000
Amounts owing to Westland Helicopters Limited	1,030	-

## 8. TRADE PAYABLES

	2007	2006
	£000	£000
Amounts owing to Westland Helicopters Limited	-	1,030

## 9. AUDITORS' REMUNERATION

Auditors' remuneration for audit services is borne by another group company. No non-audit services were received from the company's auditors during the year.

## 10. INVESTMENTS

	Group companies £
<b>Investment in shares</b>	
<i>Cost</i>	
At 1 January 2006, 31 December 2006 and 31 December 2007	100

## 11. PRINCIPAL SUBSIDIARY COMPANY

	Country of registration or incorporation	Principal activity	Aggregate amount of Share capital and reserves	By the Company
Westland Industrial Products Ltd	England	Management company	£100	100%
Description of share held	Ordinary and 8% Non-Cumulative preference shares			

# **Westland Industries Limited**

## **12. RELATED PARTY TRANSACTIONS**

During the year ending 31<sup>st</sup> December 2007, the aggregate amounts of £1,030,000 (2006 £1,030,000) due to Westland Helicopters Limited was repaid by the issue of a long term loan and has therefore been reclassified from trade payables to non current payables

## **13. ULTIMATE AND IMMEDIATE PARENT UNDERTAKING**

Finmeccanica SpA which is incorporated in Italy is the ultimate parent company, copies of their financial statements may be obtained from Piazza Montegrappa 4, 00195 Rome, Italy In accordance with IAS27, as the company is a wholly owned subsidiary of Finmeccanica SpA it is exempt from preparing consolidated financial statements Westland Helicopters Limited incorporated in the United Kingdom is the immediate parent company, copies of their financial statements may be obtained from Lysander Road, Yeovil, Somerset, UK, BA20 2YB