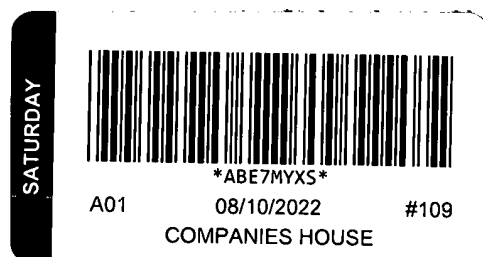


**Company No: 04928454 (England and Wales)**

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**  
**Annual Report and Financial Statements**  
**For the year ended 31 December 2021**



**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**Annual Report and Financial Statements**

**For the year ended 31 December 2021**

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**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**COMPANY INFORMATION**

**For the year ended 31 December 2021**

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**DIRECTORS**

D A Connolly  
S West

**REGISTERED OFFICE**

Farrington Road  
Burnley  
Lancashire  
BB11 5SY  
United Kingdom

**COMPANY NUMBER**

04928454 (England and Wales)

**AUDITOR**

Ernst & Young LLP  
Statutory Auditor  
No 1 Colmore Square  
Birmingham  
B4 6HQ  
United Kingdom

**BANKERS**

BNP Paribas  
10 Harewood Avenue  
London  
NW1 6AA  
United Kingdom

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**STRATEGIC REPORT**

**For the year ended 31 December 2021**

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The directors present their Strategic Report for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY & BUSINESS REVIEW**

The Company acts as an investment holding company through its shareholdings in its subsidiaries and does not trade. Future prospects will depend on the success of these investments. The position of the Company at the end of the year is as disclosed on the Balance Sheet. For a list of subsidiaries, refer to note 7.

Nil profit was made in the year (2020: loss of £5,779,000). The net assets of the Company are £19,370,000 (2020: £19,370,000), which is considered to be the key performance indicator of the business.

Dividends of £Nil were distributed for the year (2020: £Nil) and no further dividends have been proposed post year-end.

**PRINCIPAL RISKS AND UNCERTAINTIES**

There are a number of risks and uncertainties, which could have an impact on the Company's long-term performance as an intermediate holding company. They include consideration of the general economic climate affecting its subsidiaries and the impact of the trading performance of its subsidiaries.

The Company's principal financial assets are investments and group receivables. The Company's credit risk is primarily attributable to its amounts owed by Group undertakings. The amounts presented in the Balance Sheet are net of allowances for doubtful Group receivables. Similarly, an allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

The directors routinely monitor all these risks and uncertainties and appropriate actions are taken to mitigate these risks, such as having business continuity procedures in place and regular monitoring of the performance of subsidiaries.

**SECTION 172(1) STATEMENT**

The Companies (Miscellaneous Reporting) Regulations 2019 (the "Regulations") have been in force with effect from 1 January 2019. The Regulations aim to extend sustainable and responsible governance practice beyond listed companies to private limited companies. Amongst other things, the Regulations require the company to report how the directors of the Company have considered their duties under section 172 (of the Companies Act 2006 (the "Act")) ("Section 172"), to promote the success of the Company during the reporting period.

The directors have ensured compliance with their duties under section 172 in relation to the company and its various stakeholders, including its investors, workforce, customer and suppliers, local community and the environment. Engagement with the company's stakeholders has informed the way in which directors have discharged their duties as described below. Where individual directors are not directly involved in the processes described below, regular feedback and meetings are held with the relevant management teams including operational review meetings. The directors have oversight of the running of the company, including regular reviews of the performance and consideration of risks and opportunities.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**STRATEGIC REPORT**

**For the year ended 31 December 2021**

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The main purpose of the Company is as an intermediate holding company which holds investments in subsidiary undertakings with an objective to provide appropriate returns for its shareholder. The wider responsibilities of the directors of the company's subsidiary companies to interact with their respective stakeholders, including their suppliers, customers: work-force and local community and their responsibility to consider the environment are dealt with in the respective subsidiary company's annual report.

The Company interacts on a regular basis with its shareholder and investee companies.

***Investors***

The company is part of the Mann + Hummel Group and as such the directors have ensured the strategy, values and policies of the group have been adopted. Central to the trust between a Company and its shareholders is the commitment to principled corporate governance. The company has a range of Group policies designed to ensure that best practice is adhered to. These include, but are not limited to, the Code of Conduct and Social Charter, Confidentiality and Data Security, Diversity and Equal Opportunities, Anti-bribery and Corruption and Whistleblowing.

