

Company Registration No. 4928454

VOKES AIR FILTRATION LIMITED

Report and Financial Statements

Year ended 31 December 2012



VOKES AIR FILTRATION LIMITED

Report and Financial Statements 31 December 2012

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VOKES AIR FILTRATION LIMITED

Officers and professional advisers

Directors

T Blomqvist
G Black

Secretary

T Blomqvist

Registered office

c/o Vokes Air Limited
Farrington Road
Burnley, Lancashire
BB11 5SY
United Kingdom

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester
United Kingdom

VOKES AIR FILTRATION LIMITED

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

Principal activities and business review

The company acts as an investment holding company through its shareholdings in a number of its subsidiaries and does not trade. For a list of subsidiaries, refer to note 7 of the financial statements. The financial statements have been prepared on a going concern basis. Further information on the basis of preparation can be seen in note 1 to the financial statements.

There are a number of risks and uncertainties, which could have an impact on the company's long-term performance as an intermediate holding company. They include consideration of the general economic climate affecting its subsidiaries and the impact of the trading performance of its subsidiaries.

The directors routinely monitor all these risks and uncertainties and appropriate actions are taken to mitigate these risks, such as having business continuity procedures in place and regular monitoring of our key customer relationships.

Business performance and future prospects

The company did not receive any income from its investments in the current year (2011: £nil).

The directors do not expect any significant changes in the business prospects in the foreseeable future.

Results and dividends

The results for the year are shown on page 7. The directors are unable to recommend payment of a dividend for the year (2011: are unable to recommend payment of a dividend). The loss for the year of £21,892,000 was deducted from reserves (2011: profit of £251,000 was added to reserves). The loss has been caused by the waiver of intercompany loans following a group impairment review.

Directors and their interests

The directors of the company, who served throughout the financial year and since the year end to the date of this report unless stated otherwise, are as shown on page 1.

None of the directors hold any interests in shares or any share options, in the company.

VOKES AIR FILTRATION LIMITED

Directors' report (continued)

Disclosure of information to the auditor

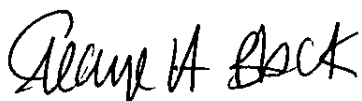
Each of the persons who is a director at the date of approval of this report confirms that

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- The director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting



G Black
Director

29th November

2013

Approved by the Board of Directors
and signed on behalf of the Board

VOKES AIR FILTRATION 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 Standards and applicable law). 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.

Independent auditor's report to the members of Vokes Air Filtration Limited

We have audited the financial statements of Vokes Air Filtration Limited for the year ended 31 December 2012 which comprise the Profit and Loss account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 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.

Respective responsibilities of directors and auditor

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. Our responsibility is to audit and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom 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 auditor's report to the members of Vokes Air Filtration 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
- that we have not received all the information and explanations we require for our audit



Timothy Edge BSc ACA (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Manchester

United Kingdom

29th November 2013

VOKES AIR FILTRATION LIMITED

Profit and loss account

Year ended 31 December 2012

	Notes	2012 £'000	2011 £'000
Exceptional item – waiver of intercompany balances	3	(22,335)	-
Operating loss		<hr/> (22,335)	<hr/> -
Interest receivable and similar income	4	611	527
Interest payable and similar charges	5	(168)	(276)
(Loss)/profit on ordinary activities before taxation		<hr/> (21,892)	<hr/> 251
Tax charge on (loss)/profit on ordinary activities	6	-	-
(Loss)/profit on ordinary activities after taxation		<hr/> (21,892)	<hr/> 251

All activities derive from continuing operations

There have been no recognised gains and losses for the current year other than as stated in the profit and loss account above and, accordingly, no separate statement of total recognised gains and losses is presented

VOKES AIR FILTRATION LIMITED

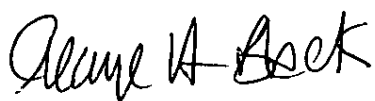
Balance sheet

As at 31 December 2012

	Notes	2012 £000	2011 £000
FIXED ASSETS			
Investments	7	<u>24,432</u>	<u>24,432</u>
CURRENT ASSETS			
Debtors	8	16,567	38,808
CREDITORS: amounts falling due within one year	9	(13,341)	(13,690)
NET CURRENT ASSETS		<u>3,226</u>	<u>25,118</u>
NET ASSETS		<u>27,658</u>	<u>49,550</u>
CAPITAL AND RESERVES			
Called up share capital	10	13,000	13,000
Share premium account		39,765	39,765
Profit and loss account	11	<u>(25,107)</u>	<u>(3,215)</u>
SHAREHOLDERS' FUNDS		<u>27,658</u>	<u>49,550</u>

These financial statements of Vokes Air Filtration Limited, registered number 4928454, were approved by the Board of Directors and authorised for issue on *29th November* 2013

Signed on behalf of the Board of Directors



G Black
Director

VOKES AIR FILTRATION LIMITED

Notes to the Financial Statements Year ended 31 December 2012

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below. They have all been applied consistently throughout the current and preceding years.

Accounting convention

The financial statements are prepared under the historical cost convention.

Exemption from consolidated accounts

In accordance with section 400 of the Companies Act 2006, the company has taken the exemption from preparing consolidated financial statements because it was a wholly owned subsidiary of a company incorporated in Sweden throughout the current financial year which prepares publically available consolidated financial statements, including the results of the company, drawn up in a manner equivalent to the Seventh European Company Law Directive. The financial statements of the company's parent company are publicly available as explained in note 13.

