

Company Registration No. 4928454

VOKES AIR FILTRATION LIMITED
(formerly SPX Air Filtration Limited)

Report and Financial Statements
Year ended 31 December 2008



VOKES AIR FILTRATION LIMITED
(formerly SPX Air Filtration Limited)

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VOKES AIR FILTRATION LIMITED
(formerly SPX Air Filtration Limited)

Officers and professional advisers

Directors

PJ O'Leary	(resigned 3 July 2008)
MA Reilly	(resigned 3 July 2008)
KL Lilly	(resigned 3 July 2008)
T Blomqvist	(appointed 3 July 2008)
F Ferrari	(appointed 3 July 2008)

Secretary

KL Lilley	(resigned 3 July 2008)
T Blomqvist	(appointed 3 July 2008)

Registered Office

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

Solicitors

Eversheds LLP
Bridgewater Place
Water Lane
Leeds
LS11 5DR
United Kingdom

Auditors

Deloitte LLP
Chartered Accountants and Registered Auditors
Manchester
United Kingdom

VOKES AIR FILTRATION LIMITED

(formerly SPX Air Filtration Limited)

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2008.

Activities

The company acts as an investment holding company through its shareholdings in a number of its subsidiaries. For a list of subsidiaries, refer to note 7 of the financial statements.

Business Performance and Future Prospects

The company is an intermediary holding company and does not trade. This position is expected to continue for the foreseeable future. The financial statements have been prepared on a going concern basis. Further information on the basis of preparation is given in note 1 to the financial statements.

The company did not receive any income from its investments in the current year (2007: £nil). The retained loss of £3,035,000 (2007: £1,369,000) is in relation to the interest received and paid on the company's intercompany balances. This has been withdrawn from reserves.

Results and dividends

The results for the year are shown on page 6. The company has net assets of £48,332,000 (2007: £11,602,000). The financial position is shown on page 7.

The directors do not recommend payment of a dividend for the year (2007: £nil). The loss for the year of £3,035,000 was withdrawn from reserves (2007: loss £1,369,000).

Directors and their interests

The directors of the company, who served throughout the financial year unless stated otherwise, are as shown on page 1.

Disclosure of information to the auditors

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

- So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- The directors have 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 auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

VOKES AIR FILTRATION LIMITED
(formerly SPX Air Filtration Limited)

Directors' report (continued)

Auditors

On 1st December 2008 Deloitte & Touche LLP changed their name to Deloitte LLP.

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.



T. Blomqvist
Director

27 January 2010

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

VOKES AIR FILTRATION LIMITED **(formerly SPX Air Filtration Limited)**

Statement of directors' responsibilities

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). The financial statements are required by law to 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, 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 proper accounting records that 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 1985. 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 auditors' report to the members of Vokes Air Filtration Limited (formerly SPX Air Filtration Limited)

We have audited the financial statements of Vokes Air Filtration Limited (formerly SPX Air Filtration Limited) for the year ended 31 December 2008 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. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Deloitte LLP

Deloitte LLP
Chartered Accountants and Registered Auditors
Manchester
United Kingdom
27 January 2010

VOKES AIR FILTRATION LIMITED
(formerly SPX Air Filtration Limited)

Profit and loss account
Year ended 31 December 2008

	Notes	2008	2007
		£'000	£'000
Interest receivable and similar income	4	1,335	1,189
Interest payable and similar charges	5	(4,370)	(2,558)
Loss on ordinary activities before taxation		(3,035)	(1,369)
Tax on loss on ordinary activities	6	-	-
Loss on ordinary activities after taxation and for the financial year		(3,035)	(1,369)

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
(formerly SPX Air Filtration Limited)
Registered number: 04928454

Balance sheet
As at 31 December 2008

	Notes	2008	2007
		£000	£000
FIXED ASSETS			
Investments	7	<u>23,532</u>	<u>16,670</u>
CURRENT ASSETS			
Debtors	8	37,736	35,685
CREDITORS: amounts falling due within one year	9	(12,936)	(40,753)
NET CURRENT ASSETS / (LIABILITIES)		<u>24,800</u>	<u>(5,068)</u>
NET ASSETS		<u>48,332</u>	<u>11,602</u>
CAPITAL AND RESERVES			
Called up share capital	10	13,000	13,000
Share premium account	10	39,765	-
Profit and loss account	11	<u>(4,433)</u>	<u>(1,398)</u>
SHAREHOLDERS' FUNDS		<u>48,332</u>	<u>11,602</u>

These financial statements were approved by the Board of Directors on 27 January 2010.

