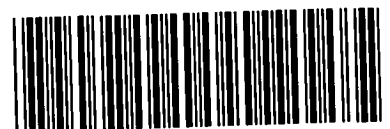


Registered Number: 03115555

Porvair Filtration Limited  
Annual report and financial statements  
for the year ended 30 November 2017

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# **Porvair Filtration Limited**

## **Annual report and financial statements for the year ended 30 November 2017**

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# **Porvair Filtration Limited**

## **Directors and advisers for the year ended 30 November 2017**

### **Directors**

B D W Stocks

C P Tyler

### **Company Secretary**

S J Rodgers

### **Registered office**

7 Regis Place

Bergen Way

King's Lynn

Norfolk

PE30 2JN

### **Independent auditor**

Deloitte LLP

1 Station Square

Cambridge

CB1 2GA

### **Bankers**

Barclays Bank plc

PO Box 885

Mortlock House

Station Road

Histon

Cambridge

CB24 9DE

# **Porvair Filtration Limited**

## **Directors' report for the year ended 30 November 2017**

The Directors present their report and the Company's audited financial statements for the year ended 30 November 2017.

### **Principal activities**

Throughout the year the principal activity of the Company was that of an investment holding company.

The Company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is 7 Regis Place, Bergen Way, King's Lynn, PE30 2JN.

### **Review of business and future developments**

The financial position of the Company at 30 November 2017 is considered to be satisfactory, and this is forecast to continue.

### **Results and dividends**

The Company's results for the year are shown on page 5. Profit for the financial year is £5,000,000 (2016: £7,000,000). The Company has paid a dividend in the year of £5,000,000 (2016: £7,000,000). The Directors do not recommend any further payment of a dividend.

### **Directors**

The Directors who were in office during the year and up to the date of signing the financial statements were as follows:

B D W Stocks  
C P Tyler

### **Strategic report**

A Strategic report has not been reported separately, as the Company has adopted the special provisions relating to small companies within Part 15 of the Companies Act 2006.

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Annual 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, the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 accounting estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

# **Porvair Filtration Limited**

## **Directors' report for the year ended 30 November 2017 (continued)**

### **Statement of Directors' responsibilities (continued)**

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 are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Going concern**

As at 30 November 2017 the Company had £nil (2016: £nil) in cash or cash equivalents. The Company is currently forecasting to be breakeven in profit and cash terms for the 12 months from the date of this report and the foreseeable future, being a period of no less than 12 months from the date of signing of the financial statements.

The Directors have reviewed the cash flow forecast for the period ending 30 November 2021. The forecast represent the Directors' best estimate of the Company's future performance and necessarily includes a number of assumptions, including the level of revenues, which are subject to inherent uncertainties. However, the forecast demonstrates that the Directors have a reasonable expectation that the Company will be able to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of these financial statements.

Therefore, after due consideration of the risks and uncertainties associated with the business of the Company and, having made appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources and has the ability to continue trading on normal terms of the business for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

### **Directors' responsibility for provision of information to the auditor**

In accordance with Section 418 of the Companies Act 2006, each Director in office at the date the Directors' report is approved, has confirmed that so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Charitable and political contributions**

Donations made by the Company for either charitable or political purposes were £nil (2016: £nil).

By order of the Board,



S J Rodgers  
Company secretary  
31 August 2018

# **Porvair Filtration Limited**

## **Independent auditor's report to the members of Porvair Filtration Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Porvair Filtration Limited (the 'company') which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# **Porvair Filtration Limited**

## **Independent auditor's report to the members of Porvair Filtration Limited (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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.

## **Report on other legal and regulatory requirements**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

## **Porvair Filtration Limited**

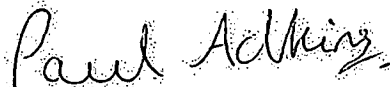
### **Independent auditor's report to the members of Porvair Filtration Limited (continued)**

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



Paul Adkins (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Cambridge, UK  
31 August 2018



## **Porvair Filtration Limited**

### **Income statement for the year ended 30 November 2017**

	Note	2017 £'000	2016 £'000
<b>Operating profit</b>		-	-
<b>Income from subsidiaries</b>		<b>5,000</b>	<b>7,000</b>
<b>Profit before taxation</b>		<b>5,000</b>	<b>7,000</b>
<b>Income tax expense</b>	2	-	-
<b>Profit for the financial year</b>		<b>5,000</b>	<b>7,000</b>

The results relate to continuing activities.

