

Burnfield Limited
Annual Report and Unaudited Financial Statements

Year ended 31 December 2018

Registered number: 1522736



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Directors' report for the year ended 31 December 2018

The Directors present their report and the unaudited Financial Statements for Burnfield Limited (the "Company") for the year ended 31 December 2018. The Company has taken advantage of the small companies' exemptions available under Sections 415A and 414B of the Companies Act 2006 and has not prepared a strategic report, nor given certain disclosures in the Directors' report from which it is exempt.

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

On 31 July 2018, the Company reduced the nominal value of each issued ordinary share from 10p each to 1p each, equating to a reduction in share capital of £3,235,000. On the same date, the Company's entire share premium of £17,265,000 was cancelled. These reductions in capital have been credited to the Company's retained earnings.

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.

Results

The Company made a profit after tax in the year of £11,189,000 (2017: loss of £11,831,000).

Post balance sheet events

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

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)

A W Dumbleton

R L Dunn (appointed 25 March 2019)

R J Stephens (resigned 4 January 2018)

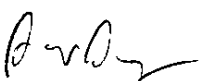
C G Watson (resigned 25 March 2019)

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

By order of the Board



A W Dumbleton

Director

Registered Office:

Heritage House
Church Road
Egham
Surrey
TW20 9QD

24 April 2019

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 2018

	Note	2018 (unaudited) £000	2017 £000
Other operating (expenses)/income		(1)	1
Interest receivable and similar income	4	11,781	3,264
Interest payable and similar charges	5	-	(14,468)
Profit/(loss) before taxation		11,780	(11,203)
Taxation charge	6	(591)	(628)
Profit/(loss) for the year		11,189	(11,831)

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 7 to 11 form part of these Financial Statements.

Balance sheet

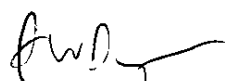
As at 31 December 2018

	Note	2018 (unaudited) £000	2017 £000
Non-current assets			
Loans owed by Group undertakings	7	157,581	-
Current assets			
Loans owed by Group undertakings	7	-	146,432
Cash and cash equivalents		71	68
		71	146,500
Current liabilities			
Current tax liability		(591)	(628)
Net current (liabilities)/assets		(520)	145,872
Net assets		157,061	145,872
Equity			
Share capital	8	359	3,594
Share premium	8	-	17,265
Retained earnings		156,702	125,013
Total equity		157,061	145,872

The notes on pages 7 to 11 form part of these Financial Statements.

For the financial year ending 31 December 2018, the Company was entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies. No members have 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 24 April 2019 by the Board of Directors and were signed on its behalf by:



A W Dumpleton
Director

Company Registration No. 1522736

Statement of changes in equity

For the year ended 31 December 2018

	Share capital (unaudited) £000	Share premium (unaudited) £000	Retained earnings (unaudited) £000	Total equity (unaudited) £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	(3,235)	(17,265)	20,500	-
At 31 December 2018	359	-	156,702	157,061

	Share capital £000	Share premium £000	Retained earnings £000	Total equity £000
At 1 January 2017	3,594	17,265	136,844	157,703
Loss for the year	-	-	(11,831)	(11,831)
Total comprehensive loss for the year	-	-	(11,831)	(11,831)
At 31 December 2017	3,594	17,265	125,013	145,872

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 9, 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

The Company is in a net current liabilities position as at 31 December 2018. The Financial Statements have been prepared on a going concern basis following a guarantee having been issued by the ultimate parent company, Spectris plc, as part of the exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies.

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. Auditors remuneration

The fee for the audit of these financial statements was borne by the ultimate holding company, Spectris plc.

	2018 (unaudited)	2017
	£000	£000
Audit of the Company	-	4

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 holding company, Spectris plc.

Notes to the accounts continued

4. Interest receivable and similar income

	2018 (unaudited)	2017
	£000	£000
Interest receivable from group undertakings	3,111	3,264
Exchange gains on retranslation of loan balances with group undertakings	8,670	-
	11,781	3,264

5. Interest payable and similar charges

	2018 (unaudited)	2017
	£000	£000
Exchange losses on retranslation of loan balances with group undertakings	-	14,468

6. Taxation

a) Tax charged in the income statement

	2018 (unaudited)	2017
	£000	£000
Taxation charge		
Current tax:		
UK corporation tax	591	628
Taxation charge	591	628

b) Reconciliation of the total tax charge

The tax charge in the income statement for the year is lower (2017: higher) than the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are reconciled below:

	2018 (unaudited)	2017
	£000	£000
Profit/(loss) before taxation	11,780	(11,203)
Corporation tax at standard rate of 19% (2017: 19.25%)	2,238	(2,157)
Non-taxable income and gains	(1,647)	-
Non-deductible expenses	-	2,785
Total tax charge reported in the income statement	591	628

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 (2017: £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 UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015 and to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016.

Notes to the accounts continued

7. Loans owed by Group undertakings

Amounts owed by Group undertakings includes one loan (2017: two loans). One loan of £157,581,000, shown in non-current amounts (2017: £111,697,000 shown in current amounts), was extended in July 2018. The loan is unsecured, bears interest at three-month LIBOR less 0.25% and is due to be repaid on 1 July 2023. The other loan, which was repaid on 11 February 2018, was unsecured and bore interest at a fixed rate of 5.82% (2017: £34,735,000).

8. Share capital and premium

		2018 (unaudited)		2017
Allotted, called up and fully paid	Number of shares thousands	£000	Number of shares thousands	£000
Ordinary shares of 1p each (2017: 10p each)	35,939	359	35,939	3,594

On 31 July 2018, the Company reduced the nominal value of each issued ordinary share from 10p each to 1p each, equating to a reduction in share capital of £3,235,000. On the same date, the Company's entire share premium of £17,265,000 was cancelled. *These reductions in capital have been credited to the Company's retained earnings.*

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.

10. Post balance sheet events

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