

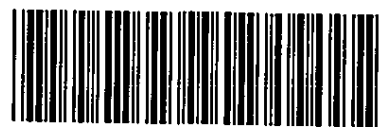
**CompAir UK Limited**

**Directors' report and financial  
statements**

Registered number 938719

For the year ended 31 December 2009

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## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

### Principal activity and business review

The company's principal activity until 1 April 2009 was the manufacture and marketing of industrial air and gas compressors

On 31 March 2009, the company sold its intellectual property rights in its Quantima brand, to CompAir Drucklufttechnik GmbH, a fellow group company, for £9.18 million

On 1 April 2009, the business of CompAir UK Limited was sold to Gardner Denver Limited, a fellow group company, for a consideration of £45,766,044

Since 1 April 2009 the company has earned income on a loan to Gardner Denver Limited

### Results and dividends

The results for the company for the year to 31 December 2009 are set out in the profit and loss account on page 5

No dividends have been declared or paid (*period ended 31 December 2008 £nil*)

### Directors and directors' interests

The directors who held office during the year were as follows

HW Cornell (USA)  
JD Shull (USA) (resigned 1 June 2010)  
B Walters (USA) (appointed 2 September 2009)  
RL Cheshire (resigned 31 March 2009)  
ST Roberts (resigned 30 April 2009)  
J Steele (USA) (resigned 2 September 2009)

The directors had no interest in the shares of the company

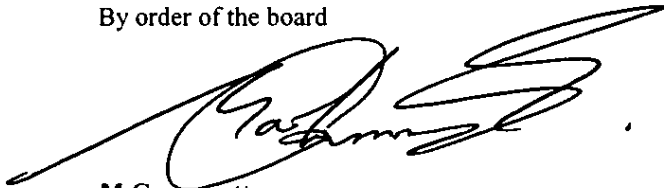
### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the board



**M Grummett**  
Company Secretary

Springmill Street  
Bradford  
West Yorkshire  
BD5 7HW

20 October 2010

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

The directors are responsible for preparing the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## KPMG Audit Plc

1 The Embankment  
Neville Street  
Leeds  
LS1 4DW  
United Kingdom

### **Independent auditors' report to the members of CompAir UK Limited**

We have audited the financial statements of CompAir UK Limited for the year ended 31 December 2009 set out on pages 5 to 20. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work for this report or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP)

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of the company's profit for the year then ended
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report to the members of CompAir UK Limited *(continued)***

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

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

Jeremy Gledhill

**Jeremy Gledhill (Senior Statutory Auditor)**  
**for and on behalf of KPMG Audit Plc, Statutory Auditor**  
*Chartered Accountants*  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

20 October 2010

**Profit and loss account**  
*for the year ended 31 December 2009*

	Note	31 December 2009			9 month period ended 31 December 2008		
		Trading £000	Exceptional items £000	Total £000	Trading £000	Exceptional items £000	Total £000
Turnover	2	15,930	-	15,930	50,116	-	50,116
Cost of sales		(11,746)	-	(11,746)	(37,074)	-	(37,074)
<b>Gross profit</b>		<b>4,184</b>	<b>-</b>	<b>4,184</b>	<b>13,042</b>	<b>-</b>	<b>13,042</b>
Distribution costs		(2,983)	-	(2,983)	(8,238)	-	(8,238)
Administrative expenses		(408)	(199)	(607)	(2,668)	(3,966)	(6,634)
<b>Operating profit/(loss)</b>	3	<b>793</b>	<b>(199)</b>	<b>594</b>	<b>2,136</b>	<b>(3,966)</b>	<b>(1,830)</b>
Profit on disposal of assets	21			40,194			-
Interest receivable and similar income	8			2,559			637
Interest payable and similar charges	9			(361)			(1,249)
<b>Profit/(loss) on ordinary activities before taxation</b>				<b>42,986</b>			<b>(2,442)</b>
Tax on profit/(loss) on ordinary activities	10			(466)			(3,141)
<b>Profit/(loss) for the financial year</b>	19			<b>42,520</b>			<b>(5,583)</b>

There were no acquisitions in either the current or preceding year. The operations became discontinued following the sale of the trade and assets of the company to another group company on 1 April 2009.

There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

There are no recognised gains or losses other than the profit (9 month period ended 31 December 2008 loss) for the financial year.

