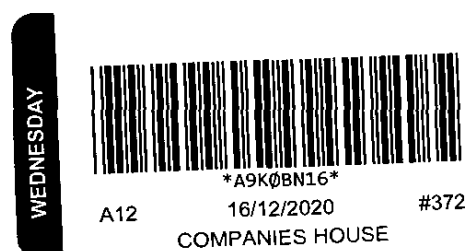


Burnfield Limited
Annual Report and Unaudited Financial Statements

Year ended 31 December 2019

Registered number: 1522736



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Strategic report

The Directors present the Strategic report for Burnfield Limited (the "Company") for the year ended 31 December 2019.

Review of the business

The Company is a wholly owned subsidiary of Spectris US Holdings Limited and acts to facilitate group funding arrangements.

On 4 March 2019 the Company issued one ordinary share for a premium of £374,831,000 as part of a group restructure.

There have not been any changes in the Company's activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

For a more detailed review of the activities, development and performance of the business during 2019 and the position of the Group at the end of the year please refer to the Spectris plc Annual Report and Accounts 2019 in the Strategic report section.

Principal risks and uncertainties

The principal risks for the Company relate to the recoverability of Group Loans and foreign exchange. Management perform regular monitoring of the loans and foreign exchange for the Group as a whole. The Company's ultimate holding company is Spectris plc and the principal risks and uncertainties of the Spectris Group are given in the Annual Report and Accounts of Spectris plc.

Contagious diseases can have an adverse effect on the Company's business, financial condition and results of operations. There is currently a COVID-19 coronavirus pandemic across the world. Governments are taking a number of steps to mitigate the impact of this pandemic, including implementing quarantines. Many people have contracted the disease across the world and many deaths have occurred. It is not clear for how long this pandemic will last or how much more extensive it will become, or the further measures that will be taken by governments and others to seek to control this pandemic and its impact.

Since the outbreak of the COVID-19 coronavirus pandemic, the Group has taken a number of responsive measures including reducing site operational levels and introducing new cleaning regimes, safe working distance measures and protective equipment for its employees. A significant proportion of the Group's employees are working from home. While the Group is liaising closely with its customers and suppliers to understand any changes in requirements and priorities during this time, the uncertainties surrounding the development of this pandemic make it difficult to predict the extent to which the Company may be affected.

Key performance indicators (KPIs)


The Directors are of the opinion that analysis of the Company using KPIs is not appropriate for an understanding of the development, performance or position of the business of the Company. For further information about KPIs, please refer to the Spectris plc Annual Report and Accounts 2019.

Financial performance and position

The Company made a profit after tax of £16,652,000 (2018: £11,189,000), primarily due to higher interest being received in 2019 compared to 2018.

The balance sheet shows that the Company's net assets increased by 249% to £548,544,000. This is due to the issue of one share at a premium of £374,831,000 and profit for the year.

By order of the Board



A W Dumpleton
Director

Registered Office:

Heritage House
Church Road
Egham
Surrey

TW20 9QD

30 November 2020

Directors' report for the year ended 31 December 2019

The Directors present their report and the unaudited Financial Statements for the Company for the year ended 31 December 2019.

Dividends

The Directors did not propose an interim dividend for the year ended 31 December 2019 (2018: nil). The Directors have not proposed a final dividend (2018: nil).

Future Developments

The future potential impact of the COVID-19 pandemic on the Company is not yet known but may be significant. While the Company cannot currently quantify what the effects might be, it continues to monitor the pandemic and its impact, to ensure appropriate actions can be taken to mitigate risks to the Company.

Directors

The following served as Directors during the year and up to the date of this report, unless otherwise shown:

V J Balchin (appointed 25 March 2019, resigned 20 January 2020)

A W Dumbleton

R L Dunn (appointed 25 March 2019, resigned 5 June 2020)

C G Watson (resigned 25 March 2019)

I A Johnson (appointed 21 January 2020)

E M Unwin (appointed 9 June 2020)

Company Secretary

The following served as Company Secretary during the year and up to the date of this report, unless otherwise shown:

R L Dunn (resigned 5 June 2020)


E M Unwin (appointed 9 June 2020)

Derivative financial instruments and financial risks

The Company did not transact in any derivative financial instruments during the year.

