Company Registration No. 06674383

Exova plc

Report and Financial Statements

For the year ended 31 December 2013

Exova plc

Strategic report

For the year ended 31 December 2013

The Directors present their report on the affairs of the Company together with the financial statements and independent auditors report, for the year ended 31 December 2013

Review of the business

Exova plc ("the Company") is a wholly owned subsidiary of Exova Holdings Limited

The key financial and performance indicators during the year was as follows

		(Restated)	
	2013	*2012*	*Change*
	£m	£m	**%**
Retained Loss for the year	**(61 1)**	(53 4)	(14%)

The principal activity of the Company continues to be as a holding and financing company The Company also receives and pays interest on loans held with other Group undertakings Other than these transactions the Company did not undertake any other trading activities There have been no significant changes in the Company's principal activities in the year under review

On behalf of the Board

Ian Power
Director

30 June 2014

Exova plc
Directors' report
For the year ended 31 December 2013

The Directors present their report for the year ended 31 December 2013

Directors

The Directors who served the Company during the year and to the date of this report were as follows

C Rochat (resigned 16/05/14)
E Rouzier (resigned 16/05/14)
F Kindle (resigned 16/05/14)
I El-Mokadem
A Thorburn
I Power (appointed 16/05/14)

Dividends

The Directors do not recommend the payment of a final dividend (2012 nil)

Future developments

The Directors do not expect any significant change in the activities of the Company in the future

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are financial risks as outlined below

Financial risk

The Group Board being the Board of Exova Holdings Limited, has the responsibility for setting the financial risk management policies applied by the Company The Company applies the policies of the Group as detailed below The policies are implemented by the central treasury department which receives regular reports from the Company to enable prompt identification of financial risks so that the appropriate actions may be taken

(a) Interest rate risk

The Company is exposed to interest rate risk on the senior bank facilities which are variable rates of interest

The Company's borrowings are at a fixed rate of interest for the senior loan notes and at variable rates of interest for the senior bank facilities Interest rate risk is regularly monitored to ensure that the mix of variable and fixed rate borrowing is appropriate in the short to medium-term

(b) Foreign exchange risk

Transaction foreign exchange exposures arise when the Company enters into contracts to pay or receive funds in a currency different from Pounds sterling It is Group policy not to hedge the translational exposure arising from profit and loss items

It is Group policy that all operating units eliminate exposures on material committed transactions usually by undertaking forward foreign currency contracts through the Group's treasury function

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its liabilities as they fall due This is managed by monitoring actual and forecast cash flows and ensuring sufficient cash and committed borrowing facilities are in place at all times and also that additional headroom is available to meet possible downside

Going concern

The Company meets its working capital requirements through its cash flow from operations and through intergroup funding provided by the Group Exova PLC is the principal borrower in respect of certain Group bank borrowings and senior loan notes which at 31 December 2013 amounted to £95 7m and £155m respectively (2012 – £78 3m and £155 0m)

The Group meets its working capital requirements through internal cash generation committed facilities overdrafts and inter group borrowings The overdrafts and uncommitted facilities are repayable on demand and the committed facilities are due for renewal at various dates through to 2018 On 19 March 2014, Exova plc entered into a new financing agreement for £260 million comprising a £170 million senior term loan facility and a £90 million revolving credit facility with Royal Bank of Scotland as Agent The new funding was used in part to reduce the existing debt facility In addition the ultimate parent undertaking Exova Group plc, was admitted to trading on the London Stock Exchange on 16 April 2014 and the primary proceeds of the share issue paid down the remaining existing debt The new financing agreement is for five years and has a termination date of April 2019 There is sufficient headroom in the committed facility covenants to assume that these facilities can be operated as contracted for the foreseeable future and at least for a period of 12 months from the date of signing of these financial statements