**Balance sheet**  
*at 31 December 2009*

	<i>Note</i>	<b>31 December 2009</b>		31 December 2008	
		<b>£000</b>	<b>£000</b>	£000	£000
<b>Fixed assets</b>					
Intangible assets	<i>11</i>	-		1,576	
Tangible assets	<i>12</i>	-		2,735	
			<hr/>		<hr/>
			-		4,311
<b>Current assets</b>					
Stocks	<i>13</i>	-		7,061	
Debtors amounts falling due within one year	<i>14</i>	47,555		25,883	
Cash and short term deposits		-		2,737	
			<hr/>		<hr/>
		47,555		35,681	
<b>Creditors amounts falling due within one year</b>	<i>15</i>				
Borrowings		-		(67)	
Other		-		(31,961)	
			<hr/>		<hr/>
		-		(32,028)	
<b>Net current assets</b>			47,555		3,653
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			47,555		7,964
<b>Creditors amounts falling due after more than one year</b>	<i>16</i>				
Borrowings		-			(50)
<b>Provision for liabilities</b>	<i>17</i>		-		(2,879)
			<hr/>		<hr/>
<b>Net assets</b>			47,555		5,035
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	<i>18</i>		6,493		6,493
Share premium account	<i>19</i>		35,477		35,477
Profit and loss account	<i>19</i>		5,585		(36,935)
			<hr/>		<hr/>
<b>Shareholders' funds - equity</b>			47,555		5,035
			<hr/>		<hr/>

The notes on pages 8 to 20 form part of these financial statements

These financial statements were approved by the board of directors on Oct. 20, 2010 and were signed on its behalf by



**HW Cornell**  
*Director*

Company registered number 938719



**Reconciliation of movements in shareholders' funds**  
*for the year ended 31 December 2009*

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
<b>Profit/(loss) for the financial period</b>	<b>42,520</b>	<b>(5,583)</b>
Opening shareholders' funds	<b>5,035</b>	<b>10,618</b>
<b>Closing shareholders' funds</b>	<b>47,555</b>	<b>5,035</b>

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

#### *Accounting convention*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention

#### *Basis of preparation*

The Company is exempt by virtue of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard No 1 "Cash Flow Statements" (revised 1996), the company is exempt from the requirement to prepare a cash flow statement, on the grounds that, at 31 December 2009, it was a wholly owned subsidiary undertaking of Gardner Denver, Inc, incorporated in the USA which prepares a consolidated cash flow statement in its own published consolidated financial statements

#### *Retirement benefits*

During the year the company operated a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable in respect of the scheme were charged to the profit and loss account as incurred.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the period end. Exchange differences arising from the re-translation of foreign currency denominated assets and liabilities together with other exchange differences arising in the period are included in the profit and loss account.

#### *Turnover*

Turnover represents the invoiced value of goods and services supplied by the company, to third parties, excluding value added tax. Turnover relating to long term contracts represents the value of work performed during the year.

#### *Research and development*

The company follows the requirements of SSAP 13 and FRS 5, modified to reflect the more stringent requirements of the Department of Trade and Industry defining Research and Development expenditure for tax credit purposes in the UK.

Research expenditure is written off in the period in which it is incurred.

Internally generated intangible assets arising from the company's development activities are recognised only if all of the following conditions are met:

- (a) There is a clearly defined project,
- (b) The related expenditure is separately identifiable,
- (c) The project is technically feasible,
- (d) The project is commercially viable,
- (e) The development costs will be exceeded by related revenues, and
- (f) Adequate resources exist for the project to be completed.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Related party transactions*

The company is exempt from the requirements of FRS 8 "Related party disclosures" to disclose transactions with other group undertakings as it is a wholly owned subsidiary of Gardner Denver, Inc and the consolidated financial statements of Gardner Denver Inc, in which the company is included, are publicly available. Further details are provided in note 25.

#### *Fixed assets and depreciation*

Tangible fixed assets are depreciated to their residual values on a straight line basis over their estimated useful lives at the following rates applied to original cost:

Leasehold land and buildings	-	life of lease
Plant and machinery	-	4 to 15 years
Computer equipment and software	-	3 to 5 years
Vehicles, equipment, fixtures and fittings	-	4 to 10 years

Intangible fixed assets are amortised on a straight line basis over five years. The directors believe this to be a prudent period of time.

#### *Impairment of fixed assets*

Impairment reviews are undertaken if there are indications that the carrying values may not be recoverable.

#### *Leased assets*

Rentals under operating leases are charged to profit and loss account on a straight line basis.

#### *Stock*

Stocks and work in progress are valued at the lower of cost and estimated net realisable value. Cost comprises the cost of raw materials and an appropriate proportion of labour and overheads. Provision is made for obsolete and slow moving items.

