



Registration number: 2571559

Hypro EU Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



Hypro EU Limited

Contents

Officers and Professional Advisers	3
Director's Report	4
Director's Responsibilities Statement	5
Audit Report	6
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 23

Hypro EU Limited
Officers & Professional
Advisers

Directors	G O'Grady C Roehr
Registered office	Unit 9 Bourn Quarter Bourn Cambridge CB23 7FW
Bankers	Bank of Scotland 33 Old Broad Street London BX12 1LB
Solicitors	Eversheds-Sutherland Two New Bailey 6 Stanley Street Salford M3 5GX
Auditors	Deloitte (NI) Limited Lincoln Building 27-45 Great Victoria Street Belfast BT2 7AQ

Hypro EU Limited

Directors' Report for the Year Ended 31 December 2022

The Directors present their annual report and the financial statements for Hypro EU Limited ("the Company") for the year ended 31 December 2022.

Directors

The Directors who served the Company during the year and to the date of this report year, unless otherwise stated, was as follows:

G O'Grady

C Roehr

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Auditors

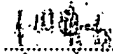
Each of the persons who is a director at the date of approval of this report confirms that: so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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 s418 of the Companies Act 2006.

A resolution to reappoint Deloitte (NI) Limited will be proposed at the forthcoming Annual General Meeting.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the Board of Directors on 29 September, 2023 and signed by order of the Board:


.....

Grant O'Grady
Director

Hypro EU Limited

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standard and applicable law), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law The Directors must not approve the financial statements unless 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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.

Independent auditor's report to the members of Hypro EU Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Hypro EU Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 17.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Deloitte.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included UK employment law and the Data Protection Act 2018.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

Revenue Recognition

- We assessed the design and determined the implementation of the key controls over the recognition of revenue in line with customer contracts; and
- we selected a sample of contractual revenue recognised in the period, and compared these to relevant documentation.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

Deloitte.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

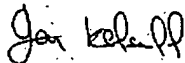
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

Use of our report

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 auditor's 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.



Ian Kelsall (Senior Statutory Auditor)
For and on behalf of Deloitte (NI) Limited
Chartered Accountants & Statutory Audit Firm
Lincoln Building
27 - 45 Great Victoria Street
Belfast
BT2 7AQ
05 October 2023

Hypro EU Limited

Profit and Loss Account Year Ended 31 December 2022

		2022	2021
	Note	£000	£000
Turnover	1	5,666	5,288
Cost of sales		(2,011)	(2,077)
Gross profit		3,655	3,211
90Distribution costs		(492)	(401)
Administrative expenses		(1,691)	(1,159)
Other operating income		1,538	-
Operating profit	5	3,010	1,651
Other interest receivable and similar income	6	63	-
Profit before taxation		3,073	1,651
Tax on profit	8	90	(111)
Profit for the financial year		3,163	1,540

Turnover and operating profit derive wholly from continuing operations.

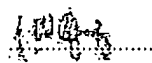
The company has no other comprehensive income for the year other than the results above, and accordingly no separate statement of total comprehensive income has been presented.

The notes on pages 12 to 23 form an integral part of these financial statements.

Hypro EU Limited**Balance Sheet at 31 December 2022**

		2022	2021
	Note	£000	£000
Fixed assets			
Tangible fixed assets	9	339	951
Current assets			
Stocks	10	658	628
Debtors	11	9,149	4,990
Cash at bank and in hand		197	327
		10,004	5,945
Creditors: Amounts falling due within one year	12	(2,131)	(1,847)
Net current assets		7,873	4,098
Total assets less current liabilities		8,212	5,049
Net assets		8,212	5,049
Capital and reserves	14		
Called-up share capital		1,250	1,250
Other reserves		206	206
Profit and loss account		6,756	3,593
Shareholder's funds		8,212	5,049

The financial statements of Hypro EU Limited, registered number 2571559, were approved by the Directors and authorized for issue on 29 September, 2023.


Grant O'Grady
Director

Hypro EU Limited

Statement of changes in equity for the year ended 31 December 2022

	Called-up share capital £'000	Other reserves £'000	Profit and Loss Account £'000	Total Equity £'000
At 1 January 2021	1,250	206	2,053	3,509
Profit for the year	-	-	1,540	1,540
Total comprehensive income for the year	-	-	1,540	1,540
At 31 December 2021	1,250	206	3,593	5,049
Profit for the year	-	-	3,163	3,163
Total comprehensive income for the year	-	-	3,163	3,163
At 31 December 2022	1,250	206	6,755	8,212

Hypro EU Limited
Notes to the Financial
Statements Year Ended 31
December 2022

Accounting policies

Basis of preparation

The principal accounting policies are summarized below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

Hypro EU Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantages of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, related party transactions and remuneration of key management personnel.

