

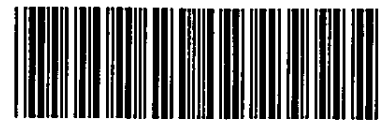
**Nederman Filtration Limited**  
**(formerly Dantherm Filtration Limited)**

**Directors' report and financial  
statements**

**Registered number 00562216**

**31 December 2012**

THURSDAY



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COMPANIES HOUSE

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## Directors' report

The Directors present their directors' report and audited financial statements of Nederman Filtration Limited (the Company) for the year ended 31 December 2012

### Principal activities

The principal activity of the Company was previously that of contracting and marketing of dust extraction equipment until 31 March 2011, at which point the trade was hived up into Nederman Limited and the company ceased trading

The Company is a limited liability company incorporated in England and Wales and is domiciled in the United Kingdom

### Proposed dividend and results for the year

The directors do not recommend the payment of a dividend in 2012 (2011 £nil)

The retained profit of £19,793 (2011 £590,463) has been transferred to reserves

### Directors

The directors who held office during the year were as follows

R Halliwell (Resigned 11 March 2012)  
M Hodgins (Appointed 14 March 2012, resigned 31 March 2012)  
L Neary (Appointed 14 March 2012, resigned 12 April 2013)  
U Fristedt  
S Kristensson  
P Rowlands (Appointed 18 September 2012)

### Going concern

On 1 April 2011, the trade and assets of the Company were acquired by its immediate parent at that date, Nederman Limited. As the Directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1

### Disclosure of information to auditor

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

### Auditor

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

By order of the board

  
P. Bamforth  
Secretary

c/o Nederman Ltd  
91 Seedlee Road, Walton Summit Centre  
Bamber Bridge  
Preston  
Lancashire

30 - 10 - 2013

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

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU 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 estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1, the Directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## KPMG LLP

Edward VII Quay  
Navigation Way  
Preston  
PR2 2YF  
United Kingdom

### **Independent auditor's report to the members of Nederman Filtration Limited**

We have audited the financial statements of Nederman Filtration Limited for the year ended 31 December 2012 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU. These financial statements have not been prepared on the going concern basis for the reason set out in note 1 to the financial statements.

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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, 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**

A description of the scope of an audit of the financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 profit for the year ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters 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 Nederman 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
- 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



**Stephen Dunn (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
Edward VII Quay  
Navigation Way  
Preston  
PR2 2YF

30-10-2013

## Statement of comprehensive income

For the year ended 31 December 2012

	Notes	2012 £	2011 £
<b>Revenue</b>	2	-	1,458,119
Cost of sales		-	(915,068)
		<hr/>	<hr/>
<b>Gross profit</b>		-	543,051
Administrative expenses		-	(326,515)
Other operating income		-	(3,810)
		<hr/>	<hr/>
<b>Profit from operations</b>	3	-	212,726
Investment income	6	26,215	5,730
Profit on disposal of trade and assets to parent company	7	-	480,459
		<hr/>	<hr/>
<b>Profit before tax</b>		26,215	698,915
Income tax charge	8	(6,422)	(108,452)
		<hr/>	<hr/>
<b>Profit for the year attributable to equity holders of the Company</b>		19,793	590,463
		<hr/>	<hr/>
<b>Other comprehensive income</b>		-	-
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year attributable to equity holders of the company</b>		19,793	590,463
		<hr/>	<hr/>

The notes on pages 9-15 form part of these financial statements

**Statement of financial position**  
*At 31 December 2012*

	<i>Note</i>	<b>2012</b> £	<b>2011</b> £
<b>Current assets</b>			
Trade and other receivables	10	1,687,433	1,667,640
<b>Total current assets</b>		<u>1,687,433</u>	<u>1,667,640</u>
<b>Total assets</b>		<u>1,687,433</u>	<u>1,667,640</u>
<b>Net assets</b>		<u>-</u>	<u>-</u>
<b>Shareholders' Equity</b>			
Share capital	12	1,667,640	1,667,640
Retained earnings		19,793	-
<b>Total equity</b>		<u>1,687,433</u>	<u>1,667,640</u>

These financial statements were approved by the board of directors on 30 -10 - 2013 and were signed on its behalf by:



**P. Rowlands**  
*Director*

Company Registration No. 00562216

The notes on pages 9-15 form part of these financial statements



**Statement of changes in equity**  
*for the year ended 31 December 2012*

	Share capital £	Share premium £	Retained earnings £	Total £
Balance at 1 January 2011	1,667,640	59,946	81,950	1,809,536
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	590,463	590,463
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	590,463	590,463
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Transactions with owners of the company, recognised directly in equity</b>				
Dividends	-	(59,946)	(672,413)	(732,359)
	<hr/>	<hr/>	<hr/>	<hr/>
Total contributions by and distributions to owners of the company	-	(59,946)	(672,413)	(732,359)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2011</b>	<b>1,667,640</b>	<b>-</b>	<b>-</b>	<b>1,667,640</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Balance at 1 January 2012	1,667,640	-	-	1,667,640
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	19,793	19,793
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2012</b>	<b>1,667,640</b>	<b>-</b>	<b>19,793</b>	<b>1,687,433</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9-15 form part of these financial statements