The net realisable value of long term contracts has been arrived at having regard to estimated costs to completion. A prudent level of profit attributable to the contract activity is taken up if the final outcome of such contracts can be readily assessed. On all contracts, full provision is made for any losses in the year in which they are first foreseen.

#### *Cash and borrowings*

Cash and short term deposits at the balance sheet date are only deducted from bank loans and overdrafts where formal rights of set off exist.

## Notes (continued)

### 1 Accounting policies (continued)

#### Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to recover more tax with the following exceptions

- Provision is made for tax on gains arising from fixed assets, or gains on disposal of fixed assets, that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable, and
- Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax and laws enacted or substantively enacted at the balance sheet date

### 2 Turnover

Turnover is all attributable to the same class of business, the manufacture and marketing of industrial air compressors

An analysis of turnover by geographical destination is as follows

	<b>Year ended</b>	<b>Turnover</b>
	<b>31 December</b>	9 month period
	<b>2009</b>	ended
		31 December
		2008
	<b>£000</b>	£000
Europe	9,337	27,938
The Americas	1,661	5,568
Asia	2,615	13,631
Rest of world	2,317	2,979
	15,930	50,116
	15,930	50,116

**Notes** (continued)

**3 Operating profit/ (loss)**

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
<i>Operating profit/(loss) is stated after charging</i>		
Auditors' remuneration		
Audit fees	12	54
Taxation	17	64
Depreciation of owned fixed assets	175	573
Amortisation of capitalised development expenditure	117	279
Research expenditure		
Current year	334	1,012
Operating lease rentals		
Land and buildings	267	770
Other	194	512
Exceptional items (see note 7)	199	3,966

**4 Remuneration of directors**

The company ceased to employ any individuals in its own right on 1 April 2009. Contracts of employment and the liability for employee costs were transferred to Gardner Denver Group Services Ltd as at this date. Both the aggregate emoluments for the directors and the remuneration for the highest paid director disclosed below for 2009 relate to the period 1 January 2009 to 31 March 2009.

The directors earned the following remuneration from the company during the year

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
Remuneration	53	810
Bonus	30	1,210
Benefits	-	84
Compensation for loss of office	-	1,384
Pension contributions	7	107
	90	3,595

Amounts in respect of the highest paid director were as follows

Remuneration	27	182
Bonus	26	418
Benefits	-	13
Compensation for loss of office	-	445
Pension contributions	5	62
	58	1,120

Retirement benefits accrued to the following number of directors during the period as follows

	<b>Number of directors</b>	
Defined contribution schemes	<b>2</b>	<b>9</b>

**Notes** *(continued)*

**5 Staff numbers and costs**

The average number of persons employed by the company (including directors) during the period was as follows

	Number of employees	
	Year ended 31 December 2009	9 month period ended 31 December 2008
Marketing and distribution	116	128
Production	160	176
Technical	33	34
Finance and administration	35	43
	344	381
	344	381

The aggregate payroll costs of these persons were as follows

	£000	£000
Wages and salaries	2,625	10,743
Social security costs	353	1,125
Pension costs	158	447
	3,136	12,315
	3,136	12,315

The company ceased to employ any individuals in its own right on 1 April 2009. Contracts of employment and the liability for employee costs were transferred to Gardner Denver Group Services Ltd as at this date. Both the average number of employees and payroll costs disclosed above for 2009 relate to the period 1 January 2009 to 31 March 2009.

**6 Pensions**

The company ceased to employ any individuals in its own right on 1 April 2009. Contracts of employment were transferred to Gardner Denver Group Services Ltd as at this date. As a result, the cost of the defined contribution schemes (CompAir UK Limited Group Stakeholder Plan, International Plan and Executive Plan) transferred as at 1 April 2009. Pension costs for the period 1 January 2009 to 31 March 2009 amounted to £157,885 (9 month period ended 2008 £447,000). No contributions remained unpaid by the company at 31 December 2009 (31 December 2008 £81,000).

Since 5 April 2004, when the company ceased to be a participant in the Invensys plc pension scheme, the company has not been a member of any defined benefit scheme and has received confirmation from the trustees of the Invensys Scheme that, under Section 75 of the Pensions Act 1995, as amended by Occupational Pension Scheme Regulations 1996, no debt was due. The company has no further liability to any defined benefit scheme.

**Notes (continued)**

**7 Operating exceptional items**

Included in operating profit are operating exceptional items of

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
Corporate costs	-	(1,593)
Restructuring costs	(199)	(2,373)
	<u>          </u>	<u>          </u>

Restructuring costs relate to additional staff and commercial re-organisation costs following the change in control of the company. Corporate costs incurred in the period ended 31 December 2008 related to management bonuses following exit and prior year professional costs following the change of control of the company.