Signed on behalf of the Board of Directors



T Blomqvist
Director

VOKES AIR FILTRATION LIMITED

(formerly SPX Air Filtration Limited)

Notes to the financial statements (continued)

Year ended 31 December 2008

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and have been applied consistently in both the current and prior year.

Going concern

The company, which is an intermediate holding company, has net assets due to the large value of intercompany debtors and investments in subsidiary companies. 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 accounts. Furthermore a letter of support has been granted by the directors of Vokes Air Holding AB, the ultimate parent company incorporated in Sweden, confirming continuing financial support for at least 12 months from the date of approval of these financial statements.

Accounting convention

The financial statements are prepared under the historical cost convention.

Exemption from consolidated accounts

In accordance with section 228A of the Companies Act 1985, 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 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 company's parent company are publicly available as explained in note 13.

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.

VOKES AIR FILTRATION LIMITED
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Notes to the financial statements (continued)
Year ended 31 December 2008

1. Accounting policies (Continued)

Cash Flow Statement

Under FRS 1 (Revised), 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, 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 the company's parent company as at 31 December 2008 are publicly available as explained in note 13.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date at the closing rate. Trading items denominated in foreign currencies are translated at the exchange rate ruling on the date the transactions occurred. Exchange differences thus arising are reported as part of the profit for the period.

2. Information regarding directors and employees

The company had no employees in the 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 (2007: £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. Operating profit

Both in the current and prior year, auditors' remuneration was borne by other group companies. The fees payable to the company's auditors for audit of this company's accounts amounted to £3,500 (2007: £4,000). There were no non-audit fees in the current or prior year.

4. Interest receivable and other income

	2008 £'000	2007 £'000
Interest receivable on amounts owed by group undertakings	1,289	1,189
Bank interest	46	-
	<u>1,335</u>	<u>1,189</u>

VOKES AIR FILTRATION LIMITED
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Notes to the financial statements (continued)
Year ended 31 December 2008

5. Interest payable and other charges

	2008 £'000	2007 £'000
Interest payable on bank loans and overdraft	1,336	2,558
Interest payable on amounts owed to group undertakings	177	-
Other interest payable and bank charges	31	-
Foreign exchange losses	2,826	-
	<u>4,370</u>	<u>2,558</u>

6. Tax on loss on ordinary activities

a) Factors affecting the tax charge for the year:

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

	2008 £'000	2007 £'000
Current tax reconciliation:		
Loss on ordinary activities before tax	(3,035)	(1,369)
Current tax credit at 28.5% (2007: 30%)	(865)	(411)
Effects of:		
None recognition of current year tax loss	865	411
Total current tax credit	<u>-</u>	<u>-</u>

There is an unprovided deferred tax asset at year end of £446,000 (2007: £22,000) in respect of tax losses. This balance has not been recognised as the company is not expected to make profits in the foreseeable future.

7. Investments – shares in group undertakings

	£'000
Cost	
At 1 January 2008	16,670
Additions	6,862
At 31 December 2008	<u>23,532</u>
Provisions	
At 1 January 2008 and 31 December 2008	<u>-</u>
Net book value	
At 31 December 2007	16,670
At 31 December 2008	<u>23,532</u>

The addition in the period relates to further investment in Vokes Air Treatment Holdings Limited, a subsidiary of Vokes Air Filtration Limited. One share was purchased in the period for a consideration of £6,862,000.

