

**Burnfield Limited**  
**Annual report and financial statements**

Year ended 31 December 2016

Registered number: 1522736

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## Directors' report

The Directors present their Directors' report and the financial statements for the year ended 31 December 2016.

### Principal activity

The principal activity of the Company is that of facilitating group funding arrangements.

### Results and dividends

The Company made a profit after tax in the year of £29,484,000 (2015: £7,811,000). This profit arises through the exchange gain on foreign currency loans held by the Company and the interest received on such loans.

During the year the Company did not pay a dividend to its parent company (2015: £nil). The Directors do not recommend a payment of a dividend.

### Directors

The Directors who held office during the year were:

R J Stephens

A Dumbleton

C Watson

### Disclosure of information to auditor

The Directors who held office at the date of approval of the 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 they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### Auditor

Following an audit tender conducted during the year, Deloitte LLP were selected as auditor for the Spectris Group. Accordingly, it is intended that Deloitte LLP will be appointed to replace KPMG LLP as auditor for the year ending 31 December 2017.

### By order of the Board



R Stephens  
Director

### Registered Office:

Heritage House  
Church Road  
Egham  
Surrey  
TW20 9QD  
2 May 2017

## 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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including *FRS 101 Reduced Disclosure Framework*.

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 judgements and 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 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.

# **Independent Auditor's Report to the members of Burnfield Limited**

We have audited the financial statements of Burnfield Limited for the year ended 31 December 2016 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including *FRS 101 Reduced Disclosure Framework*.

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 set out on page 3, 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 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 information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with 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 is consistent with the financial statements.

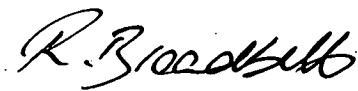
Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

## **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
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



**Richard Broadbelt (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

15 Canada Square

London

E14 5GL

5 May 2017

## Profit and Loss Account

For the year ended 31 December 2016

	Note	2016 £000	2015 £000
Other operating income		12	-
Interest receivable and similar income	4	29,096	8,187
<b>Profit before taxation</b>		<b>29,108</b>	<b>8,187</b>
Tax credit/(charge) on profit	5	376	(376)
<b>Profit for the financial year</b>		<b>29,484</b>	<b>7,811</b>

The results in the profit and loss account relate entirely to continuing operations.

The notes on pages 9 to 13 form part of these financial statements.

## Statement of Comprehensive Income

For the year ended 31 December 2016

	2016 £000	2015 £000
Profit for the financial year	29,484	7,811
<b>Total comprehensive income for the year</b>	<b>29,484</b>	<b>7,811</b>

## Statement of Changes in Equity

For the year ended 31 December 2016

	Share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2016	3,594	17,265	107,360	128,219
Profit for the year			29,484	29,484
Total comprehensive income for the year			29,484	29,484
Balance at 31 December 2016	3,594	17,265	136,844	157,703

	Share capital £000	Share premium £000	Profit and loss account £000	Total equity £000
<b>For the year ended 31 December 2015</b>				
At 1 January 2015	3,594	17,265	99,549	120,408
Profit for the year	-	-	7,811	7,811
Total comprehensive income for the year	-	-	7,811	7,811
Balance at 31 December 2015	3,594	17,265	107,360	128,219



## Balance Sheet

As at 31 December 2016

	Note	2016 £000	2015 £000
<b>Current assets</b>			
Debtors (including £157,629 (2015: £128,534) due after more than one year)	6	157,629	128,534
Cash at bank and in hand and short term deposits		75	63
		<b>157,704</b>	<b>128,597</b>
<b>Creditors</b>	7	<b>(1)</b>	<b>(378)</b>
<b>Net current assets</b>		<b>157,703</b>	<b>128,219</b>
<b>Net assets</b>		<b>157,703</b>	<b>128,219</b>
<b>Capital and reserves</b>			
Called up share capital	8	3,594	3,594
Share premium account		17,265	17,265
Profit and loss account		136,844	107,360
<b>Shareholders' funds</b>		<b>157,703</b>	<b>128,219</b>

The notes on pages 9 to 13 form part of these financial statements.

The financial statements were approved by the Board of Directors on 2 May 2017 and were signed on its behalf by:



**R Stephens**  
Director

Company Registration No. 1522736

## Notes to the Accounts

### 1. Basis of preparation and summary of significant accounting policies

Burnfield Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 1522736.

#### a) Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('adopted IFRSs'), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes.
- Comparative period reconciliations for share capital.
- Disclosures in respect of capital management.
- The effects of new but not yet effective IFRSs.
- Disclosures in respect of the compensation of Key Management Personnel.

The financial statements have been prepared on the historical cost basis, except for revaluation of financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies are set out below.

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

#### Going concern

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future.