**8 Interest receivable and similar income**

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
Interest receivable from parent and fellow subsidiary undertakings	2,558	624
Other interest receivable	1	13
	<u>          </u>	<u>          </u>
	<b>2,559</b>	<b>637</b>
	<u>          </u>	<u>          </u>

**9 Interest payable and similar charges**

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
Interest payable on bank and other loans and overdrafts	3	968
Interest payable to parent and fellow subsidiary undertakings	358	281
	<u>          </u>	<u>          </u>
	<b>361</b>	<b>1 249</b>
	<u>          </u>	<u>          </u>

**Notes (continued)**

**10 Taxation**

*Analysis of tax charge in period*

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
<i>UK corporation tax</i>		
Current tax on income for the year	616	-
Adjustments in respect of prior periods	(150)	-
	<b>466</b>	-
<i>Deferred tax</i>		
Deferred tax on losses	-	3,141
	<b>466</b>	3,141
Tax on profit/(loss) on ordinary activities	<b>466</b>	3,141

*Factors affecting the tax charge for the current period*

The current tax charge for the period is lower (9 months ended 31 December 2008 higher) than the standard rate of corporation tax in the UK of 28% (9 months ended 31 December 2008 28%) The differences are explained below

	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
<i>Current tax reconciliation</i>		
Profit/(loss) on ordinary activities before tax	42,986	(2,442)
Current tax at 28% (9 months ended 31 December 2008 28%)	<b>12,036</b>	(683)
<i>Effects of</i>		
Non-taxable charges	16	725
Other timing differences	(25)	(17)
Fixed asset timing differences	40	(97)
Adjustments in respect of prior periods	(150)	-
Non-taxable income	(9,092)	-
Unrelieved tax losses	(2,359)	72
	<b>466</b>	-
Total current tax charge	<b>466</b>	-



**Notes (continued)**

**10 Taxation (continued)**

*Factors that may affect future tax charges*

The company is eligible to surrender UK group relief to, or claim UK group relief from, other group companies. These claims and/or surrenders may be made with or without charge.

The movement for the year in the net deferred tax provision is as follows:

	<b>Deferred taxation</b>	
	<b>Year ended 31 December 2009</b>	<b>9 month period ended 31 December 2008</b>
	<b>£000</b>	<b>£000</b>
Asset at beginning of period	-	3,141
Charge in profit and loss account for the period	-	(3,141)
	<hr/>	<hr/>
Deferred tax asset at end of period	-	-
	<hr/> <hr/>	<hr/> <hr/>

**11 Intangible fixed assets**

	<b>Development costs £000</b>
<i>Cost or valuation</i>	
At beginning of period	1,984
Disposals	(1,984)
	<hr/>
At end of period	-
	<hr/> <hr/>
<i>Amortisation</i>	
At beginning of period	408
Charge for the period	117
Disposals	(525)
	<hr/>
At end of period	-
	<hr/> <hr/>
<i>Net book value</i>	
At 31 December 2009	-
	<hr/> <hr/>
At 31 December 2008	1,576
	<hr/> <hr/>

**Notes (continued)**

**12 Tangible fixed assets**

	<b>Plant and machinery</b>	<b>Computer hardware and software</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<i>Cost or valuation</i>			
At beginning of period	9,385	3,554	12,939
Additions	42	-	42
Disposals	(484)	-	(484)
Disposal on sale of trade and assets	(8,943)	(3,554)	(12,497)
	<hr/>	<hr/>	<hr/>
At end of period	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At beginning of period	6,932	3,272	10,204
Charge for the period	138	37	175
Disposals	(473)	-	(473)
Disposal on sale of trade and assets	(6,597)	(3,309)	(9 906)
	<hr/>	<hr/>	<hr/>
At end of period	-	-	-
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 2009	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2008	2 453	282	2,735
	<hr/>	<hr/>	<hr/>

**13 Stocks**

	<b>31 December 2009 £000</b>	<b>31 December 2008 £000</b>
Raw materials and consumables	-	3,610
Work in progress and finished goods	-	3,451
	<hr/>	<hr/>
	-	7,061
	<hr/>	<hr/>

The current replacement cost of stock does not differ materially from the historical cost stated above

