

REGISTERED NUMBER: 03346325 (England and Wales)

**REPORT OF THE DIRECTOR AND
AUDITED FINANCIAL STATEMENTS
FOR THE 9 MONTH PERIOD ENDED
31 DECEMBER 2012
FOR
NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED**

SATURDAY



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FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

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NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED

**COMPANY INFORMATION
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

DIRECTOR: Mr M Scagliarini (appointed 16 January 2013)
Mr FI Wood (resigned 16 January 2013)

COMPANY SECRETARY: Mr M Saccone (appointed 29 January 2013)
Mr DH Townsend (resigned 29 January 2013)

REGISTERED OFFICE: NFC House
Vickers Industrial Estate
Morecambe
Lancashire
LA3 3EN

REGISTERED NUMBER: 03346325 (England and Wales)

INDEPENDENT AUDITORS: PricewaterhouseCoopers LLP
Chartered Accountants and
Statutory Auditors
101 Barbirolli Square, Lower Mosley St
Manchester
M2 3PW

NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED (REGISTERED NUMBER: 03346325)

**REPORT OF THE DIRECTOR
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

The director presents their report with the audited financial statements of the company for the 9 month period ended 31 December 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and distribution of air filters

REVIEW OF BUSINESS

The company's turnover fell by 11% to £6,015,171 (31 March 2012 £6,725,788) though this is for a 9 month period compared with the 12 month period ended 31 March 2012 Net assets have increased by 1% to £994,304 (31 March 2012 £985,455)

RESULTS AND DIVIDENDS

The total distribution of dividends for the 9 month period ended 31 December 2012 was £nil (31 March 2012 £100,000)

The profit before tax for the period totalled £1,269 (31 March 2012 – £6,627)

FUTURE DEVELOPMENTS

The financial strength of the company will enable it to weather the ongoing world economic recession The director believes the company will be well positioned to grow when the world economy starts to recover

DIRECTORS

The directors of the company who held office during the period and up to the date of signing the financial statements are

Mr M Scagliarini (appointed 16 January 2013)

Mr FI Wood (resigned 16 January 2013)

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks and uncertainties affecting the company relate to the retention of key staff and key clients in the face of continued competition in the market place

Staff retention

The group has policies in place designed to maximise staff retention These include making sure that the working environment is as pleasant as possible and rewarding success through targeted bonus initiatives

Client retention

Across all the companies in the group, customer service is the key priority Each company in the group aims to provide its customers with the best products and service in the market

FINANCIAL RISK MANAGEMENT

The director has identified the need to manage the company's material financial risks The main ones being credit risk and liquidity risk

Credit risk

The company has policies that require appropriate credit checks on potential new customers before sales are made and also require the monitoring of the credit worthiness of existing customers

Liquidity risk

The company actively maintains a mixture of debt finance that is designed to ensure that the company has sufficient funds for operations and planned expansions

DIRECTOR'S AND OFFICERS' LIABILITY INSURANCE

The company maintains liability insurance for its director and officers The company has also provided an indemnity for its director and company secretary

**REPORT OF THE DIRECTOR
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

RISK ASSESSMENT

The company undertakes a significant number of risk assessments across a wide range of activities

In the opinion of the director these actions are sufficient to ensure compliance with current legislation and to protect the health, safety and welfare of our employees

KEY PERFORMANCE INDICATORS

The director considers order intake, turnover, gross profit, pre-tax profit and cash generation to be the key indicators in assessing the performance of the company. These performance indicators are monitored on a regular basis throughout the year.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director 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 director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are 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 auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, are deemed to be re-appointed under section 487 (2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:



Mr M Scagliarini - Director

Date

19/12/13

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED

We have audited the financial statements of Nationwide Filter Company (Specialist Products) Limited for the 9 month period ended 31 December 2012 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Director's Responsibilities set out on page 3 the director is 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 9 months then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

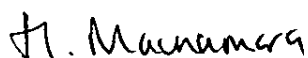
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial period 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.