Management financial reporting is also a key focus of corporate management. Financial reporting is submitted monthly and is reviewed by operational and financial senior management. Regular forecasts are also compiled to provide a detailed plan of Company performance for the current year. These financial results are reported at business unit and company level, and ultimately to the parent company. The outcome of these performance measures is critical in strategic and operational decision making.

***Principal decisions***

Principal decisions during the year related to the recommendation not to declare a dividend.

**FUTURE DEVELOPMENTS**

In 2022, despite the on-going global supply chain challenges & cost inflation, the directors expect the sales activity and trading performance of its subsidiaries to improve.

The Mann + Hummel Group are also investing heavily in the subsidiaries of the Company as part of an ambitious five year growth plan.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**STRATEGIC REPORT**

**For the year ended 31 December 2021**

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Approved by the Board of Directors and signed on its behalf by:

S. West

S West  
Director

Farrington Road  
Burnley  
Lancashire  
BB11 5SY  
United Kingdom

Date: 30/09/2022

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**DIRECTORS' REPORT**

**For the year ended 31 December 2021**

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The directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 December 2021.

The principal activity, principal risks and uncertainties and future developments can be found in the Strategic Report and form part of this report by cross-reference.

**GOING CONCERN**

The Company, which is an intermediate holding company, is financed by intercompany funding. A letter of support has been granted by MANN + HUMMEL GmbH (the parent company of the operating entities of MANN + HUMMEL Group), confirming continued financial support for a period of 12 months from the date of approval of these financial statements running to 30 September 2023, and that the extinguishment of the intercompany balance will not be required within 12 months from the date of the approval of these financial statements.

The directors have assessed the ability of MANN + HUMMEL GmbH to provide this support. They consider the company to be in a good financial position and capable of issuing a support letter to the Company. As a consequence, the directors have a reasonable expectation that the Company, together with parental support, has adequate resources to continue in operational existence for the foreseeable future, which extends from the date of approval of these financial statements until 30 September 2023. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

**EVENTS AFTER THE BALANCE SHEET DATE**

There have been no significant events affecting the Company since the year-end.

**DIRECTORS**

The directors, who served during the financial year and to the date of this report except as noted, were as follows:

D A Connolly	(Appointed 18 February 2020)
S West	(Appointed 1 January 2022)
K F Nipah	(Appointed 18 February 2020, resigned 1 January 2022)

**DIRECTORS' INDEMNITIES**

The Company has not made qualifying third party indemnity provisions for the benefit of its directors during the current or prior year.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**DIRECTORS' REPORT**

**For the year ended 31 December 2021**

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**AUDITOR**

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Ernst & Young LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on its behalf by:

S. West

S West  
Director

Farrington Road  
Burnley  
Lancashire  
BB11 5SY  
United Kingdom

Date: 30/09/2022



**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**  
**DIRECTORS' RESPONSIBILITIES STATEMENT**  
**For the year ended 31 December 2021**

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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 FRS 102 "The Financial Reporting Standard applicable in the UK". 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 financial 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 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 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. The directors 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.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**For the year ended 31 December 2021**

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**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**OPINION**

We have audited the financial statements of Mann + Hummel Vokes Air Filtration Limited for the year ended 31 December 2021 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its performance for the financial year 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.

**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 below. 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern throughout the period from when the financial statements are authorised for issue to 30 September 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**For the year ended 31 December 2021**

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**OTHER INFORMATION**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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 Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**For the year ended 31 December 2021**

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**RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Directors' Responsibilities Statement set out on page 8, 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.

**AUDITORS' 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.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and compliance with the relevant direct tax regulation in the United Kingdom.
- We understood how the Company is complying with those frameworks by making enquiries of management and those charged with governance to understand how the Company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing minutes of the board meetings and the financial statements.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We considered the processes and controls that the Company had established to address identified risks, or that otherwise prevent or detect fraud; and how management monitors those

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**For the year ended 31 December 2021**

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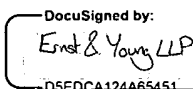
processes and controls. Due to the nature of the Company and its limited level of transaction activities, we have not identified any risk of material misstatement due to fraud.

- Based on this understanding, we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved understanding management's internal controls over compliance with laws and regulations, enquiries of management, vouching transactions to source documentation and verifying that they are recorded in compliance with FRS 102 and in conformity with the requirements of the Companies Act 2006.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://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.

