

**FLEXIBOX INTERNATIONAL LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2018**



**FLEXIBOX INTERNATIONAL LIMITED**

**COMPANY INFORMATION**

**Directors** Alistair Michael Rogers (appointed 5 January 2018)  
David Tallentire (resigned 5 January 2018)  
Adam Powell  
Ruben Alvarez Sancho

**Registered number** 00394688

**Registered office** Buckingham House  
361-366 Buckingham Avenue  
Slough  
Berkshire  
SL1 4LU

**FLEXIBOX INTERNATIONAL LIMITED**

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**FLEXIBOX INTERNATIONAL LIMITED**

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 JULY 2018**

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**Introduction**

The Directors present their strategic report on Flexibox International Limited ("the Company") for the year ended 31 July 2018.

**Business review and principal activities**

The Company's principal activity is that of an intermediate parent undertaking that exists to hold investments and receive investment income during the year. The Company's subsidiaries and associate undertakings are principally engaged in the manufacture of mechanical seals and flexible power transmission couplings. There has been no significant change in this activity during the year.

Within the financial year the Company has divested the shareholding in Flexibox Japan Limited to John Crane Japan Inc (part of John Crane Group Limited, ultimately controlled by Smiths Group plc).

The results for the year show a profit before taxation of £5,622k (2017: £714k) for the year. The Company has a strong balance sheet showing net assets of £28,281k (2017: £22,659k) with no liabilities and with a strong cash position.

**Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks involving global and economic conditions and the effect of legislation or other regulatory action. In addition to the aforementioned, the underlying risk is the under performance of subsidiaries which is determined by the oil price.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks and uncertainties of Smiths Group plc and are not managed separately. Accordingly, the principal risks and uncertainties of Smiths Group plc, which include those of the Company, are discussed in the Group's annual report which does not form part of this report.

**Key performance indicators**

The Directors of Smiths Group plc manage the Group's operations on a divisional basis. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the John Crane division of Smiths Group plc, which includes the Company, is discussed in the Business review section of the Group's Annual Report, which does not form part of this report.

This report was approved by the board and signed on its behalf.



Adam Powell  
Director  
Date: 2 April 2019

**FLEXIBOX INTERNATIONAL LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 JULY 2018**

The Directors present their report and the audited financial statements for the year ended 31 July 2018.

**Future developments**

The Company had a satisfactory year. The Directors are satisfied with the position of the Company as at 31 July 2018 and with its future prospects. The current level of performance is expected to be maintained.

**Dividends**

The Company has not paid any dividends during the year (2017: £nil) and the Directors do not recommend the payment of a final dividend (2017: £nil).

**Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

Alistair Michael Rogers (appointed 05 January 2018)  
David Tallentire (resigned 05 January 2018)  
Adam Powell  
Ruben Alvarez Sancho

No qualifying indemnity provisions were in place for the Directors of the Company during the year.

**Disclosure of information to auditors**

Each person who is a Director at the date of approval of this report confirms that:

(a) so far as the Directors are aware, there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and

(b) the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

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**FLEXIBOX INTERNATIONAL LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2018**

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**Financial risk management**

The Company complies with the Smiths Group plc financial risk management policies. These policies are explained in the treasury section of the business review and in the financial instrument note included in the Group's Annual Report, which does not form part of this document.

*Operational credit risk:*

The Company is exposed to credit risk in regards to the loans receivable it has outstanding with fellow members of the Smiths Group. The Directors are aware of the latest financial position of each of the counterparties and monitors changes in the financial position and performance of these companies before credit limits are altered.

*Foreign exchange risks:*

The Company currently has no sales or purchases in foreign currencies, hence, there is no requirement for hedging. However the Company does hold a Japanese Yen bank balance for which the exposure is not material. The Company also receives dividends from foreign subsidiaries with the main exposure focused on dividends from Mexico, Poland and Japan. This exposure is outside the scope for hedging.

*Financing:*

Financing is managed on a Group basis. See the financial instruments note in the annual report and financial statements of Smiths Group plc for details of how the Group manages interest rate risks, financial credit risks and liquidity risks.

**Directors' responsibilities statement**

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year.

Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

Under Company law the Directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**FLEXIBOX INTERNATIONAL LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 JULY 2018**

**Independent 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.

This report was approved by the board and signed on its behalf.