Going concern

The Company has net assets of £8,235k (2021: £5,049k) including cash of £197k (2021: £327k) and a balance of £6,375k (2021: £3,406k) held on deposit with the intercompany undertaking at 31 December 2022. The Company's forecasts and projections, which take account of reasonable variations in trading performance, show the Company will continue to trade profitably and be cash generative in 2023 and 2024.

The company participates in the centralised treasury arrangements of Pentair Plc (its ultimate parent) and so shares banking arrangements with its parent and fellow subsidiaries. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Pentair Plc to continue as a going concern, or its ability to continue with the current banking arrangements.

On the basis of this assessment of the Company's financial position, the Directors have a reasonable expectation that the Company will be able to continue in operational existence as a Sales office for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

1 Accounting policies

Tangible fixed assets

Tangible fixed assets are shown at costs less accumulated depreciation.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Asset class	Depreciation method and rate
Freehold land	Not depreciated
Freehold buildings	50 years
Plant and machinery	Between 3 and 10 years
Fixtures and fittings	Between 3 and 10 years
Assets under construction	Not depreciated

Stocks

Stocks and work-in-progress are stated at the lower of cost and net realizable value. Cost refers mainly to intercompany purchase price, including materials, direct labour and production overheads of the producer plant abroad. Net realizable value is based on estimated selling price less all further costs of completion and all relevant marketing, selling and distribution costs.

A provision is held for obsolete and excess stock which is calculated per stock line based on the amount of stock held at year end and the usage throughout the year.

Taxation.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognized in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognized only to the extent that on the basis of all available evidence, it can be regarded as more likely than not that there will be a suitable taxable profit from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term, even if payments are not made on such a basis.

Hypro EU Limited
Notes to the Financial
Statements Year Ended 31
December 2022

Accounting policies

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Pensions

The company operates a defined contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those assets classified as fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally, enforceable right to set off the recognized amounts and the company either intends to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Financial assets are derecognized when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognized only when the obligation specified in the contract is discharged, cancelled or expires.

ii) Equity instruments

Equity instruments issued by the company are recorded at the fair value of the cash or other resources received or receivable, net of direct issue costs.

Hypro EU Limited
Notes to the Financial
Statements Year Ended 31
December 2022

Accounting policies(continued)

Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the Company's ordinary activities after deduction of trade discounts and Value Added Tax. Revenue is recognized at the point in which the goods are provided to the client.

Research and development

Research and development expenditure is written off as incurred.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, The Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Due to the nature and complexity of the Company's operations there are no significant judgements or areas of estimation uncertainty, and accordingly no further disclosures are made in this regard.

Hypro EU Limited
Notes to the Financial Statements Year
Ended 31 December 2022

1 Turnover

Analysis of turnover by geographical location is given below:

	2022	2021
	£000	£000
United Kingdom	5,872	4,642
Rest of Europe	(239)	599
USA	32	46
Rest of the World	1	1
	<u>5,666</u>	<u>5,288</u>

2 Director remuneration

The directors of the Company are also directors of a number of other companies within the Pentair group. The directors' services do not occupy a significant amount of their time. As such, the directors do not consider that they have received any remuneration for their incidental services to the Company for the year ended 31 December 2022 (2021: Nil).

3 Auditor's remuneration

Fees payable to Deloitte (NI) Limited and their associates for the audit of the Company's annual accounts were £28,100 (2021 £ 20,000).

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

4 . Particulars of employees

The average number of persons employed by the Company (including the Directors) during the year, analyzed by category was as follows:

	2022	2021
	No.	No.
Production	2	2
Technical	7	5
Administration	1	1
Sales	16	16
	<u>26</u>	<u>24</u>

The aggregate payroll costs were as follows:

	2022	2021
	£000	£000
Wages and salaries	1,421	1,500
Social security costs	158	174
Staff pensions	198	176
	<u>1,777</u>	<u>1,850</u>

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

5 Operating profit

Operating profit is stated after charging / (crediting):

	2022 £000	2021 £000
Operating leases - other assets	88	103
Foreign currency losses/(gains)	89	(6)
Depreciation charge (note 9)	70	80
Development costs	203	267

6 Other interest receivable and similar income

	2022 £000	2021 £000
Interest from group companies	63	-
	63	-

7 Auditor's fees

	2022 £000	2021 £000
Fees payable to the company's auditor for the audit of the company's financial statements.	28	20
	28	20