DocuSigned by:  
  
D5E0CA124A65451

Adam Gittens (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor

Birmingham  
United Kingdom

Date: 30 September 2022

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****PROFIT AND LOSS ACCOUNT****For the year ended 31 December 2021**

	<b>Note</b>	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
<b>Turnover</b>		-	-
Administrative expenses		-	(5,778)
<b>Operating result</b>		-	<b>(5,778)</b>
Net interest payable	3	-	(1)
<b>Loss before taxation</b>		-	<b>(5,779)</b>
Taxation	6	-	-
<b>Loss for the financial year attributable to the equity shareholders of the Company</b>		-	<b>(5,779)</b>

All amounts relate to continuing operations.

There were no items of other comprehensive income or losses for the current or prior year other than those included in the Profit and Loss Account, accordingly no Statement of Comprehensive Income is presented.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****BALANCE SHEET****As at 31 December 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£'000</b>	<b>£'000</b>
<b>Fixed assets</b>			
Investments	7	18,654	18,654
		<b>18,654</b>	<b>18,654</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	735	735
Debtors: amounts falling due after one year	8	1,301	1,278
		<b>2,036</b>	<b>2,013</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year		-	-
<b>Net current assets</b>		<b>2,036</b>	<b>2,013</b>
<b>Total assets less current liabilities</b>		<b>20,690</b>	<b>20,667</b>
Creditors: amounts falling due after one year	9	(1,320)	(1,297)
<b>Net assets</b>		<b>19,370</b>	<b>19,370</b>
<b>Capital and reserves</b>			
Called-up share capital	10	13,000	13,000
Share premium account	10	39,765	39,765
Profit and loss account	10	(33,395)	(33,395)
<b>Total shareholders' funds</b>		<b>19,370</b>	<b>19,370</b>

The financial statements of Mann + Hummel Vokes Air Filtration Limited (registered number: 04928454) were approved and authorised for issue by the Board of Directors on 30/01/2022.

They were signed on its behalf by:

S. West

S West  
Director

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****STATEMENT OF CHANGES IN EQUITY****For the year ended 31 December 2021**

	<b>Called-up share capital</b>	<b>Share premium account</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>At 1 January 2021</b>	<b>13,000</b>	<b>39,765</b>	<b>(33,395)</b>	<b>19,370</b>
Loss for the financial year	-	-	-	-
<b>Total comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2021</b>	<b>13,000</b>	<b>39,765</b>	<b>(33,395)</b>	<b>19,370</b>
<b>At 1 January 2020</b>	<b>13,000</b>	<b>39,765</b>	<b>(27,616)</b>	<b>25,149</b>
Loss for the financial year	-	-	(5,779)	(5,779)
<b>Total comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>(5,779)</b>	<b>(5,779)</b>
<b>At 31 December 2020</b>	<b>13,000</b>	<b>39,765</b>	<b>(33,395)</b>	<b>19,370</b>



**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2021**

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**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. The accounting policies have all been applied consistently throughout the financial year and the preceding financial year.

**General information and basis of accounting**

Mann + Hummel Vokes Air Filtration Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is Farrington Road, Burnley, Lancashire, BB11 5SY, United Kingdom.

The principal activities are set out in the Strategic Report.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. The Company has applied the amendments to FRS 102 issued by the FRC in December 2017 with effect from 1 January 2019.

The functional currency of Mann + Hummel Vokes Air Filtration Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. All amounts in the financial statements have been rounded to the nearest £1,000.

Mann + Hummel Vokes Air Filtration Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Mann + Hummel Vokes-Air Filtration Limited is consolidated in the financial statements of its parent, MANN + HUMMEL International GmbH & Co. KG, which can be obtained from the registered office at Schwieberdingerstraße 126, 71636 Ludwigsburg, Germany.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7, and related party disclosures with other wholly owned group companies.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2021**

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**Going concern**

The Company, which is an intermediate holding company, is financed by intercompany funding. A letter of support has been granted by MANN + HUMMEL GmbH (the parent company of the operating entities of MANN + HUMMEL Group), confirming continued financial support for a period of 12 months from the date of approval of these financial statements running to 30 September 2023, and that the extinguishment of the intercompany balance will not be required within 12 months from the date of the approval of these financial statements.