**Statement of cash flow**  
*for the year ended 31 December 2012*

	<i>Note</i>	<b>2012</b> £	<b>2011</b> £
Profit from operations		-	212,726
Adjustments for			
Depreciation of property, plant and equipment		-	12,276
Profit on disposal of property, plant and equipment	3	-	(2,450)
		<hr/>	<hr/>
Operating cash flows before movements in working capital		-	(222,552)
Increase in inventories		-	8,895
Decrease in receivables		-	(1,181,530)
(Decrease)/increase in payables		-	(446,197)
		<hr/>	<hr/>
Cash generated by operations		-	(1,396,280)
		<hr/>	<hr/>
Corporation tax paid		-	(11,167)
Interest received	6	-	5,730
		<hr/>	<hr/>
		-	(5,437)
		<hr/>	<hr/>
<b>Net cash from operating activities</b>		-	(1,401,717)
		<hr/> <hr/>	<hr/> <hr/>
<b>Investing activities</b>			
Proceeds on disposal of property, plant and equipment		-	2,450
Disposal of trade and assets to parent, net of cash disposed of		-	1,567,902
		<hr/>	<hr/>
<b>Net cash inflow/(outflow) from investing activities</b>		-	1,570,352
		<hr/> <hr/>	<hr/> <hr/>
<b>Financing activities</b>			
Dividends paid		-	(732,359)
		<hr/>	<hr/>
<b>Net cash from financing activities</b>		-	(732,359)
		<hr/> <hr/>	<hr/> <hr/>
<b>Net (decrease)/increase in cash and cash equivalents</b>		-	(563,724)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 9-15 form part of these financial statements

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

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

#### *Basis of preparation*

The financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards (IFRSs), as adopted by the EU (Adopted IFRSs)

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments. The principal accounting policies adopted are set out below

The financial statements present information about the company as an individual undertaking. The company has not prepared consolidated financial statements due to the results of its subsidiaries being immaterial and the company's results being included in the consolidated financial statements of its ultimate parent company, as described in note 14 to the financial statements

#### *Going concern*

In previous years, the financial statements have been prepared on a going concern basis. However, on 1 April 2011, the trade and assets of the Company were acquired by its immediate parent at that date, Nederman Limited. As the Directors do not intend to acquire a replacement trade, they have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements

#### *Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes

Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount

#### *Construction contracts*

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative at the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately

#### *Research and development*

Expenditure on research activities is recognised as an expense in the period in which it is incurred

An internally generated intangible asset arising from the company's development activities is recognised only if all of the following conditions are met

- An asset is created that can be identified (such as software and new processes),
- It is probable that the asset created will generate future economic benefits, and
- The development cost of the asset can be measured reliably

## Notes (continued)

### 1 Accounting policies (continued)

#### *Retirement benefit costs*

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due

#### *Deferred taxation*

The tax expense represents the sum of the tax currently payable and deferred tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the date of the statement of financial position.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled or the asset is realised. Changes in deferred tax are recognised in the profit and loss, except when it relates to item charged or credited to other operating income in which case the deferred tax is also dealt with in this section of the statement of comprehensive income.

#### *Foreign currency translation*

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated using at the rates prevailing on that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised in the other comprehensive income section of the statement of comprehensive income.

#### *New standards and interpretations*

The directors do not envisage any material changes to the financial statements with regards to future changes in IFRSs.

## Notes (continued)

### 2 Revenue

Revenue is derived from one class of business, being the contracting and marketing of dust extraction equipment

	Turnover	
	2012	2011
	£	£
<i>By geographical market</i>		
United Kingdom and Europe	-	1,345,134
Rest of the World	-	112,985
	<u>-</u>	<u>1,458,119</u>

### 3 Profit from operations

	2012	2011
	£	£
<i>Profit from operations has been arrived at after charging</i>		
Depreciation of property, plant and equipment	-	12,276
Loss on foreign exchange transactions	-	4,997
Operating lease rentals – plant and machinery	-	22,503
Auditors' remuneration	-	3,500
<i>and after crediting:</i>		
Profit on disposal of property, plant and equipment	-	(2,450)
	<u>-</u>	<u>(2,450)</u>

In 2012 the auditors' remuneration has been borne by the parent company

### 4 Directors' emoluments

	2012	2011
	£	£
Emoluments for qualifying services	-	15,250
Company pension contributions to money purchase schemes	-	763
	<u>-</u>	<u>16,013</u>