The Company has no comprehensive income or expenses other than the profit for the financial year and therefore no separate statement of comprehensive income has been presented.

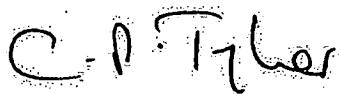
# Porvair Filtration Limited

## Balance sheet as at 30 November 2017

Registered Number: 03115555

	Note	2017 £'000	2016 £'000
<b>Fixed assets</b>			
Investments	4	23,997	23,997
<b>Total assets less current liabilities</b>		<b>23,997</b>	<b>23,997</b>
<b>Creditors: amounts falling due after more than one year</b>	5	<b>(18,706)</b>	<b>(18,706)</b>
<b>Net assets</b>		<b>5,291</b>	<b>5,291</b>
<b>Capital and reserves</b>			
Called up share capital	7	37	37
Retained earnings		5,254	5,254
<b>Total equity</b>		<b>5,291</b>	<b>5,291</b>

The financial statements on pages 7 to 14 were approved by the Board of Directors on 31 August 2018 and were signed on its behalf by:



C P Tyler  
Director

# **Porvair Filtration Limited**

## **Statement of changes in equity for the year ended 30 November 2017**

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
<b>Balance as at 1 December 2015</b>	<b>37</b>	<b>5,254</b>	<b>5,291</b>
Profit for the financial year	-	7,000	7,000
<b>Total comprehensive income</b>	<b>-</b>	<b>7,000</b>	<b>7,000</b>
<b>Transactions with owners:</b>			
Dividends (note 3)	-	(7,000)	(7,000)
<b>Total transactions with owners recognised directly in equity</b>	<b>-</b>	<b>(7,000)</b>	<b>(7,000)</b>
<b>Balance as at 30 November 2016</b>	<b>37</b>	<b>5,254</b>	<b>5,291</b>
Profit for the financial year	-	5,000	5,000
<b>Total comprehensive income</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>
<b>Transactions with owners:</b>			
Dividends (note 3)	-	(5,000)	(5,000)
<b>Total transactions with owners recognised directly in equity</b>	<b>-</b>	<b>(5,000)</b>	<b>(5,000)</b>
<b>Balance as at 30 November 2017</b>	<b>37</b>	<b>5,254</b>	<b>5,291</b>

# Porvair Filtration Limited

## Accounting policies for the year ended 30 November 2017

### Basis of accounting

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a going concern basis and under the historical cost convention, in accordance with the Companies Act 2006. There were no changes to total equity or total comprehensive income at transition or in any subsequent period on transition to FRS 101.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based payment (details of the number and weighted-average exercise prices of share options and how the fair value of goods or services received was determined);
- paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n) (ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- paragraph 33(c) of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations;
- IFRS 7 Financial Instruments: Disclosures;
- paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets (reconciliations between the carrying amount at the beginning and end of the period);
- paragraphs 10(d) (statement of cash flows), 10(f) (statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements), 16 (statement of compliance with all IFRSs), 38A (requirement for minimum of two primary statements, including cash flow statements), 38B-D (additional comparative information), 40A-D (requirements for a third statement of financial position), 111 (cash flow statement information) and 134 to 136 (capital management disclosures) of IAS 1 Presentation of Financial Statements;
- IAS 7 Statement of Cash Flows;
- paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- paragraph 17 of IAS 24 Related Party Disclosures (key management compensation);
- IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135 (e) of IAS 36 Impairment of Assets (disclosures when the recoverable amount is fair value less costs of disposal, assumptions involved in estimating recoverable amounts of cash generating units containing goodwill or intangible assets with indefinite useful lives and management's approach to determining these amounts).

### Accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The Directors consider that there are no critical areas of judgement or complexity, or areas where assumptions and estimates are significant in the financial statements. No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 December 2016 have had a material impact on the Company.

# **Porvair Filtration Limited**

## **Accounting policies for the year ended 30 November 2017 (continued)**

The principal accounting policies applied in the preparation of these financial statements are set out below:

### **Going concern**

The Company is an investment holding company and has no day-to-day working capital requirements. The Company's forecasts and projections, and those of its investments, show that the Company should be able to operate within the level of its current reserves. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

### **Investments**

Investments are stated at cost less provision for permanent diminution in value.