Going concern

The company, which is an intermediate holding company, has net assets due to the large value of intercompany debtors and investment in subsidiaries. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment in value.

Taxation

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

Deferred taxation 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 recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits 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. Deferred tax is measured on a non-discounted basis.

Cash flow statement

Under FRS 1 (Revised) 'Cash flow statements', the company is exempt from the requirements to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary company and a group cash flow statement is included in the financial statements of its parent company. The financial statements of company's parent company are publicly available as explained in note 13.

Related party transactions

Under FRS 8 'Related party transactions', the company is exempt from the requirements to disclose transactions with other group companies as it is a wholly owned subsidiary. The financial statements of company's parent company as at 31 December 2012 are publicly available as explained in note 13.

VOKES AIR FILTRATION LIMITED

Notes to the Financial Statements (continued) Year ended 31 December 2012

2 Information regarding directors and employees

The company had no employees in current and prior year, except directors as listed on page 1 of the financial statements

The directors did not receive any emoluments in respect of their services to the company (2011 £nil) The remuneration for the services of certain directors is borne by other group undertakings No part of their remuneration can be specifically attributed to their services to the company

3. Loss on ordinary activities before taxation

The £22,335,000 exceptional item in the current year relates to waiver of a £17,000 inter-company debtor and £20,138,000 inter-company loan with its subsidiary Vokes Air UK Limited A waiver of a £2,180,000 inter-company loan balance with W T H Investments Limited was also made

Both in the current and prior years, auditors' remuneration was borne by other group companies The fees payable to the company's auditors for the audit of this company's accounts amounted to £1,800 (2011 £1,800) There were no non-audit fees in the current or prior years

4. Interest receivable and other income

	2012 £'000	2011 £'000
Interest receivable on amounts owed by group undertakings	284	331
Bank interest	3	10
Foreign exchange gains	324	186
	<u>611</u>	<u>527</u>

5. Interest payable and other charges

	2012 £'000	2011 £'000
Interest payable on bank loans and overdrafts	143	253
Other interest payable and bank charges	25	23
	<u>168</u>	<u>276</u>

6. Tax on (loss)/profit on ordinary activities

Factors affecting the tax charge for the year:

The reconciliation between the current tax charge and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows

	2012 £'000	2011 £'000
Current tax reconciliation.		
(Loss)/profit on ordinary activities before tax	(21,892)	251
Current tax (credit)/charge at 24.5% (2011 26%)	(5,364)	65
Effects of		
Non-deductible intercompany balance waivers'	5,472	-
Group relief claim for £nil consideration	(108)	(65)
Total current tax charge	<u>-</u>	<u>-</u>

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Notes to the Financial Statements (continued) Year ended 31 December 2012

7 Investments – shares in group undertakings

	2012 £'000	2011 £'000
Cost and net book value		
At 1 January 2012 and 31 December	24,432	24,432

The investment at year-end represents shareholdings in the following companies

All subsidiaries listed are owned 100%, directly or indirectly

Subsidiary	Principal business activity	Country of incorporation
Vokes Air Treatment Holdings Limited	Intermediate holding company	England
Wheway Plc	Intermediate holding company	England
Vokes-Air Limited	Manufacture of air filtration products	England
Scandfilter International AB	Manufacture of air filtration products	Sweden
Atex Filter GmbH & Co OHG	Manufacture of air filtration products	Germany
Vokes-Air AG	Distribution of air filtration products	Switzerland
Vokes-Air SAS	Distribution of air filtration products	France
Vokes-Air SL	Distribution of air filtration products	Spain
Vokes-Air BV	Distribution of air filtration products	Netherlands
Vokes-Air GMBH	Distribution of air filtration products	Austria
Vokes-Air SRL	Distribution of air filtration products	Italy

8 Debtors: Amounts falling due within one year

	2012 £'000	2011 £'000
Amounts owed by group undertakings	16,567	38,808

In the year the company has waived certain amounts due from group undertakings following a group impairment review

9 Creditors: amounts falling due within one year

	2012 £'000	2011 £'000
Bank loans and overdrafts	13,132	13,362
Amounts owed to group undertakings	207	328
Accruals and deferred income	2	-
	13,341	13,690

VOKES AIR FILTRATION LIMITED

Notes to the Financial Statements (continued) Year ended 31 December 2012

10. Called up share capital

	2012 £'000	2011 £'000
Authorised:		
13,000,002 ordinary shares of £1 each	13,000	13,000
Called up, allotted and fully paid:		
13,000,002 ordinary shares of £1 each	13,000	13,000

11. Reserves

	Share premium £'000	Profit & loss account £'000	Total £'000
As at 1 January 2012	39,765	(3,215)	36,550
Loss for the year	-	(21,892)	(21,892)
At 31 December 2012	39,765	(25,107)	14,658

12. Reconciliation of movements in shareholders' funds

	2012 £'000	2011 £'000
(Loss)/profit for the financial year	(21,892)	251
Opening shareholders' funds	49,550	49,299
Closing shareholders' funds	27,658	49,550

13. Ultimate parent company

The company's ultimate holding company and controlling party is Vokes Air Holding AB, a company incorporated in Sweden. The smallest and largest group that the company's results have been consolidated into is to the group headed by Vokes Air Holding AB and copies of the consolidated financial statements can be obtained from Vokes Air Holding AB, SE51285, Svenljunga, Sweden.