On the basis of their assessment of the Company's financial position the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

## Notes to the Accounts continued

### b) Summary of significant accounting policies

#### Trade and other debtors

Trade and other debtors are carried at the amounts expected to be received from counterparties.

#### Cash at bank and in hand and short term deposits

Comprises cash at bank and in hand and short-term deposits held on call or with maturities of less than three months at inception.

#### Trade and other creditors

Trade and other creditors are carried at the amounts expected to be paid to counterparties.

#### Taxation

Tax on the profit or loss for the year comprises both current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised either in other comprehensive income or directly in equity, in which case tax is recognised in the Statement of Comprehensive Income or the Statement of Changes in Equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of prior years.

Deferred taxation is provided on taxable temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and their corresponding tax bases. Deferred tax is measured using the tax rates expected to apply when the asset is realised or the liability settled based on tax rates enacted or substantively enacted by the balance sheet date.

However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### Foreign currency translation

The functional currency for the Company is determined with reference to the currency of the primary economic environment in which it operates. Transactions in currencies other than the functional currency are initially recorded at the functional currency 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. Exchange gains and losses on settlement of foreign currency transactions are translated at the rate prevailing at the date of the transactions, or the translation of monetary assets and liabilities at period end exchange rates, and are charged/credited to the profit and loss account. Non-monetary assets and liabilities denominated

## Notes to the Accounts continued

in foreign currencies that are stated at historical cost are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction.

### Dividends

Dividends are recognised as a liability in the period in which they are approved by shareholders.

### Interest payable and similar charges and interest receivable and similar income

Interest payable and similar charges comprises the interest payable on borrowings calculated using the effective interest method. Interest receivable and similar income comprises interest income on cash and funds invested and is recognised in the profit and loss account as it accrues.

## 2. Auditors remuneration

The fee for the audit of these financial statements has been borne by the ultimate parent company, Spectris plc.

	2016	2015
	£000	£000
Audit of the Company	5	7

## 3. Employee numbers and costs

The Company had no employees during the current or previous year.

The Directors received no remuneration for their services to the Company in either year. The present Directors are employed by, and receive remuneration for services from, the ultimate parent company.

## 4. Interest receivable and similar income

	2016	2015
	£000	£000
Interest receivable from group undertakings	2,543	1,857
Exchange gains on retranslation of loan balances with group undertakings	26,553	6,330
	<b>29,096</b>	<b>8,187</b>

## Notes to the Accounts continued

### 5. Taxation

	2016	2015
	£000	£000
<b>a) Tax charged in the profit and loss account</b>		
Current tax:		
UK corporation tax	-	376
Current tax charge	-	376
Adjustments in respect of prior years	(376)	-
Total current tax (credit)/charge	(376)	376
 Total tax (credit)/charge	 (376)	 376

#### b) Reconciliation of the total tax charge

The tax (credit)/charge in the profit and loss account for the year is lower (2015: lower) than the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are reconciled below:

	2016	2015
	£000	£000
Profit before taxation	29,108	8,187
 Corporation tax at standard rate of 20% (2015: 20.25%)	 5,822	 1,658
Non-taxable income and gains	(5,822)	(1,282)
Adjustments to prior year current and deferred tax charges	(376)	-
Total tax (credit)/charge reported in the profit and loss account	(376)	376

An election was made with effect from 18 July 2013 that the designated currency of the Company will be USD for tax purposes. The taxable profit for the period since 18 July 2013 has been computed in USD resulting in foreign exchange differences arising for tax purposes only on non-USD balances from that date.

#### c) Unrecognised tax losses

No provision has been made for deferred tax on realised capital losses of £6,236,899 (2015: £6,236,899) on the basis that there is insufficient evidence that suitable taxable profits will arise in the future against which the losses may be offset and the asset recovered.

#### d) Change in corporation tax rate

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. A further reduction to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015 and to 17% (effective 1 April 2020) was substantively enacted on 15<sup>th</sup> September 2016.

## Notes to the Accounts continued

### 6. Debtors

	2016	2015
	£000	£000
<b>Amounts falling due after more than one year:</b>		
Amounts owed by group undertakings	<b>157,629</b>	128,534

### 7. Creditors

	2016	2015
	£000	£000
<b>Amounts falling due within one year:</b>		
Current tax liability	-	376
Other creditors	<b>1</b>	2
	<b>1</b>	378

### 8. Share capital

	2016	2016
	Number of shares thousands	£000
<b>Allotted, called up and fully paid</b>		
Ordinary shares of 10p each		
At 1 January 2016 and 31 December 2016	<b>35,939</b>	<b>3,594</b>

### 9. Ultimate holding company

The Company's ultimate holding company is Spectris plc, which is incorporated in the United Kingdom. The consolidated accounts of this company are available to the public and may be obtained from:

Spectris plc  
Heritage House  
Church Road  
Egham  
Surrey  
TW20 9QD