	Number of directors	
	2012	2011
Retirement benefits are accruing to the following number of directors under Money purchase schemes	-	1
	<u>-</u>	<u>1</u>

**Notes (continued)**

**5 Employees**

The average number of employees (including directors) during the year was

	Number of employees	
	2012	2011
Production	-	2
Selling	-	4
Administration	-	2
	<u>-</u>	<u>8</u>

Employment costs	2012 £	2011 £
Wages and salaries	-	219,599
Social security costs	-	27,968
Other pension costs	-	6,381
	<u>-</u>	<u>253,948</u>

**6 Investment income**

	2012 £	2011
Income from group companies	26,215	5,724
Bank interest	-	6
	<u>26,215</u>	<u>5,730</u>

**7 Disposal of trade and assets**

On 1 April 2011 the trade and assets of Nederman Filtration Limited were hived up into its parent company, Nederman Limited. Consideration of £2,400,000 was received, in exchange for net assets of £1,919,541, resulting in a gain of £480,459.

## Notes (continued)

### 8 Taxation

	2012 £	2011 £
<i>Current tax</i>		
UK corporate tax on profits for the period	6,422	-
Adjustments in respect of previous years	-	11,167
	<u>6,422</u>	<u>11,167</u>
Total current tax	<u>6,422</u>	<u>11,167</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	100,713
Adjustments in respect of previous years	-	(3,506)
Effect of changes in tax rates	-	78
	<u>-</u>	<u>97,285</u>
Total deferred tax	<u>-</u>	<u>97,285</u>
<i>Tax on profit on ordinary activities</i>	<u>6,422</u>	<u>108,452</u>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	<u>26,215</u>	<u>698,915</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24.5% (2011 26%)	<u>6,422</u>	<u>195,556</u>
<i>Effects of</i>		
Profit not subject to corporation tax	-	(134,432)
Non deductible expenses	-	3,226
Capital allowances in excess of depreciation	-	247
Movement in short term timing differences	-	(81,416)
Tax losses utilised	-	16,819
Adjustments in respect of previous years	-	11,167
	<u>6,422</u>	<u>11,167</u>
<b>Current tax charge</b>	<u>6,422</u>	<u>11,167</u>
<b>Deferred tax (assets)/liabilities:</b>		
	£	2011 £
Provision at start of period	-	(97,285)
Deferred tax credit for the year	-	100,791
Adjustments in respect of previous years	-	(3,506)
	<u>-</u>	<u>-</u>
Provision at end of period	<u>-</u>	<u>-</u>

## Notes (continued)

### 9 Trade and other receivables

	2012 £	2011 £
Amounts owed by parent and fellow subsidiary undertakings	<u>1,687,433</u>	<u>1,667,640</u>

### 10 Provisions

	Warranty provision 2012 £	2011 £
Balance at 1 January	-	207,578
Movement	-	8,669
Transfer to parent company	-	(216,247)
	<u>-</u>	<u>-</u>
Balance at 31 December	<u>-</u>	<u>-</u>
	Total provision 2012 £	2011 £
Balance at 1 January	-	207,578
Movement	-	8,669
Transfer to parent company	-	(216,247)
	<u>-</u>	<u>-</u>
Balance at 31 December	<u>-</u>	<u>-</u>

The warranty provision relates to warranty work that may be required to be completed under the terms of contracts completed at the year end. Other provisions relate to additional costs that are expected to be incurred on contracts not yet completed at the year end.

### 11 Pension costs

	2012 £	2011 £
<b>Defined contribution</b>		
Contributions payable by the company for the year	<u>-</u>	<u>6,381</u>

### 12 Share capital

	2012 £	2011 £
<b>Authorised</b>		
2,676,043 Ordinary shares of £1 each	<u>2,676,043</u>	<u>2,676,043</u>
<b>Allotted, called up and fully paid</b>		
1,667,640 Ordinary shares of £1 each	<u>1,667,640</u>	<u>1,667,640</u>



## Notes (continued)

### 13 Related party transactions

The company had transactions with related parties during the year as follows	2012 £	2011 £
Sales	-	9,497
Purchases	-	181,269
Loan interest received	-	5,724
Year end receivables	<u>1,687,433</u>	<u>1,667,640</u>

The related party transactions are all with the parent company and fellow subsidiaries Dantherm Filtration SAS, Dantherm Filtration Sp z o o, Dantherm Filtration GmbH, Dantherm Filtration Holding A/S, Dantherm Filtration A/S, Dantherm Filtration AB, Dantherm Filtration Inc and Dantherm Air Handling Ltd

### 14 Control

The company is a subsidiary undertaking of Nederman Holdings AB, a company incorporated in Sweden

The largest and smallest group in which the results of the company are consolidated is that headed by Nederman Holdings AB. The consolidated accounts of this group are available to the public and may be obtained from Nederman Holdings AB, Sydhamngatan 2, S-252 28, Sweden