Adam Powell  
Director

Date: 2 April 2019

# ***Independent auditors' report to the members of Flexibox International Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Flexibox International Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 July 2018; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.



Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 July 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Nigel Comello (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
3 April 2019

**FLEXIBOX INTERNATIONAL LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 JULY 2018**

	Note	2018 £000	2017 £000
Income from shares in group undertakings		1,807	581
Profit/(loss) on disposal of investments	4	3,725	-
Interest receivable and similar income	5	90	133
<b>Profit before tax</b>		<b>5,622</b>	<b>714</b>
Tax on profit	7	-	-
<b>Profit for the financial year</b>		<b>5,622</b>	<b>714</b>
<b>Total comprehensive income for the year</b>		<b>5,622</b>	<b>714</b>

The results of the Company are generated from continuing operations.

There are no material differences between the profit before taxation and the profit for the financial year stated above and their historical costs equivalents.

**FLEXIBOX INTERNATIONAL LIMITED**  
**REGISTERED NUMBER: 00394688**

**BALANCE SHEET**  
**AS AT 31 JULY 2018**

	Note	2018 £000	2017 £000
<b>Fixed assets</b>			
Investments	8	1,699	1,821
		<u>1,699</u>	<u>1,821</u>
<b>Current assets</b>			
Debtors	9	26,261	20,641
Cash at bank and in hand		321	197
		<u>26,582</u>	<u>20,838</u>
<b>Total assets less current liabilities</b>		<u>28,281</u>	<u>22,659</u>
<b>Net assets</b>		<u>28,281</u>	<u>22,659</u>
<b>Capital and reserves</b>			
Called up share capital	10	75	75
Profit and loss account		28,206	22,584
<b>Total Equity</b>		<u>28,281</u>	<u>22,659</u>

The financial statements on pages 7 to 18 were approved and authorised for issue by the board and were signed on its behalf by:

  
**Adam Powell**  
 Director  
 Date: 2 April 2019

**FLEXIBOX INTERNATIONAL LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2018**

	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
At 1 August 2017	75	22,584	22,659
<b>Comprehensive income for the year</b>			
Profit for the year	-	5,622	5,622
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	5,622	5,622
<b>Total transactions with owners</b>	-	-	-
At 31 July 2018	75	28,206	28,281

**FLEXIBOX INTERNATIONAL LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JULY 2017**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 August 2016	75	21,870	21,945
<b>Comprehensive income for the year</b>			
Profit for the year	-	714	714
<b>Other comprehensive income for the year</b>	-	-	-
<b>Total comprehensive income for the year</b>	-	714	714
<b>Total transactions with owners</b>	-	-	-
<b>At 31 July 2017</b>	<b>75</b>	<b>22,584</b>	<b>22,659</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

These financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

These financial statements have been prepared on a going concern basis and under the historical cost convention.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

There have been no new standards effective in the year that have had a material impact on the financial statements.

The principal accounting policies are set out below and have been applied consistently throughout the year.

**1.2 Financial reporting standard 101 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

**1.3 Consolidation**

As the Company is a wholly owned subsidiary of Smiths Group plc which prepares publicly available consolidated group financial statements, the Company has not prepared consolidated financial statements as permitted by section 400 of the Companies Act 2006. These financial statements present information about the Company as an individual undertaking, and not about its group.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**1. Accounting policies (continued)**

**1.4 Cash flow statement**

The Company is a wholly-owned subsidiary of Smiths Group plc and its cash flows are included in the consolidated group cash flow statements of that company. Consequently the Company has taken advantage of the exemption available with FRS 101 from publishing a cash flow statement.

**1.5 Critical accounting estimates and judgements**

The following critical judgement has been applied by the directors in the process of applying Company's accounting policies. The principal estimate and judgement that could have had a significant effect upon the financial results relate to the fair value of fixed asset investments.

The Company's investments held by the Group are tested for impairment to see if changes in circumstances indicate that the carrying amount of the fixed assets may not be recoverable. Value in use calculations have been used to determine the recoverable amount of the asset. Value in use is calculated as the net present value of the projected risk-adjusted post tax cash flows of the subsidiary which are based on approved budgets and strategic plans and represent the best estimate for future performance. A discount factor of 10.2% has been applied to the model and growth rates of 2.2% applied to extrapolate beyond the most recent forecasts which represent the view of long term average growth rates for the industries in which the subsidiaries operate. The annual impairment test resulted in no impairment of the Company's investments.