The current economic conditions create a level of trading uncertainty in certain sectors However, the Group s forecast and projections, taking account of reasonable potential changes in trading performance show that the Group will be able to operate within the parameters of its current committed facilities for the foreseeable future 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 Directors of Exova Group plc , a parent undertaking, have confirmed that it is their intention to continue to financially support Exova plc to meet its financial obligations for a period of at least 12 months from the date of this report As such the company s funding position is considered to be secure for the foreseeable future

Post balance sheet events

On 19 March 2014 Exova plc entered into a new financing agreement for £260 million comprising a £170 million senior term loan facility and a £90 million revolving credit facility with Royal Bank of Scotland as Agent The new funding was used in part to reduce the existing debt facility In addition, the ultimate parent undertaking Exova Group plc was admitted to trading on the London Stock Exchange on 16 April 2014 and the primary proceeds of the share issue paid down the remaining existing debt

Disclosure of information to the auditors

So far as each person who was a Director at the date of approving this report is aware there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware Having made enquiries of fellow Directors and the Company s auditor each Director has taken all the steps that he is obliged to take as a Director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Appointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company

On behalf of the Board

Ian Power
Director

30 June 2014

Exova plc
Statement of Directors' Responsibilities
For the year ended 31 December 2013

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Directors Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law 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) 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 loss of the company for that period In preparing those financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for keeping adequate 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EXOVA PLC

We have audited the financial statements of Exova PLC for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses the Reconciliation of Movements in Shareholders' Equity the Balance Sheet and the related notes 1 to 18 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)

This report is made solely to the company's members, as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

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 directors and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on or materially inconsistent with, the knowledge acquired by us in the course of performing the audit 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 2013 and of its loss for the 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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

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

Ernst & Young LLP

Mark Harvey (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP Statutory Auditor
Edinburgh
30 June 2014

Exova plc

Profit and Loss Account

For the year ended 31 December 2013

	Notes	*Year ended 31 December 2013* £m	*(Restated) Year ended 31 December 2012* £m
Administrative expenses		**(3.3)**	(2 1)
Interest receivable and other income	6	**12 7**	13 4
Interest payable and similar charges	7	**(71 8)**	(64 7)
Dividends receivable		**1 3**	-
Loss on ordinary activities before taxation		**(61 1)**	(53 4)
Tax on loss on ordinary activities	8	-	-
Retained loss for the year		**(61 1)**	(53 4)

The result for the year relates wholly to continuing activities

Statement of total recognised gains and losses

For the year ended 31 December 2013

	Year ended 31 December 2013 £m	*(Restated) Year ended 31 December 2012* £m
Total recognised loss for the year	**(61 1)**	(53 4)
Prior year adjustment (as explained in note 2)		(0 5)
Total losses recognised since last annual report		(53 9)

Reconciliation of movements in shareholders' equity

For the year ended 31 December 2013

	Year ended 31 December 2013 £m	*(Restated) Year ended 31 December 2012* £m
Total recognised loss for the year	**(61 1)**	(53 4)
Shareholders' equity at beginning of the year	**(119 6)**	(66 2)
Shareholders' equity at end of the year	**(180 7)**	(119 6)

Exova plc **Company Registration No 06674383**

Balance Sheet

As at 31 December 2013

	Notes	*2013* £m	*(Restated) 2012* £m
Non-current assets			
Investments	9	**270 0**	270 0
Amounts owed by other group undertakings	10	**186 6**	170 6
Total non-current assets		**456 6**	440 6
Current assets			
Debtors	10	**0 1**	0 2
Cash at bank and in hand		**4 8**	8 5
Total current assets		**4 9**	8 7
Creditors *Amounts falling due within one year*	11	**(1 7)**	(1 8)
Net current assets		**3 2**	6 9
Total Assets less Current Liabilities		**459 8**	447 5
Creditors *Amounts falling due after more than one year*	12	**(640 5)**	(567 1)
Net liabilities		**(180 7)**	(119 6)
Capital and Reserves			
Called up share capital	15	**0 1**	0 1
Share premium	15	**2 4**	2 4
Capital contribution reserve	15	**105 0**	105 0
Profit and loss account	15	**(288 2)**	(227 1)
Shareholders' equity		**(180 7)**	(119 6)