Hazel Macnamara (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

19 December 2013

NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED (REGISTERED NUMBER: 03346325)

**PROFIT AND LOSS ACCOUNT
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

		9 months ended 31 Dec 2012 £	12 months ended 31 Mar 2012 £
	Notes		
TURNOVER	2	6,015,171	6,725,788
Cost of sales		<u>(4,669,704)</u>	<u>(5,104,815)</u>
GROSS PROFIT		1,345,467	1,620,973
Administrative expenses		<u>(1,299,810)</u>	<u>(1,585,924)</u>
OPERATING PROFIT	4	45,657	35,049
Interest payable and similar charges	5	<u>(44,388)</u>	<u>(28,422)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,269	6,627
Tax on profit on ordinary activities	6	<u>7,590</u>	<u>(65,437)</u>
PROFIT/(LOSS) FOR THE FINANCIAL PERIOD		<u>8,859</u>	<u>(58,810)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current period or previous year

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current period or previous year

NOTE OF HISTORICAL COST PROFITS AND LOSSES

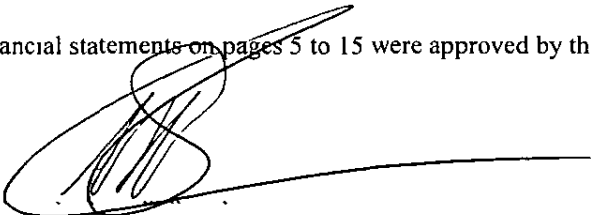
The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED (REGISTERED NUMBER 03346325)

**BALANCE SHEET AS AT
31 DECEMBER 2012**

	Notes	31 Dec 2012 £	31 Mar 2012 £
FIXED ASSETS			
Tangible assets	8	983,271	663,546
CURRENT ASSETS			
Stocks	9	793,461	824,720
Debtors	10	4,933,293	5,406,345
Cash at bank		2,184,626	103,857
		<u>7,911,380</u>	<u>6,334,922</u>
CREDITORS			
Amounts falling due within one year	11	<u>(7,631,926)</u>	<u>(5,895,209)</u>
NET CURRENT ASSETS		<u>279,454</u>	<u>439,713</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,262,725</u>	<u>1,103,259</u>
CREDITORS			
Amounts falling due after more than one year	12	(248,112)	(89,127)
PROVISIONS FOR LIABILITIES	16	(20,309)	(28,687)
NET ASSETS		<u>994,304</u>	<u>985,445</u>
CAPITAL AND RESERVES			
Called up share capital	17	1,950	1,950
Profit and loss account	18	<u>992,354</u>	<u>983,495</u>
TOTAL SHAREHOLDERS' FUNDS		<u>994,304</u>	<u>985,445</u>

The financial statements on pages 5 to 15 were approved by the Director on 17/12/13 and were signed by


Mr M Scagliarini - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements are prepared on the going concern basis and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

The company had an agreement in respect of an invoice discount facility. The terms of the agreement are such that the arrangement continues unless ended by either party by giving six months' notice. At the date of approval of the financial statements, no such notice had been given by either party. However, in August 2013 the invoice discounting facility with HSBC was discontinued and all relevant liabilities settled with assistance from the ultimate parent company, GVS S p A.

The company and fellow subsidiaries manage their working capital requirements on a pooled basis, therefore each is dependent on the continued support and cooperation of the others. The director expects this support and cooperation to continue for the foreseeable future.

In the current economic climate the director is aware of the uncertainty surrounding banks and institutional lenders, but on the opinion of the director, the facility is unlikely to be withdrawn in the foreseeable future.

The director therefore considers that the financial statements should be prepared on a going concern basis.

Accounting convention

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

Cash flow statements

The company is a wholly owned subsidiary company of a group headed by GVS S p A, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996) 'Cash flow statements'.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods in the ordinary nature of the business and is recognised on delivery of the goods. Turnover is net of Value Added Tax.