**Notes (continued)**

**14 Debtors**

	<b>31 December</b>	31 December
	<b>2009</b>	2008
	<b>£000</b>	£000
<i>Debtors falling due within one year</i>		
Trade debtors	-	8,438
Amounts owed by parent and fellow subsidiary undertakings	<b>47,555</b>	16,237
Other debtors	-	263
Prepayments and accrued income	-	945
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	<b>47,555</b>	25,883
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

**15 Creditors: Amounts falling due within one year**

	<b>31 December</b>	31 December
	<b>2009</b>	2008
	<b>£000</b>	£000
<i>Borrowings</i>		
Bank and other loans and overdrafts	-	67
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<i>Other</i>		
Payments received on account	-	744
Trade creditors	-	6,264
Amounts owed to fellow subsidiary undertakings	-	21,235
Other taxes and social security	-	477
Other creditors	-	704
Accruals and deferred income	-	2,537
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
	-	31,961
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

**16 Creditors: Amounts falling due after more than one year**

	<b>31 December</b>	31 December
	<b>2009</b>	2008
	<b>£000</b>	£000
Bank loans and overdrafts payable between two and five years	-	50
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

**Notes** *(continued)*

**17 Provision for liabilities**

	<b>Restructuring £000</b>	<b>Other £000</b>	<b>Total £000</b>
At beginning of period	2,396	483	2,879
Utilised in period	(1,106)	-	(1,106)
Charge in period	167	-	167
Transferred as part of asset disposal	(1,457)	(483)	(1,940)
	<hr/>	<hr/>	<hr/>
<b>At end of period</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Restructuring provisions were primarily related to factory reorganisations at Ipswich and Redditch. Other provisions related primarily to warranty.

**18 Called up share capital**

	<b>31 December 2009 £000</b>	<b>31 December 2008 £000</b>
<i>Authorised</i>		
Ordinary shares of £1 each	<b>6,493</b>	6,493
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<b>6,493</b>	6,493
	<hr/> <hr/>	<hr/> <hr/>

**19 Reserves**

	<b>Share premium account £000</b>	<b>Profit and loss account £000</b>
At beginning of period	35,477	(36,935)
Profit for the financial period	-	42,520
	<hr/>	<hr/>
<b>At end of period</b>	<b>35,477</b>	<b>5,585</b>
	<hr/> <hr/>	<hr/> <hr/>

**20 Capital commitments**

At the end of December 2009, the company had no outstanding capital commitments (31 December 2008 £64,000)

**Notes** *(continued)*

**21 Profit on disposal of assets**

	<b>Year ended 31 December 2009</b>	<b>9 month Period ended 31 December 2008</b>
<b>Discontinued operations</b>	<b>£000</b>	<b>£000</b>
Gain on disposal of trade and assets	32,471	-
Gain on sale of intellectual property rights	7,723	-
	<b>40,194</b>	-
	<b>40,194</b>	-

On 1 April 2009, the trade and assets of CompAir UK Limited were sold to Gardner Denver Limited, a fellow group company, for a consideration of £45,766,044. The consideration was satisfied by the creation of an intercompany loan note.

On 31 March, the company sold its intellectual property rights in its Quantuma brand to CompAir Drucklufttechnik GmbH, a fellow group company, for £9.18 million. The consideration was satisfied by the creation of an intercompany loan note.

**22 Sale of business**

The following table details the profit on sale of the assets and liabilities to Gardner Denver Ltd on 1 April 2009.

	£000
Tangible fixed assets	2,591
Stocks	6,802
Debtors and prepayments	15,666
Cash at bank and in hand	921
Trade creditors and accruals	(12,528)
Amounts owed to group undertakings	(307)
Taxation recoverable	150
	13,295
Net assets transferred	13,295
Consideration	45,766
	<b>32,471</b>
	<b>32,471</b>

**Notes** *(continued)*

**23 Other financial commitments**

***Operating leases***

At 31 December 2009, the company had no commitments under operating leases. The position at 31 December 2008 is shown below.

	Land and buildings £000	Other £000	Total £000
Within one year	14	42	56
Within two to five years	20	402	422
In over five years	925	5	930
	959	449	1,408
	959	449	1,408

**24 Contingent liabilities**

In accordance with provisions contained in the Value Added Tax Act 1983, the company has entered into a joint and several guarantee for group registrations.

**25 Immediate parent undertaking**

The immediate parent undertaking of CompAir UK Limited is CompAir Limited, a company registered in England and Wales.

**26 Ultimate parent undertaking**

The ultimate parent undertaking is Gardner Denver, Inc, a company registered in Delaware USA, whose principal place of business is at 1800 Gardner Expressway, Quincy, Illinois, USA. Copies of the consolidated financial statements can be obtained from this address.