The financial statements of Exova PLC, registered number 06674383, were approved by the board of directors and authorised for issue on 30 June 2014

Signed on behalf of the Board on 30 June 2014

Ian Power
Director

1 Fundamental Accounting Concept

Going Concern

The financial statements have been prepared on a going concern basis as having made reasonable enquiry the directors are of the opinion that the company has adequate resources to continue in operational existence for the foreseeable future Accordingly they continue to adopt the going concern basis in preparing the financial statements
The Company has received a letter of support from Exova Group plc to meet all liabilities of the Company as they fall due for 12 months from the date of signing of these financial statements

2 Accounting Policies and Prior Year Adjustment

The principal accounting policies applied consistently throughout the year are

Basis of preparation

The Company financial statements have been prepared on a historical cost basis except for derivative financial instruments which are stated at their fair value and in accordance with UK GAAP and applicable accounting standards The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare and deliver Group financial statements as it is a wholly owned subsidiary of Exova Holdings Limited and is included in the consolidated financial statements of that entity Accordingly these financial statements present information about the Company as an individual undertaking and not about its Group
The Company has taken advantage of the exemption from preparing a cash flow statement as permitted by FRS 1 Cash Flow Statements

The Company has taken advantage of the FRS 29 Financial Instruments Disclosures exemption and not provided derivative financial instrument disclosures of the Company alone
The financial statements are presented in pound sterling (£) and all values are rounded to the nearest hundred thousand (£0 1m) except where otherwise indicated

Prior year adjustment

In preparing the financial statements for the current year the Company has considered its accounting policy in respect of Foreign Currency Translation It was noted that the Company had been applying SSAP 20 "Foreign currency translation" in respect of transactions denominated in foreign currency rather than FRS 23 "The effects of changes in foreign exchange rates" which was required to be adopted along with FRS 25 "Financial Instruments Disclosure and presentation" FRS 26 "Financial Instruments Measurement" and FRS 29 "Financial Instruments Disclosure" which were early adopted for the period ended 31 December 2009

Previously all differences arising on translation for qualifying net investment hedges were deferred in equity along with any tax charges or credits attributable to the exchange differences on those borrowings Following adoption of FRS 23 The effects of changes in foreign exchange rates" any exchange differences on those borrowings are recognised through the Profit and Loss Account in the period in which those exchange differences arose unless they form part of an independent hedge relationship

Consequently investments in the balance sheet have decreased by £2 0m at 31 December 2012 with administrative expenses in the profit and loss account increasing by £0 1m for the year ended 31 December 2012 In Shareholders Equity the Currency translation reserve at 31 December 2012 has reduced by £1 4m, with the Profit and Loss reserve at 1 January 2012 reducing by £0 5m

Investments

The investment represents shareholdings in subsidiary undertakings shown at cost

Taxation

The tax expense represents the sum of the current taxes payable and deferred tax.
The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities The tax charge is included in the income statement except if it relates to an item recognised directly in equity or other comprehensive income

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 have occurred at that date that will result in an obligation to pay more or a right to pay less or to receive more tax, with the following exceptions

provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets only to the extent that at the balance sheet date there is a binding agreement to dispose of the assets concerned However no provision is made where on the basis of all available evidence at the balance sheet date it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries associates and joint ventures only to the extent that at the balance sheet date dividends have been accrued as receivable and

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

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

Foreign currency translation

The presentation and functional currency of the Company is sterling Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the date of the transaction Monetary assets and liabilities denominated in foreign currency are retranslated at the exchange rate ruling at the balance sheet date All differences arising on translation are taken to the profit and loss account except when deferred in equity as qualifying cash flow hedges

