

Servomex Limited

Directors' report and financial statements

Year ended 31 December 2012

Registered number 1938746

Registered in England

THURSDAY



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Directors' report

The directors present their director's report and the financial statements for the year ended 31 December 2012

Principal activities

The principal activity of the company is that of a holding company

Results and Dividends

The company made a profit after tax in the year of £243,000 (2011 £72,000)

The directors do not recommend the payment of a dividend in the year (2011 £Nil)

Directors

The directors who held office during the year were

Roger Stephens
Clive Watson

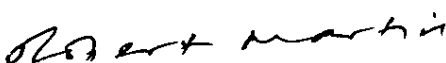
Disclosure of information to auditor

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 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

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

By order of the Board



Robert Martin
Company Secretary

Registered Office
Heritage House
Church Road
Egham, Surrey
TW20 9QD

24 June 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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 Servomex Limited

We have audited the financial statements of Servomex Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 2, 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 web-site at 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 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.

Opinion on other matter 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.

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.



Richard Broadbelt (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc,

Chartered Accountants

15 Canada Square

London

E14 5GL

24 June 2013

Profit and Loss Account

For the year ended 31 December 2012

	<i>Note</i>	2012 £000	2011 £000
Operating expenses		(56)	(57)
Operating loss		(56)	(57)
Interest receivable and similar income	5	173	192
Profit on disposal of fixed assets	7	164	-
Profit on ordinary activities before taxation		281	135
Tax on profit on ordinary activities	6	(38)	(63)
Profit for the financial year		243	72

The results in the Profit and Loss Account relate entirely to continuing operations

Notes from pages 7 to 11 form part of these financial statements

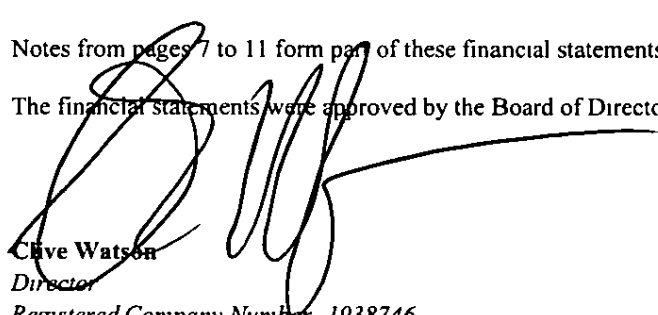
Balance Sheet

As at 31 December 2012

	<i>Note</i>	2012 £000	2011 £000
Fixed assets			
Tangible assets	7	-	50
Current assets			
Debtors	8	4,950	4,813
Cash at bank		553	175
		<u>5,503</u>	<u>4,988</u>
Current liabilities			
Creditors amounts falling due within one year	9	(297)	(75)
Net current assets		<u>5,206</u>	<u>4,913</u>
Net Assets		<u><u>5,206</u></u>	<u><u>4,963</u></u>
 Capital and reserves			
Called up share capital	11	517	517
Share premium account	12	2,087	2,087
Other reserves	12	2,256	2,256
Profit and loss account	12	346	103
Shareholders' funds		<u><u>5,206</u></u>	<u><u>4,963</u></u>

Notes from pages 7 to 11 form part of these financial statements

The financial statements were approved by the Board of Directors and were signed on its behalf by


Clive Watson
Director

Registered Company Number 1938746

24 June 2013

Statement of Total Recognised Gains and Losses

For the year ended 31 December 2012

	<i>Note</i>	2012	2011
		£000	£000
Profit for the financial year		243	72
Revaluation loss on investment property		-	(115)
Total recognised gains relating to the financial year		243	(43)

Notes to 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 financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules, as modified by the revaluation of investment properties and land and properties under development

Under FRS 1 the company is exempt from the requirement to prepare a Cash Flow Statement on the grounds that the parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of Spectris plc, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group

The consolidated financial statements of Spectris plc, within which this company is included, can be obtained from the address given in Note 14

Foreign Currencies

Transactions in foreign currencies are recorded at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the Balance Sheet date and the foreign exchange differences arising on these retranslations are recognised in the Profit and Loss Account

Freehold Investment Properties

Following changes in the businesses operations certain buildings are now considered to be investment property. In accordance with SSAP 19, investment properties are revalued annually to their open market value at the Balance Sheet date, and the aggregate surplus or deficit is transferred to the revaluation reserve. No depreciation is provided in respect of investment properties. This treatment is a departure from the Companies Act 2006 which stipulates that all properties should be depreciated. In the opinion of the directors, the treatment adopted is necessary to present a true and fair view.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the Balance Sheet date, except as otherwise required by FRS 19.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be sufficient taxable profits from which the future reversal of the underlying timing differences can be deducted.

2. Remuneration of directors

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

3. Remuneration of employees

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

4 Remuneration of auditor

The fee for the audit of these financial statements of £4,100 (2011: £4,000) has been borne by the ultimate parent company, Spectris plc.