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

8 Tax on profit

	2022	2021
	£000	£000
Current tax		
Corporation tax result		43
Adjustments to tax charge in respect to previous period	-	(29)
		14
Deferred tax		
Origination and reversal of timing differences	(90)	97
Total Tax on profit	(90)	111

The tax assessed on the profit for the current and prior year is different from the average standard rate of corporation tax in the UK of 19.00%. The differences are reconciled below:

	2022	2021
	£000	£000
Profit before taxation	3,072	1,651
Corporation tax at average standard rate	584	314
Other timing differences	(16)	(63)
Depreciation on qualifying assets	93	10
Disallowable expenses and non-taxable income	(66)	10
Group relief received but not paid for	(595)	(271)
Adjustments to tax charge in respect to previous period	-	14
Current tax charge	-	14

Factors affecting future tax changes

The applicable corporation tax rate for the FY22 period was 19% with provisions to increase this rate to 25%, effective from 1 April 2023. As these rates have been substantively enacted in tax legislation, deferred tax balances have been calculated with reference to these rates in line with the expected period of reversal of the deferred tax balance.

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

9 Tangible fixed assets

	Freehold. land and buildings £000	Plant and machinery £000	Fixtures and fittings £000	Assets under construction £000	Total £000
Cost or valuation					
At 1 January 2022	1,317	538	161	-	2,016
Additions	-	-	12	120	132
Disposal	(1,317)	(26)	(100)	-	(1,443)
At 31 December 2022	-	512	73	120	705
Depreciation					
At 1 January 2022	629	289	147	-	1,065
Charge for the year	14	47	9	-	70
Eliminated on disposal	(643)	(26)	(100)	-	(769)
At 31 December 2022	-	310	56	-	366
Net book value					
At 31 December 2021	688	249	14	-	951
At 31 December 2022	-	202	17	120	339

The cost of freehold land not depreciated is £nil (2021: £191,700), the site has been sold in May 2022 and a lease back agreement was signed with the new owner.

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

10 Stocks

	2022	2021
	£000	£000
Raw materials	218	300
Work in progress	90	111
Finished goods	350	217
	<u>658</u>	<u>628</u>

There is no material difference between the balance sheet value of stock and their replacement cost.

11 Debtors

	2022	2021
	£000	£000
Amounts falling due within one year		
Trade debtors	1,505	1,227
Amounts owed by group undertakings	7,424	3,543
Other taxes and social security	1	35
Prepayments and accrued income	31	88
Amounts falling due after one year		
Deferred tax (see note 13)	188	98
	<u>9,149</u>	<u>4,990</u>

12 Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	222	96
Amounts owed to group undertakings	1,620	1,181
Accruals	182	400
Other taxes and social security	51	37
Other creditors	56	133
	<u>2,131</u>	<u>1,847</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

13 Deferred tax

Analysis of deferred tax

	2022 £ 000	2021 £ 000
Pension provision	5	4
Accelerated capital allowances	161	50
Other timing differences	22	44
Deferred tax asset	<u>188</u>	<u>98</u>
	Deferred tax £000	
At 1 January 2022		(98)
Credited to the profit and loss account		<u>(90)</u>
At 31 December 2022 (see note 8)		(188)

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Company.

There is no expiry date on timing differences, unused tax losses or tax credits.

14 Called-up share capital and reserves

Allotted, called up and fully paid shares

	2022		2021	
	No. 000	£000	No. 000	£000
of £1 each	1,250	1,250	1,250	1,250

Profit and loss account - includes all current and prior year retained profits and losses.

Other reserves - The other reserve represents a capital contribution made in 2000 from Hypro LLC, the immediate parent undertaking

Hypro EU Limited
Notes to the Financial Statements
Year Ended 31 December 2022

15 Commitments

Operating lease commitments

At the year end the Company had total minimum lease payments under non-cancellable operating leases as set out below:

	2022	2021
	£000	£000
Lease Vehicles		
Within one year	60	34
Within two and five years	31	44
	<u>91</u>	<u>78</u>

16 Control

The ultimate parent company, controlling party and parent undertaking of the largest group consolidating the results of the Company is Pentair Plc., a company incorporated in the Republic of Ireland. It has included the Company in its group financial statements, copies of which are available from the Company Secretary, Pentair plc, Regal House, 70 London Road, Twickenham, TW1 3QS, United Kingdom.

17 Subsequent Events

None. The company did not suffer significant impacts resulting from the Ukraine-Russia war. At the end of 2022, open positions for Russian customer are for £1.7k.