Finance income and finance costs

Interest income and interest costs which comprise interest expense on borrowings are recognised on a time proportion basis using the effective interest method

Borrowings

Borrowings are recognised initially at fair value being the issue proceeds net of any transaction costs incurred
Borrowings are subsequently measured at amortised cost using the effective interest method Amortised cost is adjusted for the amortisation of any transaction costs The amortisation is recognised in finance costs
All borrowings denominated in currencies other than sterling are translated at the rate ruling at the balance sheet date

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date

Financial assets

The Company's financial assets comprise other receivables amounts owed by group undertakings and cash at bank and in hand in the balance sheet Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market They are included in current assets except for maturities greater than 12 months after the balance sheet date which are classified as non current assets

Derivative financial instruments

The Company uses interest rate swaps to manage its exposure to interest rate risk The Company does not hold or issue derivatives for speculative trading purposes Derivative financial instruments are recognised as assets and liabilities measured at their fair values at the balance sheet date The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows Changes in their fair values have been recognised in the profit and loss account, except where hedge accounting is used provided the conditions specified by FRS 26 are met Hedge accounting is applied in respect of hedge relationships where it is both permissible under FRS 26 to do so When hedge accounting is used the relevant hedging relationships are classified as a cash flow hedge

To the extent that the hedge is effective changes in the fair value of the hedging instrument will be recognised directly in equity rather than in the profit and loss account When the hedged item is recognised in the financial statements the accumulated gains and losses recognised in equity will be either recycled to the profit and loss account or if the hedged item results in a non financial asset will be recognised as adjustments to its initial carrying amount Hedge accounting is discontinued when the hedging instrument expires or is sold terminated, exercised or no longer qualifies for hedge accounting At that point in time any cumulative gain or loss on the hedging instrument recognised in equity is kept in equity until the forecasted transaction occurs If the hedged transaction is no longer expected to occur the net cumulative gain or loss recognised in the equity is transferred to net profit or loss for the period

3 Directors Remuneration

	Year ended 31 December 2013 £m	*Year ended 31 December 2012 £m*
Directors remuneration		
Aggregate remuneration in respect of qualifying services	1.3	1 5

The aggregate remuneration of the highest paid Director was £0 9 million (2012 £1 1 million)

No Directors received shares or share options during the current or prior year in respect of qualifying services, and no share options were excised in the current or prior year by Directors

No company contributions were made to a pension scheme on behalf of Directors' qualifying services

A management fee of £0 7 million (2012 £0 7 million) was paid to the private equity investor

4 Staff Costs

There were no individuals employed by the company during 2013 (2012 nil)

5 Auditors Remuneration

Audit fees for the Company of £5,500 (2012 £5 000) were borne by a subsidiary undertaking Disclosure of amounts payable for non audit services has been provided on a consolidated basis in the Group financial statements of Exova Holdings Limited

6 Interest Receivable and Other Income

	Year ended 31 December 2013 £m	*Year ended 31 December 2012 £m*
Interest receivable on loans to group undertakings	12.7	13 4

7 Interest Payable and Similar Charges

	Year ended 31 December 2013 £m	*Year ended 31 December 2012 £m*
Bank loan interest	(3 9)	(3 9)
Senior loan note interest	(16.3)	(16 3)
Other loans and charges	(0 7)	(0 3)
Amortisation of finance costs of debt	(1 7)	(1 5)
Interest payable on loans from group undertakings	(49 2)	(42 7)
	(71 8)	(64 7)

8 Tax on Loss on Ordinary Activities

Factors affecting current tax
The tax assessed on the loss on ordinary activities for the period is different from the standard rate of corporation tax in the UK of 23 25% (2012 24 5%) The differences are reconciled below