Tangible fixed assets

Tangible fixed assets are held at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at the following annual rates in order to write off each asset over its useful life.

Short leasehold	- 10% on cost
Plant and machinery	- 25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is calculated on a first in, first out basis and includes all direct expenditure. Net realisable value is based upon the estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving and defective items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised 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 suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED (REGISTERED NUMBER: 03346325)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

1 ACCOUNTING POLICIES - continued

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Operating leasing commitments

Costs in respect of operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge disclosed in note 20 represents contributions payable by the company to the fund.

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below.

	31 Dec 2012	31 Mar 2012
	£	£
United Kingdom	614,819	653,064
European Union	154,020	214,718
Rest of world	<u>5,246,332</u>	<u>5,858,006</u>
	<u>6,015,171</u>	<u>6,725,788</u>

3 STAFF COSTS

	31 Dec 2012	31 Mar 2012
	£	£
Wages and salaries	1,074,717	1,169,607
Social security costs	95,154	103,555
Other pension costs	<u>21,731</u>	<u>28,063</u>
	<u>1,191,602</u>	<u>1,301,225</u>

The average monthly number of employees during the period was as follows.

	31 Dec 2012	31 Mar 2012
	Number	Number
Management	4	4
Administration	17	11
Production	<u>50</u>	<u>45</u>
	<u>71</u>	<u>60</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	31 Dec 2012	31 Mar 2012
	£	£
Hire of plant and machinery	7,577	31,964
Other operating leases	21,727	62,279
Depreciation – owned assets	132,592	156,078
Auditors' remuneration	8,456	9,000
Foreign exchange differences	270,285	(8,061)
Research and development	<u>2,662</u>	<u>250,918</u>
Director's remuneration and other benefits etc	<u>-</u>	<u>-</u>

The director received no emoluments in respect of service to the company as remuneration is borne by the parent company

5 INTEREST PAYABLE AND SIMILAR CHARGES

	31 Dec 2012	31 Mar 2012
	£	£
Bank and other interest	34,254	22,251
Bank loan interest	-	2,857
Group finance charge	<u>10,134</u>	<u>3,314</u>
	<u>44,388</u>	<u>28,422</u>

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the period was as follows

	31 Dec 2012	31 Mar 2012
	£	£
Current tax		
UK corporation tax	788	-
Adjustments in respect of prior periods	<u>-</u>	<u>70,976</u>
Total current tax	<u>788</u>	<u>70,976</u>
Deferred tax		
Deferred tax	(6,246)	(4,406)
Adjustment in respect of prior periods	-	(1,133)
Effect of changes in tax rates	<u>(2,132)</u>	<u>-</u>
Total deferred tax	<u>(8,378)</u>	<u>(5,539)</u>
Tax on profit on ordinary activities	<u>(7,590)</u>	<u>65,437</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012

6 TAX ON PROFIT ON ORDINARY ACTIVITIES – continued

Factors affecting the tax charge

The tax charge for the period differs from the standard rate of corporation tax in the UK of 24% (31 March 2012 20%)
The differences are explained below

	31 Dec 2012	31 Mar 2012
	£	£
Profit on ordinary activities before tax	<u>1,269</u>	<u>6,627</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (31 March 2012 20%)	305	1,325
Effects of		
Expenses not deductible for tax purposes	814	666
Capital allowances in excess of depreciation	6,246	-
Depreciation in excess of capital allowances	(6,577)	4,052
Adjustments to tax charge in respect of previous periods	-	70,976
Enhanced expenditure relief	-	(15,055)
Group relief	-	<u>9,012</u>
Current tax charge	<u>788</u>	<u>70,976</u>

Factors that may affect future tax charges

The Finance Act 2012 was enacted on 17 July 2012. From 1 April 2012 the main rate of corporation tax was reduced to 24% and accordingly deferred tax has been calculated at this rate. Further reductions in the main rate of corporation tax were announced in the 2012 UK Budget Statement so that the rate will be 22% from April 2014. The Finance Act also reduced the main rate of corporation tax to 23% from 1 April 2013. The rate reductions in respect of 2013 and 2014 have not been included in these financial statements.

