
FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016



FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

COMPANY INFORMATION

Directors	Dr W W Frischmann CBE R S Frischmann
Registered number	05048672
Registered office	5 Manchester Square London W1U 3PD
Independent auditors	Berg Kaprow Lewis LLP Chartered Accountants & Statutory Auditor 35 Ballards Lane London N3 1XW

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

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FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

Principal activity

The company acts as a holding company and is responsible for payments of a licence fee in relation to the research and development operations of certain process technology services.

Directors

The directors who served during the year were:

Dr W W Frischmann CBE
R S Frischmann

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements 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;
- 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.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016**

Auditors

Under section 487(2) of the Companies Act 2006, Berg Kaprow Lewis LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Dr W W Frischmann CBE
Director

Date: 18/08/2017

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

We have audited the financial statements of Frischmann Process Technology (Holdings) Ltd for the year ended 31 March 2016, set out on pages 5 to 16. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 on page 1, 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 Financial Reporting Council'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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 March 2016 and of its profit or 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, 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 those financial statements and this report has been prepared in accordance with applicable legal requirements.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FRISCHMANN PROCESS
TECHNOLOGY (HOLDINGS) LTD (CONTINUED)**

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Director's Report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.



David Landau FCA (Senior Statutory Auditor)

for and on behalf of

Berg Kaprow Lewis LLP

Chartered Accountants
Statutory Auditor

London

Date: 18 August 2017

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Administrative expenses		(500,000)	(500,000)
Operating loss		(500,000)	(500,000)
Amounts written off investments		(10,000)	(21,653)
Loss before tax		(510,000)	(521,653)
Tax on loss	5	100,000	105,000
Loss for the year		(410,000)	(416,653)

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 8 to 16 form part of these financial statements.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD
REGISTERED NUMBER: 05048672

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	7	13,120	7
		<u>13,120</u>	<u>7</u>
Current assets			
Debtors: amounts falling due after more than one year	8	-	500,000
Debtors: amounts falling due within one year	8	916,873	840,002
		<u>916,873</u>	<u>1,340,002</u>
Creditors: amounts falling due within one year	9	(500,000)	(500,009)
Net current assets		<u>416,873</u>	<u>839,993</u>
Total assets less current liabilities		<u>429,993</u>	<u>840,000</u>
Net assets		<u><u>429,993</u></u>	<u><u>840,000</u></u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	429,991	839,998
		<u>429,993</u>	<u>840,000</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Dr W W Frischmann CBE
 Director

Date: 18/08/2017

The notes on pages 8 to 16 form part of these financial statements.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2014	2	1,256,651	1,256,653
Comprehensive income for the year			
Loss for the year	-	(416,653)	(416,653)
At 1 April 2015	2	839,998	840,000
Comprehensive income for the year			
Loss for the year	-	(410,000)	(410,000)
Dividends: Equity capital	-	(7)	(7)
At 31 March 2016	2	429,991	429,993

The notes on pages 8 to 16 form part of these financial statements.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. General information

The principal activity of the company is that it acts as a holding company and is responsible for payments of a licence fee in relation to the research and development operations of certain process technology services.

The company is a private company limited by shares and is incorporated in England and Wales. The address of its Registered Office is 5 Manchester Square, London, W1U 3PD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the Companies Act 2006. The date of transition to FRS 102 was 1 April 2014.

Information on the impact of first-time adoption of FRS 102 is given in note 15.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.3 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.4 Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities, like trade and other accounts receivable and payable, loans from banks and other third parties, loans and related parties and investments in non-puttable ordinary shares.

(i) Financial assets

Basic financial assets, including trade and other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

2. Accounting policies (continued)

2.4 Financial instruments (continued)

objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Basic debt instruments, including basic loans, are required to be measured at amortised cost using the effective interest method. For debt instruments provided at a below-market interest rate, consideration has been given to the appropriate rate to be used in the discounting of these debt instruments. An interest rate that is considered to be appropriate, taking into account third party rates, has been adopted in the discounting of the interest free loans.

2.5 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.6 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.7 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no judgments (apart from those involving estimates) which had a significant effect on amount recognised in the financial statements.

4. Employees

The company has no employees other than the directors, who did not receive any remuneration (2015 - £NIL).

5. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	(100,000)	(105,000)
	<u>(100,000)</u>	<u>(105,000)</u>
Total current tax	<u>(100,000)</u>	<u>(105,000)</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	2016 £	2015 £
Loss on ordinary activities before tax	<u>(510,000)</u>	<u>(521,653)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	(102,000)	(109,547)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	<u>2,000</u>	<u>4,547</u>
Total tax charge for the year	<u>(100,000)</u>	<u>(105,000)</u>

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

5. Taxation (continued)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

6. Dividends

	2016 £	2015 £
Dividends paid	7	-
	<u>7</u>	<u>-</u>
	<u><u>7</u></u>	<u><u>-</u></u>

7. Fixed asset investments

	Investments in subsidiary companies £	Investments in associates £	Total £
Cost or valuation			
At 1 April 2015	7	138,514	138,521
Additions	23,120	-	23,120
Disposals	(7)	-	(7)
Amounts written off	(10,000)	-	(10,000)
At 31 March 2016	<u>13,120</u>	<u>138,514</u>	<u>151,634</u>
Impairment			
At 1 April 2015	-	138,514	138,514
At 31 March 2016	<u>-</u>	<u>138,514</u>	<u>138,514</u>
Net book value			
At 31 March 2016	<u>13,120</u>	<u>-</u>	<u>13,120</u>
At 31 March 2015	<u>7</u>	<u>-</u>	<u>7</u>

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. Fixed asset investments (continued)

PARTICIPATING INTERESTS

The company held 20% of the issued share capital of Aqua Dynamics SA, a company incorporated in Switzerland.

The aggregate amount of capital and reserves and the results of the undertaking for the last financial year were as follows:

	Aggregate of share capital and reserves £	Profit/(Loss) £
Aqua Dynamics SA	(£29,438)	(£38,310)

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Holding	Principal activity
Frischmann Projects Ltd	England & Wales	75 %	Dormant
Frischmann Process Technology Ltd	England & Wales	100 %	Research in water treatment process technologies
Frischmann Partners Holdings Ltd	England & Wales	100 %	Partner in a consultancy firm
Frischmann Milton Keynes Ltd	England & Wales	100 %	Dormant
Frischmann McGovern Ltd	Scotland	100 %	Dormant
Frischmann (Morgan Horne) Ltd	England & Wales	100 %	Dormant
De Leuw International Ltd	England & Wales	100 %	Dormant
De Leuw Rothwell Ltd	England & Wales	100 %	Dormant
Engineering & Power Development Consultants Ltd	England & Wales	100 %	Dormant
Frischmann (Malaysia) Sdn Bhd(formerly Pell Frischmann(Malaysi a) Sdn. Bhd)	Malaysia	100 %	Dormant
PF Poland Spo'ka z organiczna odpowiedzialnos'cia	Poland	100 %	Dormant

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

8. Debtors

	2016	2015
	£	£
Due after more than one year		
Amounts owed by joint ventures and associated undertakings	-	500,000
	<u>-</u>	<u>500,000</u>
	<u>-</u>	<u>500,000</u>
Due within one year		
Amounts owed by group undertakings	316,873	235,002
Amounts owed by joint ventures and associated undertakings	500,000	500,000
Tax recoverable	100,000	105,000
	<u>916,873</u>	<u>840,002</u>
	<u>916,873</u>	<u>840,002</u>

Amounts owed by group undertakings are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

9. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Amounts owed to group undertakings	-	9
Accruals and deferred income	500,000	500,000
	<u>500,000</u>	<u>500,009</u>
	<u>500,000</u>	<u>500,009</u>

Amounts owed to group undertakings are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

10. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at amortised cost	816,873	1,235,002
	<u>816,873</u>	<u>1,235,002</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(500,000)	(500,009)
	<u>(500,000)</u>	<u>(500,009)</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings and amounts owed by joint ventures and associated undertakings.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings and accruals.

11. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

There is a single class of Ordinary Shares. There are no restrictions on the distribution of dividends and the repayment of capital.

12. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

13. Related party transactions

Where possible, the company has taken advantage of the exemption conferred by FRS 102 Section 33 from the requirement to disclose transactions with wholly owned group undertakings.

Included within amounts owed by joint ventures is a balance of £500,000 (2015: £1,000,000) due from an associate. This balance is unsecured and interest free with no fixed repayment terms. The associate also received a license fee of £500,000 (2015: £500,000) from the company during the year.

FRISCHMANN PROCESS TECHNOLOGY (HOLDINGS) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

14. Controlling party

The company is a wholly owned subsidiary of Frischmann Investment Ltd, a company registered in England and Wales.

The ultimate parent company at the end of the year was Frischmann Holdings Ltd, a company registered in England and Wales.

Copies of the consolidated financial statements of Frischmann Holdings Ltd may be obtained from the following address:

5 Manchester Square, London, W1U 3PD.

15. First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2014.

The policies adopted under the entity's previous accounting framework are not materially different to FRS 102 and there are no changes in accounting policies which reconcile the total equity as at 1 April 2014 and 31 March 2015 between UK GAAP as previously reported and FRS 102.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemption under FRS 102 paragraph 1.12(b) on the basis that it is a qualifying entity and the ultimate parent undertaking, Frischmann Holdings Ltd, includes the equivalent disclosures in its own consolidated financial statements. The disclosure exemption is the requirement to prepare a statement of cash flows.