

INS Innovation Limited
Directors' report and financial statements
Registered number 4109440
Year ended 31 March 2010

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INS Innovation Limited
Directors' report and financial statements
Year ended 31 March 2010

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Company information

Directors	A Moore S J McGowan G J Mellor P Brown K Thomas A Bethel
Company secretary	V Teller
Registered office	33 Wigmore Street London W1U 1QX
Registered number	4109440

Directors' report

The directors present their annual report together with the audited financial statements of the company for the year ended 31 March 2010

Results and dividends

The profit and loss account is set out on page 3 and shows the result for the financial year. No dividends were paid during the year (2009 £nil). The directors do not recommend the payment of a final dividend.

Principal activities, review of business and future developments

The company has been dormant since 28 June 2008.

Directors

The current directors of the company are set out on page 1. All of the directors served throughout the year and up to the date of signing the financial statements.

The interests of the Directors in the shares of the ultimate parent company, Babcock International Group PLC, are shown in the report and accounts of that company.

Company registered number

The registered number of the company is 4109440.

On behalf of the Board



A Moore
Director

30 July 2010

**Profit and loss account
 for the year ended 31 March 2010**

	<i>Note</i>	Year ended 31 March 2010	Year ended 31 March 2009
		£'000	£'000
Turnover	2	-	6,229
Cost of sales		-	(5,025)
Gross profit		-	1,204
Distribution costs		-	(81)
Administrative expenses		-	(710)
Operating profit	3	-	413
Profit on disposal of business	4	-	36,418
Interest receivable and similar income		-	27
Profit on ordinary activities before taxation		-	36,858
Taxation on profit on ordinary activities	5	-	(97)
Profit for the financial year	8	-	36,761

All amounts relate to discontinued activities

All recognised gains and losses in the prior year were included in the profit and loss account

For the prior year there was no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and the historical cost equivalents

The notes on pages 5 to 10 form part of these financial statements

INS Innovation Limited
 Directors' report and financial statements
 Year ended 31 March 2010

**Balance sheet
 as at 31 March 2010**

	<i>Note</i>	31 March 2010		31 March 2009	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets			-		-
Current assets					
Debtors	6	40,000		40,000	
Cash at bank and in hand		-		-	
		<u>40,000</u>		<u>40,000</u>	
Creditors: amounts falling due within one year					
		<u>-</u>		<u>-</u>	
Net current assets			<u>40,000</u>		<u>40,000</u>
Total assets less liabilities			<u>40,000</u>		<u>40,000</u>
Net assets			<u>40,000</u>		<u>40,000</u>
Capital and reserves					
Called up share capital	7		-		-
Profit and loss account	8		40,000		40,000
Total shareholders' funds	9		<u>40,000</u>		<u>40,000</u>

For the year ended 31 March 2010 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies

Directors' responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

The financial statements on pages 3 to 10 were approved by the board of directors on 30 July 2010 and were signed on its behalf by



A Moore
 Director

Notes to the financial statements

1 Accounting policies

The following accounting policies have been consistently applied to matters that are considered material to the financial statements

Basis of accounting

The Financial Statements have been prepared on the going concern basis, under the historical cost convention and in accordance with applicable accounting UK Financial Reporting Standards and the Companies Act 2006

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 "Cash Flow Statements (Revised 1996)" not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Babcock International Group PLC and the company is included in the consolidated financial statements

Turnover

Sales are derived from the design and installation of equipment and systems and the provision of design services, either under fixed price or reimbursable contracts. Revenue is recognised on long-term contracts as a proportion of the total contract value on a percentage of cost to complete basis. Sales are also derived from maintenance contracts and are recognised on a time apportioned basis. All sales are stated net of sales related taxes.

Pre-contract costs

Pre-contract costs are recognised as expenses as incurred and charged to the profit and loss account.

Deferred taxation

Deferred tax is provided on timing differences that have arisen but not reversed by the balance sheet date, where the timing differences result in an obligation to pay more tax, or a right to pay less tax, in the future. Timing differences arise because of differences in the treatment of certain items for accounting and taxation purposes.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the average tax rates that are expected to apply in the periods when the timing differences are expected to reverse, based on tax rates and law enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Where law or accounting standards require gains and losses to be recognised in the statement of total recognised gains and losses, the related taxation is also taken directly to the statement.