The directors have assessed the ability of MANN + HUMMEL GmbH to provide this support. They consider the company to be in a good financial position and capable of issuing a support letter to the Company. As a consequence, the directors have a reasonable expectation that the Company, together with parental support, has adequate resources to continue in operational existence for the foreseeable future, which extends from the date of approval of these financial statements until 30 September 2023. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

**Basis of consolidation**

Subsidiary undertakings have not been consolidated by Mann + Hummel Vokes Air Filtration Limited as permitted by s401 to the Companies Act 2006 as they are consolidated in the financial statement of MANN + HUMMEL International GmbH & Co. KG, which can be obtained from the registered office at Schwieberdingerstraße 126, 71636 Ludwigsburg, Germany.

**Foreign currency**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Profit and Loss Account in the period in which they arise except for:

- exchange differences on transactions entered into to hedge certain foreign currency risks; and
- exchange differences arising on gains or losses on non-monetary items which are recognised in the Statement of Comprehensive Income.

**Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

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. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2021**

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**Taxation (cont.)**

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to the sale of the asset.

Where items recognised in the Statement of Comprehensive Income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the Company and the Company intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each Balance Sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Profit and Loss Account as described below.

**Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2021**

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***Non-financial assets (cont.)***

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

***Financial assets***

If at the end of the reporting period, there is objective evidence of impairment (including observable data about loss events), the Company recognises an impairment loss in the Profit and Loss Account immediately. For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

***Financial instruments***

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

***Financial assets and liabilities***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through the Profit and Loss Account, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the Balance Sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2021**

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***Financial assets and liabilities (cont.)***

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through the Profit and Loss Account.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

***Investments***

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2021****Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors including expectations on future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

The Mann+Hummel Group tests annually whether investments have suffered any impairment in accordance with the requirements of FRS 102. The directors consider that the prospective financial information used in evaluating the potential impairment of investments has a significant risk of causing a material misstatement to the carrying amount of assets and liabilities within the financial year.

**3. NET INTEREST PAYABLE****Net interest payable**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Interest receivable and similar income	23	23
Interest payable and similar expenses	(23)	(24)
	<u>-</u>	<u>(1)</u>

**Interest receivable and similar income**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Interest on loans to group undertakings	<u>23</u>	<u>23</u>

**Interest payable and similar expenses**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Interest on loans from group undertakings	<u>(23)</u>	<u>(24)</u>

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2021****4. AUDITORS' REMUNERATION**

Both in the current and prior years, auditor's remuneration was borne by other group companies and not recharged. Fees payable to Ernst & Young LLP and their associates for the audit of the Company's financial statements amounted to £3,800 (2020: £2,400).

Fees payable to Ernst & Young LLP and their associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

**5. DIRECTORS' REMUNERATION**

The directors, as listed on page 6 of the financial statements, did not receive any remuneration in relation to their services provided to the Company. The directors' remuneration has been borne by other entities in the Mann + Hummel Group. The directors' service to the Company does not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the Company for the year ended 31 December 2021 (2020: £Nil).

**6. TAX ON LOSS**

	2021 £'000	2020 £'000
<b>Current tax on loss</b>		
UK corporation tax	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Deferred tax	-	-
<b>Total deferred tax</b>	-	-
<b>Total tax on loss</b>	-	-

The Finance (No. 2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016). However, legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%.

Deferred tax assets recognised have been measured at 25% (2020 -19%) which represents the future corporation tax rate that was enacted at the balance sheet date.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2021****6. TAX ON LOSS (cont.)**

The UK Mini Budget of 23 September 2022 included measures to repeal the planned increase in the future rate of Corporation Tax to 19%. This change was not substantively enacted at the balance sheet date and hence has not been reflected in the measurement of deferred tax balances at the period end.

**Tax reconciliation**

The tax assessed for the year is the same as (2020: lower than) the standard rate of corporation tax in the UK:

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Loss before taxation</b>	-	(5,779)
Tax on profit/(loss) at standard UK corporation tax rate of 19% (2020: 19%)	-	(1,098)
<b>Effects of:</b>		
- Expenses not deductible for tax purposes	-	1,098
<b>Total tax credit for the year</b>	-	-

£670,000 (2020: £784,000) of deferred tax assets arising from historic losses have not been recognised owing to the uncertainty around the Company's ability to recover them.