VOKES AIR FILTRATION LIMITED
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Notes to the financial statements (continued)
Year ended 31 December 2008

7. Investments – shares in group undertakings (continued)

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	Filtration	United Kingdom
**	Wheway Plc	Filtration	United Kingdom
**	McLeod Russel Clean Air	Filtration	United Kingdom
**	McLeod Russel Investments	Filtration	United Kingdom
**	Vokes Air Limited	Filtration	United Kingdom
**	Vokes AT	Filtration	Netherlands
***	Vokes Air (UK) Limited	Filtration	United Kingdom
***	Vokes Air SAS	Filtration	France
***	Vokes Filtration Limited	Filtration	South Africa
***	Vokes-Air SAS	Filtration	France
***	Vokes-Air SL	Filtration	Spain
***	Industri-filter AS	Filtration	Denmark
***	Vokes Air AG	Filtration	Switzerland
***	Vokes Air GmbH	Filtration	Austria
***	Vokes-Air SRL	Filtration	Italy
***	Scandfilter Int. AB	Filtration	Sweden
***	Scandfilter AB	Filtration	Sweden
***	Reclean AB	Filtration	Sweden
***	W.T.H Investments	Filtration	United Kingdom
***	Beteiligungs GmbH	Filtration	Germany
***	MRH Filter GmbH	Filtration	Germany
***	Atex Filter GmbH	Filtration	Germany
***	Eurogard BV	Coatings	Netherlands
***	Vokes-Air BV	Coatings	Netherlands

* Subsidiary owned directly by Vokes Air Filtration Limited (formerly SPX Air Filtration Ltd). All holdings are of ordinary shares.

** Subsidiary owned directly by Vokes Air Treatment Holding Limited (formerly SPX Air Treatment Holdings Plc). All holdings are of ordinary shares.

*** Further Subsidiary Holdings owned directly by other filtration group companies. All holdings are of ordinary shares.

8. Debtors: Amounts falling due within one year

	2008 £'000	2007 £'000
Amounts owed by group undertakings	<u>37,736</u>	<u>35,685</u>

VOKES AIR FILTRATION LIMITED
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Notes to the financial statements (continued)
Year ended 31 December 2008

9. Creditors: amounts falling due within one year

	2008 £'000	2007 £'000
Bank loans and overdrafts	6,693	40,753
Amounts owed to group undertakings	6,243	-
	<u>12,936</u>	<u>40,753</u>

All bank loans and overdrafts are unsecured.

10. Called up share capital

	2008 £'000	2007 £'000
Authorised:		
13,000,003 ordinary shares of £1 each (2007: 13,000,001)	<u>13,000</u>	<u>13,000</u>
Called up, allotted and fully paid:		
13,000,003 ordinary shares of £1 each (2007: 13,000,001)	<u>13,000</u>	<u>13,000</u>

During the year the company issued 2 shares of £1 each to the SPX Corporation Limited for a combined consideration of £39,765,000.

11. Profit and loss account

	£'000
As at 1 January 2008	(1,398)
Loss for the year	<u>(3,035)</u>
At 31 December 2008	<u>(4,433)</u>

12. Reconciliation of movements in shareholders' funds

	2008 £'000	2007 £'000
Loss for the financial year	<u>(3,035)</u>	<u>(1,369)</u>
Opening shareholders' funds	11,602	12,971
Share premium account	39,765	-
Closing shareholders' funds	<u>48,332</u>	<u>11,602</u>

VOKES AIR FILTRATION LIMITED
(formerly SPX Air Filtration Limited)

Notes to the financial statements (continued)
Year ended 31 December 2008

13. Ultimate parent company

The company's ultimate holding company and controlling party is Vokes Air Holding AB, a company incorporated in Sweden, which acquired the Air Filtration group of companies of which this company is a member.

The smallest group to which the results of the company were consolidated was headed by Vokes Air Holding AB. The largest group to which the results of the company were consolidated was headed by Vokes Air Holding AB. Copies of the Vokes Air Holdings AB financial statements can be obtained from 512 85 Svenljunga, Sweden.