7 DIVIDENDS

	31 Dec 2012	31 Mar 2012
	£	£
Interim paid - £nil (31 Mar 2012 - £51.28) per £1 share	<u>-</u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012

8 TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2012	2,323,287	228,951	30,695	2,582,933
Additions	396,079	56,238	-	452,317
Disposals	-	-	(16,995)	(16,995)
At 31 December 2012	2,719,366	285,189	13,700	3,018,255
DEPRECIATION				
At 1 April 2012	1,700,043	188,649	30,695	1,919,387
Charge for period	121,389	11,203	-	132,592
Disposals	-	-	(16,995)	(16,995)
At 31 December 2012	1,821,432	199,852	13,700	2,034,984
NET BOOK VALUE				
At 31 December 2012	897,934	85,337	-	983,271
At March 2012	623,244	40,302	-	663,546

9 STOCKS

	31 Dec 2012 £	31 Mar 2012 £
Raw materials	535,716	514,240
Work-in-progress	209,933	141,387
Finished goods	47,812	169,093
	<u>793,461</u>	<u>824,720</u>

10 DEBTORS

	31 Dec 2012 £	31 Mar 2012 £
Trade debtors	1,393,820	1,341,915
Amounts owed by group undertakings	3,473,196	3,948,050
Other debtors	60,307	36,716
VAT	3,340	68,895
Prepayments	2,630	10,769
	<u>4,933,293</u>	<u>5,406,345</u>

The trade debtors are invoice discounted with Lloyds TSB Commercial Finance

The amounts owed by group undertakings are unsecured, interest free and repayable on demand

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 Dec 2012	31 Mar 2012
	£	£
Bank loans and overdrafts (note 13)	69,034	23,836
Other loans (note 13)	778,311	778,311
Trade creditors	560,871	814,171
Amounts owed to group undertakings	3,590,435	3,559,109
Amounts due in respect of invoice discounting	2,632,487	686,977
Accruals and deferred income	-	32,805
Corporation tax	788	-
	<u>7,631,926</u>	<u>5,895,209</u>

The amounts owed to group undertaking are unsecured, interest free and repayable on demand

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 Dec 2012	31 Mar 2012
	£	£
Bank loans (Note 13)	<u>248,112</u>	<u>89,127</u>

13 LOANS

An analysis of the maturity of loans is given below

	31 Dec 2012	31 Mar 2012
	£	£
Amounts falling due within one year or on demand		
Bank loans	69,034	23,836
Loan from GVS S p A	<u>778,311</u>	<u>778,311</u>
	<u>847,345</u>	<u>802,147</u>
Amounts falling due between one and two years		
Bank loans	<u>146,514</u>	<u>89,127</u>
Amounts falling due between two and five years		
Bank loans	<u>101,598</u>	<u>-</u>

Interest on the loan from GVS S p A is charged at 3% per year

14 OPERATING LEASE COMMITMENTS

At 31 December 2012 annual commitments under non-cancellable operating leases in respect of the rents relating to motor vehicles used by Nationwide Filter Company (Specialist Products) and property occupied by Nationwide Filter Company (Specialist Products) were committed to be paid by another group company, Fenchurch Environmental Group Limited, but are recharged to Nationwide Filter Company (Specialist Products) No provisions are included in the financial statements for these commitments The commitments expire as follows

NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED (REGISTERED NUMBER: 03346325)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

14 OPERATING LEASE COMMITMENTS (continued)

	31 Dec 2012		31 Mar 2012	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Within one year	-	10,635	5,713	18,722
Between one and five years	-	-	-	10,635
In more than five years	81,250	-	81,250	-
	<u>81,250</u>	<u>10,635</u>	<u>86,963</u>	<u>29,357</u>