In the opinion of the Directors the value of investments in subsidiary undertakings is not less than the aggregate amount at which they are shown in the Company's balance sheet.

**1.6 Fixed asset investments**

The Company's investments in shares in group companies are stated at cost less provision for impairment. Any impairment is charged to the profit and loss account as it arises.

**1.7 Cash**

Cash includes cash at bank and in hand and bank overdrafts.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**1. Accounting policies (continued)**

**1.8 Financial assets**

Financial assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price used includes transaction costs unless the asset is being fair valued through the profit and loss account.

The classification of financial assets depends on the purpose for which the assets were acquired. Management determines the classification of an asset at initial recognition and re-evaluates their designation at each reporting date. Assets are classified as: loans and receivables; or financial assets where changes in fair value are charged (or credited) to the profit and loss account.

The subsequent measurement of financial assets depends on their classification. Loans and receivables are measured at amortised cost using the effective interest method. Financial assets where changes in fair value are charged (or credited) to the profit and loss account are subsequently measured at fair value. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit and loss' category are included in the profit and loss account in the period in which they arise.

Financial assets are derecognised when the right to receive cash-flows from the assets has expired or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

**1.9 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**1.10 Current taxation**

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity where the tax charge is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

The Group's main source of income is dividends received from group undertakings which is not subject to UK Corporation tax.



**FLEXIBOX INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**1. Accounting policies (continued)**

**1.11 Foreign currency transaction**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items are measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items are measured at fair value using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'Interest receivable or payable and similar income'.

**2. General information**

Flexibox International Limited is a private company limited by shares incorporated and domiciled in England. The principle activity of the company is a holding company. The registered address of Flexibox International Limited is Buckingham House, 361 - 366 Buckingham Avenue, Slough, SL1 4LU.

**3. Directors' Remuneration & employee information**

No Directors received any emoluments for their services to the Company (2017: nil).

The Company has no employees (2017: nil).

**4. Profit/(loss) on disposal of investments**

Within the financial year, the Company divested Flexibox Japan Limited to John Crane Japan Limited. The profit on disposal was £3,725k.

**5. Interest receivable and similar income**

	2018 £000	2017 £000
Interest received from parent undertaking	123	139
Exchange income/(loss) from financing transactions	(33)	(6)
	<u>90</u>	<u>133</u>

**FLEXIBOX INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**6. Auditors Remuneration**

Auditors' remuneration for the Company for 2018 was £12k (2017: £10k). This was borne by John Crane Group Limited and has not been incurred by the Company.

**7. Tax on profit**

	2018 £000	2017 £000
Current tax on profits for the year	23	27
	23	27
Group Tax Relief	(23)	(27)
<b>Total current tax</b>	-	-

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19.00 % (2017 - 19.67%). The differences are explained below:

	2018 £000	2017 £000
Profit before tax	5,622	714
Profit multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.67%)	1,068	140
<b>Effects of:</b>		
Non-taxable income	(1,045)	(113)
Group relief	(23)	(27)
<b>Total tax charge for the year</b>	-	-

At 31 July 2018 the Company had no recognised or unrecognised deferred tax assets or liabilities.

The main rate of UK corporation tax for the year was 19% which came into effect from 1 April 2017, a further reduction to 17% is effective from 1 April 2020.

**FLEXIBOX INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**8. Investments**

	Subsidiary undertakings £000	Other investments in fellow group companies £000	Total £000
<b>Cost or valuation</b>			
At 1 August 2017	2,096	893	2,989
Disposals	(122)	-	(122)
At 31 July 2018	<u>1,974</u>	<u>893</u>	<u>2,867</u>
<b>Impairment</b>			
At 1 August 2017	1,168	-	1,168
At 31 July 2018	<u>1,168</u>	<u>-</u>	<u>1,168</u>
<b>Net book value</b>			
At 31 July 2018	<u>806</u>	<u>893</u>	<u>1,699</u>
At 31 July 2017	<u>928</u>	<u>893</u>	<u>1,821</u>

Within the financial year, the Company has divested the shareholding in Flexibox Japan Limited to John Crane Japan Inc (part of John Crane Group Limited ultimately controlled by Smiths Group plc). The profit on disposal was £3,725k.