Full details of the Spectris policies and procedures surrounding financial risks, financial instruments and details of such transactions can be found in the Spectris plc Annual Report and Accounts 2019.

By order of the Board



A W Dumbleton

Director

Registered Office:

Heritage House

Church Road

Egham

Surrey

TW20 9QD

30 November 2020

Statement of Directors' responsibilities

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.

Income statement

For the year ended 31 December 2019

	Note	2019 (unaudited) £000	2018 (unaudited) £000
Other operating expenses		(1)	(1)
Interest receivable and similar income	3	22,794	11,781
Interest payable and similar charges	4	(1,810)	-
Profit before taxation		20,983	11,780
Taxation charge	5	(4,331)	(591)
Profit for the year		16,652	11,189

The results for the year are derived solely from continuing operations.

There was no other comprehensive income and therefore the total comprehensive income is the same as that presented in the income statement.

The notes on pages 8 to 12 form part of these Financial Statements.

Balance sheet

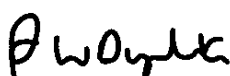
As at 31 December 2019

	Note	2019 (unaudited) £000	2018 (unaudited) £000
Non-current assets			
Loans owed by Group undertakings	6	416,370	157,581
Current assets			
Loans owed by Group undertakings	6	136,436	-
Cash and cash equivalents		69	71
		136,505	71
Current liabilities			
Current tax liability		(4,331)	(591)
Net current assets/(liabilities)		132,174	(520)
Net assets		548,544	157,061
Equity			
Share capital	7	359	359
Share premium	7	374,831	-
Retained earnings		173,354	156,702
Total equity		548,544	157,061

The notes on pages 8 to 12 form part of these Financial Statements.

For the financial year ending 31 December 2019, the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

The unaudited Financial Statements were approved on 30 November 2020 by the Board of Directors and were signed on its behalf by:



A W Dumbleton
Director

Company Registration No. 1522736

Statement of changes in equity

For the year ended 31 December 2019

	Share capital (unaudited) £000	Share premium (unaudited) £000	Retained earnings (unaudited) £000	Total equity (unaudited) £000
At 1 January 2019	359	-	156,702	157,061
Profit for the year	-	-	16,652	16,652
Total comprehensive income for the year	-	-	16,652	16,652
Transactions with owners recorded directly in equity:				
Share issued at a premium	8	374,831	-	374,831
At 31 December 2019	359	374,831	173,354	548,544

	Share capital £000	Share premium £000	Retained earnings £000	Total equity £000
At 1 January 2018	3,594	17,265	125,013	145,872
Profit for the year	-	-	11,189	11,189
Total comprehensive income for the year	-	-	11,189	11,189
Transactions with owners recorded directly in equity:				
Capital reduction	8	(17,265)	20,500	-
At 31 December 2018	359	-	156,702	157,061

Notes to the accounts

1. Basis of preparation and summary of significant accounting policies

Burnfield Limited 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; and
- disclosures in respect of the compensation of Key Management Personnel.

As the consolidated Financial Statements of Spectris plc, available to the public as set out in note 8, include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments Disclosures.

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.

Going concern

After making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. While there remains significant uncertainty as to the future impact of the COVID-19 pandemic, the Company and its ultimate parent entity Spectris plc continue to conduct ongoing risk assessments of the potential impact of the pandemic on its business operations and liquidity. Having undertaken assessments, the Directors consider that the Company will be able to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

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

Significant accounting judgements and estimates

In determining and applying accounting policies, judgement is often required where the choice of specific policy, assumption or accounting estimate to be followed could materially affect the reported amounts of assets, liabilities, income and expenses, should it later be determined that a different choice be more appropriate. Estimates and assumptions are reviewed on an on-going basis and are based on historical experience and various other factors that are believed to be reasonable under the circumstances.

In the course of preparing these Financial Statements, in accordance with the Company's accounting policies, no judgements or estimates that have a significant effect on the amounts recognised in the Financial Statements have been made.

Notes to the accounts continued

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

b) Summary of significant accounting policies

Cash and cash equivalents

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

Taxation

Tax on the profit or loss for the year comprises current tax. Tax is recognised in the Income statement 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.