15 SECURED DEBTS

The following secured debts are included within creditors

	31 Dec 2012 £	31 Mar 2012 £
Bank loans	317,146	112,963
Invoice discounting	<u>2,632,487</u>	<u>686,977</u>
	<u>2,949,663</u>	<u>799,940</u>

The amounts due in respect of invoice discounting were secured over the assets of the company

16 PROVISIONS FOR LIABILITIES

	31 Dec 2012 £	31 Mar 2012 £
Deferred tax	<u>20,309</u>	<u>28,687</u>
		Deferred tax £
Balance at 1 April 2012		28,687
Deferred tax		<u>(8,378)</u>
Balance at 31 December 2012		<u>20,309</u>

The deferred tax liability recognised in the accounts are as follows

	31 Dec 2012 £	31 Mar 2012 £
Accelerated Capital Allowances	<u>20,309</u>	<u>28,687</u>
Total Deferred Taxation	<u>20,309</u>	<u>28,687</u>

NATIONWIDE FILTER COMPANY (SPECIALIST PRODUCTS) LIMITED (REGISTERED NUMBER: 03346325)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

	31 Dec 2012	31 Mar 2012
	£	£
1,950 Ordinary £1 Shares (31 March 2012 1,950)	<u>1,950</u>	<u>1,950</u>

18 PROFIT AND LOSS ACCOUNT

	Profit and loss account £
At 1 April 2012	983,495
Profit for the financial period	<u>8,859</u>
At 31 December 2012	<u><u>992,354</u></u>

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 Dec 2012 £
Profit/(loss) for the financial period	8,859
Dividends	<u>-</u>
Net addition to shareholders' funds	8,859
Opening shareholders' funds	<u>985,445</u>
Closing shareholders' funds	<u><u>994,304</u></u>

20 PENSION COMMITMENTS

The company operates a defined contribution pension scheme for the benefit of qualifying employees. The assets of the fund are held separately from those of the company on an independently administered fund.

The pension cost charge represents contributions payable by the company to the fund and amounted to £21,731 (31 Mar 2012 - £28,063).

21 ULTIMATE PARENT COMPANY

The immediate parent undertaking is Fenchurch Environmental Group Limited and the address of its principal place of business is NFC House, Vickers Industrial Estate, Morecambe, Lancashire LA3 3EN. The ultimate parent undertaking and controlling party is GVS S.p.A. - a company incorporated in Italy. GVS S.p.A. is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December. The consolidated financial statements of GVS S.p.A. are available from GVS S.p.A., Via Roma 50, 40069 Zola Predosa (BO), Italy.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 9 MONTH PERIOD ENDED 31 DECEMBER 2012**

22 RELATED PARTY DISCLOSURES

The company is a wholly-owned subsidiary of Fenchurch Environmental Group Limited whose ultimate parent undertaking is GVS S p A , a company incorporated in Italy. The company is included in the consolidated financial statements of GVS S p A which can be obtained from Via Roma 50, 40069 Zola Predosa (BO), Italy. The company is therefore exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Fenchurch Environmental Group Limited group.

23 GUARANTEES AND OTHER COMMITMENTS

A cross guarantee agreement exists relating to amounts owed to its bankers by group companies. The potential net liability was zero as the group was in a net positive cash position (31 March 2012 - £1,588,545).

A cross guarantee agreement exists relating to monies owed in respect of invoice discounting by Air Safety Limited, Nationwide Filter Company (Specialist Products) Limited and Nationwide Filter Company Limited. The potential net liability was £1,767,424 (31 Mar 2012 - £1,129,904) (see note 24).

24 POST BALANCE SHEET EVENTS

On 31 July 2013, the trade and assets of the company were transferred to Nationwide Filter Company Limited, a fellow group company for consideration equivalent to their net book value.

In August 2013 the invoice discounting facility with HSBC was discontinued and all relevant liabilities settled with assistance from the ultimate parent company, GVS S p A.