**7. FIXED ASSET INVESTMENTS**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Subsidiary undertakings	18,654	24,432
		<b>2021</b>
		<b>£'000</b>
<b>Cost</b>		
At 1 January 2021		24,432
<b>At 31 December 2021</b>		<b>24,432</b>
<b>Provisions for impairment</b>		
At 1 January 2021		5,778
<b>At 31 December 2021</b>		<b>5,778</b>
<b>Carrying value at 31 December 2021</b>		<b>18,654</b>
Carrying value at 31 December 2020		18,654



**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2021****7. FIXED ASSET INVESTMENTS (cont.)****Investments in shares**

<b>Name of entity</b>	<b>Registered office</b>	<b>Nature of business</b>	<b>Class of shares</b>	<b>% of ownership 31/12/2021</b>	<b>% of ownership 31/12/2020</b>
Mann + Hummel Vokes Air Treatment Holdings Ltd *	Farrington Road, Burnley, Lancashire, United, BB11 5SY.	Filtration	Ordinary	100%	100%
Mann + Hummel Wheway Ltd	Farrington Road, Burnley, Lancashire, United, BB11 5SY.	Filtration	Ordinary	100%	100%
Mann + Hummel Vokes-Air Ltd	Farrington Road, Burnley, Lancashire, United, BB11 5SY.	Filtration	Ordinary	100%	100%
Mann + Hummel MRH Filter Beteiligungsgesellschaft mbH	Eichenhofer Weg 14-16, 45549, Sprockhövel, Germany.	Filtration	Ordinary	100%	100%
Mann + Hummel Atex Filter Verwaltungsgesellschaft mbH	Eichenhofer Weg 14-16, 45549, Sprockhövel, Germany.	Filtration	Ordinary	100%	100%
Mann + Hummel Vokes Air A/S	Avedøreholmen 882650 Hvidovre, Denmark.	Filtration	Ordinary	100%	100%
Mann + Hummel Vokes Air AG	Weiheralle 20, 8610 Uster, Switzerland.	Filtration	Ordinary	100%	100%
Mann + Hummel Vokes Air GmbH	Ortsstraße 18, 2331 Vösendorf, Austria.	Filtration	Ordinary	100%	100%
Mann + Hummel Vokes Air AB	Spinnaregatan 4, 51253 Svenljunga, Sweden.	Filtration	Ordinary	100%	100%
Mann + Hummel Vokes Air GmbH & Co OHG	Eichenhofer Weg 14-16, 45549, Sprockhövel, Germany.	Filtration	Ordinary	100%	100%

\* Subsidiary owned directly by Mann + Hummel Vokes Air Filtration Limited.

**8. DEBTORS**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed by Group undertakings	2,036	2,013
Amounts owed by Group undertakings comprises:		
Amounts falling due within one year	735	735
Amounts falling due after more than one year	1,301	1,278
	<b>2,036</b>	<b>2,013</b>

The amounts due within one year from Group undertakings are unsecured and non-interest-bearing.

The amounts due after more than one year from Group undertakings are unsecured, interest-bearing and repayable in 2023.

**MANN + HUMMEL VOKES AIR FILTRATION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2021****9. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
Amounts owed to Group undertakings	1,320	1,297

Amounts owed to Group undertakings are unsecured, interest-bearing and repayable in 2023.

**10. CALLED UP SHARE CAPITAL AND RESERVES**

	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>
<b>Allotted, called-up and fully-paid</b>		
13,000,002 ordinary shares of £1.00 each	13,000	13,000
<b>Presented as follows:</b>		
Called-up share capital presented as equity	13,000	13,000

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's reserves are as follows:

- The Share Premium reserve contains the premium arising on issue of equity shares, net of issue expenses.
- The Profit and Loss reserve represents cumulative profits or losses, including unrealised profit, net of dividends paid and other adjustments.

**11. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the exemption included in FRS 102 for wholly owned subsidiaries not to disclose transactions with wholly owned entities that are part of the Group.

**12. CONTROLLING PARTY**

The Company's ultimate parent and controlling party is MANN + HUMMEL International GmbH & Co. KG, a Company incorporated in Germany. The immediate parent of Mann + Hummel Vokes Air Filtration Limited is Mann + Hummel Vokes-Air Holding AB, a company incorporated in Sweden.

The smallest and largest Group to which the results of the Company were consolidated was headed by MANN + HUMMEL International GmbH & Co. KG. Copies of the MANN + HUMMEL International GmbH & Co. KG financial statements can be obtained from the registered office at Schwieberdingerstraße 126, 71636 Ludwigsburg, Germany.