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 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.

Financial instruments

Recognition

The Company recognises financial assets and liabilities on its balance sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Notes to the accounts continued

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

b) Summary of significant accounting policies continued

Financial instruments continued

Measurement

When financial assets and liabilities are initially recognised, they are measured at fair value, being the consideration given or received plus directly attributable transaction costs.

In determining estimated fair value, investments are valued at quoted bid prices on the trade date. When quoted prices on an active market are not available, fair value is determined by reference to price quotations for similar instruments traded.

Loans and debtors comprise loans and advances other than purchased loans. Originated loans and debtors are initially recognised in accordance with the policy stated above and subsequently re-measured at amortised cost using the effective interest method. Allowance for impairment is estimated on a case-by-case basis.

Derecognition

A financial asset is derecognised when the Company loses control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered. A financial liability is derecognised when it is extinguished. Originated loans and debtors are derecognised on the date they are transferred by the Company.

Impairment of financial assets

The Company assesses at each balance sheet reporting date whether there is any objective evidence that a financial asset, or group of financial assets, is impaired. A financial asset, or group of financial assets, is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

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. 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 holding company, Spectris plc.

3. Interest receivable and similar income

	2019 (unaudited)	2018 (Unaudited)
	£000	£000
Interest receivable from group undertakings	22,793	3,111
Interest receivable from third parties	1	-
Exchange gains on retranslation of loan balances with group undertakings	-	8,670
	22,794	11,781

Notes to the accounts continued

4. Interest payable and similar charges

	2019 (unaudited)	2018 Unaudited
	£000	£000
Exchange losses on retranslation of loan balances with group undertakings	1,810	-

5. Taxation

a) Tax charged in the income statement

	2019 (unaudited)	2018 Unaudited
	£000	£000
Taxation charge		
Current tax:		
UK corporation tax	4,331	591
Taxation charge	4,331	591

b) Reconciliation of the total tax charge

The tax charge in the income statement for the year is higher (2018: lower) than the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

	2019 (unaudited)	2018 Unaudited
	£000	£000
Profit/(loss) before taxation	20,983	11,780
Corporation tax at standard rate of 19% (2018: 19%)	3,987	2,238
Non-taxable income and gains	-	(1,647)
Non-deductible expenses	344	-
Total tax charge reported in the income statement	4,331	591

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 £6,237,000 (2018: £6,237,000) 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 corporation tax rate from 19% to 17% (effective from 1 April 2020) was enacted prior to the balance sheet date. However, in March 2020, legislation was substantively enacted to reverse this tax rate cut and maintain the corporation tax rate at 19%.

Notes to the accounts continued

6. Loans owed by Group undertakings

Amounts owed by Group undertakings includes three loans (2018: one loan). One loan of £174,196,000 (2018: £157,581,000), shown in non-current amounts is unsecured, bears interest at three-month LIBOR less 0.25% and is due to be repaid on 1 July 2023.

In 2019 the company acquired two loans which had previously been assets of another Group company. One loan of £242,174,000 shown in non-current amounts is unsecured, bears interest at a fixed rate of 5.66% and is due to be repaid on 31 March 2022. The other loan of £136,436,000 shown in current amounts is unsecured, bears interest at a fixed rate of 5.82% and is due to be repaid 11 August 2020.

7. Share capital and premium

	Number of shares thousands	2019 (unaudited) £000	Number of shares thousands	2018 Unaudited £000
Allotted, called up and fully paid				
Ordinary shares of 1p each (2018: 1p each)	35,939	359	35,939	359

On 4th March 2019 the Company issued one ordinary share of 1p for a premium of £374,831,000

8. 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.

9. Post balance sheet events

The outbreak of the COVID-19 coronavirus was confirmed to be a global pandemic by the World Health Organisation on 11 March 2020 and only after that date did major governments, such as the UK, start taking significant mitigating steps. As such the Company considers this to be a non-adjusting post balance sheet event. The full impact of the COVID-19 pandemic on medium- and long-term economic activity is not yet known, although is likely to be significant. The Company continues to monitor the impact on its business, however while the uncertainty continues, the Company is not able to quantify the possible financial effect of the pandemic.