5. Interest receivable and similar income

	2012	2011
	£000	£000
Interest receivable from group undertakings	172	191
Other interest income	1	1
	<u>173</u>	<u>192</u>
	<u><u>173</u></u>	<u><u>192</u></u>

6. Tax on profit from ordinary activities

	2012	2011
	£000	£000
<i>UK Corporation Tax</i>		
Current tax charge on profit for the year	-	-
Adjustments in respect of previous years	-	(5)
	<u>-</u>	<u>(5)</u>
Total current tax charge/(credit)	-	(5)
<i>Deferred Tax (Note 10)</i>		
Deferred tax charge for the current year	38	63
Deferred tax charge in respect of prior years	-	5
	<u>38</u>	<u>68</u>
Total deferred tax charge	38	68
	<u>38</u>	<u>68</u>
Tax on profit on ordinary activities	<u><u>38</u></u>	<u><u>63</u></u>

The tax charge is lower (2011 lower) than the standard rate of corporation tax in the UK of 24.5% (2011 26.5%). The difference is explained below

	2012	2011
	£000	£000
Profit on ordinary activities before tax	281	135
	<u>281</u>	<u>135</u>
Tax charge at 24.5% (2011 26.5%)	69	36
Expenses not deductible for tax purposes	4	15
Gain on sale of property covered by losses	(40)	-
Utilisation of tax losses	(33)	(51)
Adjustment to tax charge in respect of previous years	-	(5)
	<u>-</u>	<u>(5)</u>
Current tax charge/(credit) for the year	<u><u>-</u></u>	<u><u>(5)</u></u>

7 Tangible Assets

Freehold Investment properties	£000
<i>Cost</i>	
At 1 January 2012	50
Additions	14
Disposals	(64)
	<hr/>
At 31 December 2012	-
	<hr/>
<i>Depreciation</i>	
At 1 January 2012 and at 31 December 2012	-
	<hr/>
<i>Net Book Value</i>	
At 31 December 2012	-
	<hr/>
At 31 December 2011	50
	<hr/>

In accordance with SSAP 19 'Investment Properties' the freehold investment properties are not depreciated and included in the balance sheet at their 'market values'

The building was sold on 15 November 2012, the gain of on disposal of £164,000 was recognised in the Profit and Loss Account

8 Debtors

	2012	2011
	£000	£000
Amounts owed by group undertakings	4,840	4,665
Deferred tax assets (Note 10)	110	148
	<hr/>	<hr/>
	4,950	4,813
	<hr/>	<hr/>

9. Creditors: amounts falling due within one year

	2012	2011
	£000	£000
Amounts owed to group undertakings	297	75
	<hr/>	<hr/>
	297	75
	<hr/>	<hr/>

10 Deferred Tax

The deferred tax asset, provided under FRS 19 'Deferred tax' using a tax rate of 24% (2011 25%), is as follows

	2012	2011
	£000	£000
At beginning of the year	148	216
Charge to the Profit and Loss Account for the year	(38)	(68)
	<hr/>	<hr/>
At end of the year (Note 8)	110	148
	<hr/>	<hr/>

10. Deferred Tax (continued)

The brought forward deferred tax asset of £148,000 is in respect of tax losses relating to non-trade loan relationship deficits of £275,000 and management expenses of £317,000. The asset is recognised on the basis that there is sufficient evidence that suitable profits would arise in the future against which the losses may be offset and the asset recovered. The asset continues to be recognised at 31 December 2012 on the same basis.

No provision has been made for deferred tax on realised capital losses of £3,469,000 (2011 £3,496,000) on the basis there is insufficient evidence that suitable taxable profits will arise in the future against which the losses may be offset and the asset recovered.

On 21 March 2012, the Chancellor announced a reduction in the main rate of UK corporation tax to 24% with effect from 1 April 2012. This change was substantively enacted on 26 March 2012 and therefore the effect of the rate reduction on the deferred tax balances as at 31 December 2012 has been included in the figures above.

The Chancellor also proposed changes to further reduce the main rate of UK corporation tax by 1% per annum to 20% by 1 April 2015, but these changes were not substantively enacted at the Balance Sheet date and therefore are not included in the figures above.

11 Called up share capital

	Number of shares	£000
Authorised		
Ordinary shares of 5p each at 1 January 2012 and 31 December 2012	15,000,000	750
	<u> </u>	<u> </u>
Issued and fully paid		
Ordinary shares of 5p each at 1 January 2012 and 31 December 2012	10,339,066	517
	<u> </u>	<u> </u>

12 Reserves

	Share Premium Account £000	Other Reserves Account £000	Profit and Loss Account £000	Total £000
At 1 January 2012	2,087	2,256	103	4,446
Profit for the year	-	-	243	243
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 December 2012	2,087	2,256	346	4,689
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. Reconciliation of movements in equity shareholders' funds

	2012 £000	2011 £000
Opening equity shareholders' funds	4,963	5,006
Profit/(loss) for the financial year	243	(43)
	<u> </u>	<u> </u>
Closing equity shareholders' funds	5,206	4,963
	<u> </u>	<u> </u>

14. Ultimate holding company

The company's ultimate holding company is Spectris plc, which is incorporated in Great Britain and registered in England. 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