Notes to the financial statements (continued)

1 Accounting policies (continued)

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable

Research and development

Research and development expenditure is written off in the year in which it is incurred

2 Turnover

All turnover and profits generated in the prior year were derived in the UK Turnover was wholly attributable to the principal activity of the company

3 Operating profit

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
<i>Operating profit is arrived at after charging:</i>		
Rents payable under operating leases		
Hire of plant and machinery	-	16
Other	-	81
Depreciation of tangible fixed assets	-	69
Auditors' remuneration		
Services relating to corporate finance transactions	-	9
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Notes to the financial statements (continued)

4 Disposal of operations

On 28 June 2008 the company sold its trade and assets to BNS Nuclear Services Limited. The assets and liabilities disposed of were as follows

	£'000
Tangible fixed assets	1,069
Debtors	5,802
Cash	3,537
Creditors	(6,826)
	<u>3,582</u>
Profit on disposal	36,418
Deferred cash consideration	<u>40,000</u>

5 Taxation on profit on ordinary activities

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
<i>Current tax</i>		
UK corporation tax - group relief for consideration	-	97
- prior year adjustment	-	-
	<u>-</u>	<u>97</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>97</u>

Factors affecting the tax charge for the prior year

The 2009 tax charge for the year was lower than the standard rate of corporation tax in the UK of 28%. The differences are explained below

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before taxation	<u>-</u>	<u>36,858</u>
Current tax at 28%	-	10,320
<i>Effects of</i>		
Income not taxable for tax purposes	-	(10,223)
Total current tax charge	<u>-</u>	<u>97</u>

Notes to the financial statements (continued)

6 Debtors

	31 March 2010 £'000	31 March 2009 £'000
Amounts owed by group undertakings	40,000	40,000
	<u>40,000</u>	<u>40,000</u>

7 Called up share capital

The called up share capital is as follows

	31 March 2010 £'000	31 March 2009 £'000
Authorised		
Equity 1,000 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
	£	£
Allotted, called up and fully paid		
Equity 1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

8 Profit and loss account

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
At 1 April 2009	40,000	3,239
Profit for the financial year	-	36,761
At 31 March 2010	<u>40,000</u>	<u>40,000</u>

9 Reconciliation of movements in shareholders' funds

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Profit for the financial year	-	36,761
Net increase in shareholders' funds	<u>-</u>	<u>36,761</u>
Opening shareholders' funds	40,000	3,239
Closing shareholders' funds	<u>40,000</u>	<u>40,000</u>

Notes to the financial statements (continued)

10 Staff numbers and costs

Calculated on a monthly basis, the average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Year ended 31 March 2010	Year ended 31 March 2009
Administration	-	25
Engineering specialists	-	78
	<hr/>	<hr/>
	-	103

The aggregate payroll costs of these persons were as follows

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Wages and salaries	-	1,097
Social security costs	-	122
Other pension costs	-	48
	<hr/>	<hr/>
	-	1,267

11 Remuneration of directors

	Year ended 31 March 2010 £'000	Year ended 31 March 2009 £'000
Aggregate emoluments	-	154
Company contributions to money purchase pension schemes	-	12
	<hr/>	<hr/>

There were no directors in the company's defined contribution pension scheme during the current year (2009 4)

Notes to the financial statements (continued)

12 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £nil (2009 £40,147). There were no employees participating in the scheme during the year (2009 101).

13 Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with Babcock International Group PLC on the grounds that 100% of the voting rights in the company are controlled by it and the company's results are included in its consolidated financial statements.

14 Immediate and ultimate parent company and controlling party

The company's immediate parent is BNS Nuclear Services Limited (previously Alstec Group Limited) a company registered in England and Wales. The company's ultimate parent company and controlling party is Babcock International Group PLC, a company registered in England and Wales. The only group in which the results of the company are consolidated is that headed by Babcock International Group PLC.

Copies of the Babcock International Group PLC financial statements are available from the following address:

The Company Secretary
Babcock International Group PLC
33 Wigmore Street
London W1U 1QX