### **Consolidation**

The Company is a wholly-owned subsidiary of Porvair plc and is included in the consolidated financial statements of Porvair plc which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

### **Taxation**

Current tax is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that are relevant to the period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the tax rates which have been enacted or substantively enacted by the balance sheet date and are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is recognised in the income statement, except when it relates to items recognised directly to other comprehensive income or directly to equity. In this case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively.

### **Audit fees**

The audit fees amounting to £4,000 (2016: £3,000) have been borne by the ultimate parent company, Porvair plc, without recharge.

# Porvair Filtration Limited

## Notes to the financial statements for the year ended 30 November 2017

### 1 Remuneration of directors

None of the Directors received remuneration for their services to the Company (2016: £nil).

The Company has no employees (2016: none).

### 2 Income tax expense

	2017 £'000	2016 £'000
Profit before taxation	5,000	7,000
Tax at the standard UK Corporation tax rate of 19.33% (2016: 20%)	967	1,400
Differences arising explained by:		
Non-taxable income	(967)	(1,400)
Tax charge for the year	-	-

The standard rate of Corporation tax in the UK changed to 19% with effect from 1 April 2017. Accordingly, the theoretical effective tax rate applied to the Company's profits for this accounting year is 19.33%.

Changes to the UK corporation tax rates were introduced by Finance (No.2) Act 2015, being the reduction of the main rate to 19% from 1 April 2017 and to 18% from 1 April 2020. The latter was superseded by Finance Act 2016, which was substantively enacted in September 2016 and reduced the rate to apply from 1 April 2020 to 17%. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

### 3 Dividends

During the year, a dividend was declared and paid of 134.05p (2016: 187.67p) per ordinary share, totalling £5,000,000 (2016: £7,000,000).

## Porvair Filtration Limited

### Notes to the financial statements for the year ended 30 November 2017 (continued)

#### 4 Fixed asset investments

	Shares in subsidiary undertakings
	£'000
Cost at 30 November 2016 and 30 November 2017	23,997

The Company has the following subsidiary undertakings:

Subsidiary undertakings	Principal activity	Country of incorporation	Interest in ordinary shares and voting rights
Porvair Sciences Limited	Design and manufacture of filter based disposables and instrumentation for use in the biotechnology market	England and Wales	100%
Porvair Filtration Group Limited	Sale and manufacture of porous metal and plastic materials, specialist filtration and microfiltration products and filters	England and Wales	100%
Microfiltrex Limited	Dormant	England and Wales	100%*

\* shares owned by Porvair Filtration Group Limited

All the companies listed above are registered at 7 Regis Place, Bergen Way, King's Lynn, PE30 2JN, UK.

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

#### 5 Creditors: amounts falling due after more than one year

	2017	2016
	£'000	£'000
Amounts owed to group undertakings	18,706	18,706

The amounts owed to group undertakings relate to a loan balance with the parent company.

Amounts owed to group undertakings are unsecured, interest free and have no fixed terms for repayment. The parent undertaking has confirmed that it will not seek repayment of these borrowings for a period of at least 12 months from the date of signing these financial statements.

# Porvair Filtration Limited

## Notes to the financial statements for the year ended 30 November 2017 (continued)

### 6 Deferred taxation

The Company has no actual or unprovided deferred tax amounts at 30 November 2017 (2016: £nil).

### 7 Called up share capital

	2017		2016	
	Number	£'000	Number	£'000
<b>Authorised:</b>				
Ordinary shares of 1p each	3,730,000	37	3,730,000	37
<b>Allotted and fully paid</b>				
Ordinary shares of 1p each	3,730,000	37	3,730,000	37

### 8 Contingent liabilities

The Company has an unlimited cross-guarantee arrangement in respect of the bank borrowings of Porvair plc, Porvair Filtration Group Limited, Porvair Sciences Limited and Seal Analytical Limited. At 30 November 2017, these net borrowings amounted to £2,711,000 (2016: £nil).

### 9 Parent undertakings

The Company's immediate and ultimate parent undertaking and controlling party is Porvair plc, a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Porvair plc financial statements are available to the public and may be obtained from the Company Secretary at 7 Regis Place, Bergen Way, King's Lynn, Norfolk, PE30 2JN.

### 10 Related party transactions

The Company has taken advantage of the exemption in FRS101 not to disclose transactions with wholly owned subsidiaries of the Porvair plc group.