The Directors believe that the carrying value of investments is supported by their underlying net assets.

**Subsidiary undertakings**

The subsidiary undertakings of Flexibox International Limited at 31 July 2018 were:

Name	Class of shares	Principal activity
John Crane Flexibox (India) Private Limited (1)	Ordinary	100 % Manufacturing mechanical seals and flexible power transmission couplings.
John Crane Poland Sp. z.o.o. (2)	Ordinary	100 % Manufacturing mechanical seals and flexible power transmission couplings.
John Crane (Thailand) Limited (3)	Ordinary	100 % Manufacturing mechanical seals and flexible power transmission couplings.

**FLEXIBOX INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**8. Investments (continued)**

The subsidiary undertakings of Flexibox International Limited are principally engaged in the manufacture of mechanical seals and flexible power transmission couplings.

The other fixed asset investments held by Flexibox International Limited at 31 July 2018 were:

Name		Country of incorporation	Holding
John Crane Pension Trustee (Ireland) Limited	(4)	Ireland	50%
John Crane Malaysia SON. BHD	(5)	Malaysia	50%
Industria John Crane de Mexico SA	(6)	Mexico	10%
John Crane (Angola) Prestacao De Servicos Limitada	(7)	Angola	10%
John Crane Peru SA	(8)	Peru	1%
John Crane Belgium SA	(9)	Belgium	0%
John Crane Endustriyel Sızdımazlık Sistemleri Limited	(10)	Turkey	0%
John Crane Chile SA	(11)	Chile	0%

Ref: Registered Office:

- (1) No. 11, 1st Phase, Peenya, Industrial Area, Bangalore, 560058, India
- (2) Warszawska 153, 43-300 Bielsko-Biala, Poland
- (3) 9/311, 31st Floor, Um Tower, Ramkhamhaeng Road, Suanluang District, Bangkok, Thailand
- (4) Riverside One, Sir John Rogerson's Quay, Dublin 2, 662881, Ireland
- (5) 207, Jalan Tun Razak, Suite 13.03, 13th Floor, Menara Tan & Tan, Kuala Lumpur, 50400, Malaysia
- (6) Poniente 152, #667, Industrial Vallejo, Azcapotzalco, Mexico City, Mexico, CP 02300
- (7) Rue Kwamme Nkrumah, Torres Impor-Africa, 3 Andar, APT A, Luanda, Angola
- (8) Av. Guillermo Dansey 2124, Urbanizacion Industrial Conde, Lima, Peru
- (9) Square De Meeus 18, Brussels, 1050, Belgium
- (10) Huzur Mah. Ahmet Bayman Caddesi 17, Oto Sanayi Sitesi, 34485 Seyarantepe/Sariyer/Istanbul, Turkey
- (11) Americo Vespucio 2542, Complejo Empresarial El Cortijo, Conchali, Santiago, Chile

**9. Debtors**

	2018	2017
	£000	£000
Other debtors	73	73
Amounts owed by group undertakings	26,188	20,568
	<u>26,261</u>	<u>20,641</u>

Amounts owed by group undertakings has been loaned to John Crane Group Limited with the principle loan and all interest earned, is payable on 31 July 2019 or on demand. Interest is paid annually at the 12 month GBP LIBID rate.

**FLEXIBOX INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2018**

**10. Called up share capital**

	<b>2018</b>	<b>2017</b>
	<b>£000</b>	<b>£000</b>
100,000 (2017 - 100,000) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
75,000 (2017 - 75,000) Ordinary shares of £1.00 each	<u>75</u>	<u>75</u>

**11. Related party transactions**

The Company has taken advantage of the exemptions within Financial Reporting Standard 101 not to disclose transactions and balances with fellow subsidiaries of Smiths Group plc for which the consolidated financial statements are publicly available.

**12. Controlling party**

The Company is a wholly owned subsidiary of John Crane Group Limited.

The ultimate controlling party of the company is Smiths Group plc, which is the parent undertaking of the smallest and largest group to prepare consolidated financial statements. Smiths Group plc is incorporated in the United Kingdom and registered in England and Wales.

The annual report and financial statements of Smiths Group plc may be obtained from the Company Secretary, Smiths Group plc, 4th Floor, 11-12 St James's Square, London, SW1Y 4LB.