

Servomex Limited

Annual report and financial statements

Year ended 31 December 2013

Registered number 1938746

Registered in England

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Directors' report

The directors present their director's report and the financial statements for the year ended 31 December 2013.

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 £111,000 (2012: £243,000).

The directors do not recommend the payment of a dividend in the year (2012: £Nil)

Directors

The directors who held office during the year were:

R J Stephens
C Watson

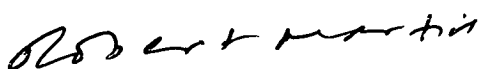
Disclosure of information to auditor

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. However, KPMG Audit Plc has instigated an orderly transfer of its business to its Parent Company, KPMG LLP. Therefore, during 2014 the Board of Servomex Limited will appoint KPMG LLP as auditors.

By order of the Board



R Martin
Company Secretary

Registered Office
Heritage House
Church Road
Egham
Surrey
TW20 9QD

30 June 2014

Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statement

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 2013 which comprise the Profit and Loss Account, the Balance Sheet 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 2013 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; or
- the directors were not entitled to take advantage of the Small Companies exemption from the requirement to prepare a strategic report.



R Broadbelt (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
30 June 2014

Profit and Loss Account

For the year ended 31 December 2013

	<i>Note</i>	2013 £000	2012 £000
Operating expenses		-	(56)
Operating profit		-	(56)
Interest receivable and similar income	6	162	173
Profit on disposal of fixed assets	5	-	164
Profit on ordinary activities before taxation		162	281
Tax on profit on ordinary activities	7	(51)	(38)
Profit for the financial year		111	243

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

There were no recognised gains or losses in the year other than those which have been dealt with in the Profit and Loss Account and accordingly a Statement of Total Recognised Gains and Losses is not presented.

The notes on pages 6 to 9 form part of these financial statements.

Balance Sheet

As at 31 December 2013

	<i>Note</i>	2013 £000	2012 £000
Current assets			
Debtors	8	5,061	4,950
Cash at bank		256	553
		<u>5,317</u>	<u>5,503</u>
Current liabilities			
Creditors: amounts falling due within one year	9	-	(297)
Net current assets		<u>5,317</u>	<u>5,206</u>
Net Assets		<u><u>5,317</u></u>	<u><u>5,206</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	457	346
Shareholders' funds		<u><u>5,317</u></u>	<u><u>5,206</u></u>

The notes on pages 6 to 9 form part of these financial statements.

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



C Watson

Director

Registered Company Number: 1938746

30 June 2014

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.

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.

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 £4,300 (2012: £4,100) has been borne by the ultimate parent company, Spectris Plc.

5 Profit on disposal of fixed assets

The company sold its investment property on 15 November 2012. The gain on disposal of £164,000 was recognised in the Profit and Loss Account.

6 Interest receivable and similar income

	2013 £000	2012 £000
Interest receivable from group undertakings	162	172
Other interest income	-	1
	<u>162</u>	<u>173</u>

7 Tax on profit from ordinary activities

	2013 £000	2012 £000
<i>UK Corporation Tax</i>		
Total current tax charge/(credit)	<u>-</u>	<u>-</u>
<i>Deferred Tax (Note 10)</i>		
Deferred tax charge for the current year	39	33
Deferred tax charge resulting from reduction in UK tax rate	12	5
Total deferred tax charge	<u>51</u>	<u>38</u>
Tax on profit on ordinary activities	<u>51</u>	<u>38</u>

The tax charge is lower (2012: lower) than the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The difference is explained below

	2013 £000	2012 £000
Profit on ordinary activities before tax	<u>162</u>	<u>281</u>
Tax charge at 23.25% (2012: 24.50%)	38	69
Expenses not deductible for tax purposes	-	4
Gain on sale of property covered by losses	-	(40)
Utilisation of tax losses	(38)	(33)
Current tax charge/(credit) for the year	<u>-</u>	<u>-</u>

8 Debtors

	2013 £000	2012 £000
Amounts owed by group undertakings	5,002	4,840
Deferred tax assets (Note 10)	59	110
	<u>5,061</u>	<u>4,950</u>

9 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Amounts owed to group undertakings	-	297
	<u>-</u>	<u>297</u>

10 Deferred Tax

The deferred tax asset, provided under FRS 19 'Deferred tax' using a tax rate of 20.0% (2012: 24.0%), is as follows:

	2013 £000	2012 £000
At beginning of the year	110	148
Charge to the Profit and Loss Account for the year (Note 7)	(51)	(38)
At end of the year	<u>59</u>	<u>110</u>

The brought forward deferred tax asset of £110,000 is in respect of tax losses relating to non-trade loan relationship deficits of £102,000 and management expenses of £357,000. 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 2013 on the same basis.

No provision has been made for deferred tax on realised capital losses of £3,469,000 (2012: £3,469,000) 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.

A reduction in the UK corporation tax rate from 24% (effective from 1 April 2012) to 23% (effective from 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2013 has been calculated based on the rate of 20% and therefore quantifies the full anticipated effect of the rate reductions substantively enacted at the balance sheet date.

11 Called up share capital

	Number of shares	£000
Authorised		
Ordinary shares of 5p each at 1 January 2013 and 31 December 2013	15,000,000	750
Issued and fully paid		
Ordinary shares of 5p each at 1 January 2013 and 31 December 2013	10,339,066	517

12 Reserves

	Share Premium Account £000	Other Reserves £000	Profit and Loss Account £000	Total £000
At 1 January 2013	2,087	2,256	346	4,689
Profit for the year	-	-	111	111
At 31 December 2013	2,087	2,256	457	4,800

13 Reconciliation of movements in equity shareholders' funds

	2013 £000	2012 £000
Opening equity shareholders' funds	5,206	4,963
Profit for the financial year	111	243
Closing equity shareholders' funds	5,317	5,206

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