	Year ended 31 December 2013 £m	*(Restated) Year ended 31 December 2012 £m*
Loss on ordinary activities before tax	(61 1)	(53 4)
Tax credit at 23 25% (2012 24 5%)	(14 2)	(13 1)
Effect of -		
Expenses not deductible for tax purposes	7.3	6 8
Group relief surrendered for nil payment	4 2	4 3
Unrelieved tax losses carried forward	2 7	2 0
Current tax charge		-

Factors that may affect future tax charges

At the balance sheet date the company has an unrecognised deferred tax asset of £42 2m (2012 Restated £32 5m) which is available for offset against future taxable profits of the company The asset has not been recognised as they it is not expected to reverse in the foreseeable future

The government has announced that it intends to reduce the rate of UK corporation tax rate to 20% by 1 April 2015 The rate of corporation tax reduced from 24% to 23% effective from 1 April 2013 and was enacted in July 2012 Further reductions in the corporation tax rate to 21% effective from 1 April 2014 and to 20% effective from 1 April 2015 were enacted on 17 July 2013 The reduction in the rate to 20% was enacted as at the balance sheet date and reduces the tax rate expected to apply when timing differences reverse

9 Investments

	2013 £m	*(Restated) 2012 £m*
Shares in group undertakings at cost		
At 1 January and 31 December	270 0	270 0

A list of the significant investments in subsidiaries including the name country of incorporation and proportion of ownership interest is given below

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage holding
Exova Group (UK) Limited **	UK	Holding	100%
MTS Pendar Limited	UK	Holding	100%
Warrington Fire Research Group Ltd	UK	Holding	100%
Exova (UK) Limited	UK	Testing	100%
Exova Warrington Fire Consulting (Guernsey) Ltd	Channel Islands	Testing	100%
Warrington Fire Research Gent NV	Belgium	Testing	65%
Exova S r o **	Czech Republic	Testing	100%
Exova Metech s r o	Czech Republic	Testing	100%
Exova Metech AS	Denmark	Testing	100%
Exova Metech Oy	Finland	Testing	100%
Exova SAS	France	Testing	100%
Exova (Holdings) GmbH	Germany	Holding	100%
Exova Metech GmbH	Germany	Testing	100%
Exova GmbH	Germany	Testing	100%
Exova (Ireland) Limited	Ireland	Testing	100%
Exova Srl	Italy	Testing	100%
Centro Triveneto Richerche Srl	Italy	Testing	100%
Exova BV	Netherlands	Testing	100%
Exova (Holdings) B V **	Netherlands	Holding	100%
Exova Rotterdam BV	Netherlands	Testing	100%
Exova A/S	Norway	Testing	100%
Exova (Sweden) Holdings AB **	Sweden	Holding	100%
Exova AB	Sweden	Testing	100%
CSM NDT Certification AB	Sweden	Testing	80%
Exova Metech AB	Sweden	Testing	100%
Exova (US) Holdings Inc **	US	Holding	100%
Exova Inc	US	Testing	100%
Defiance Testing & Engineering Services Inc	US	Testing	100%
Exova (Canada) Inc	Canada	Testing	100%
Exova Property Holdings Inc	Canada	Property Holding	100%
Exova (Mexico) Testing Inc	Mexico	Testing	100%
Exova Warringtonfire Middle East LLC *	Dubai	Testing	49%
Al Futtaim Exova LLC *	Dubai	Testing	49%
Exova Limited & Co LLC	Oman	Testing	70%
Exova (Qatar) LLC *	Qatar	Testing	49%
Exova (Saudi Arabia) Limited *	Saudi Arabia	Testing	50%
Exova Warrington Aus Pty Limited	Australia	Testing	100%
Exova (Cayman) Limited	Cayman Islands	Testing	100%
Exova Warringtonfire (HK) Ltd	Hong Kong	Testing	100%
Exova (Singapore) Pte Limited	Singapore	Testing	100%

* These companies are treated as subsidiaries as effective control over their operations exists as described in the shareholder and management services agreements with the relative parties
The Company is taking the exemption available under Section 410 of the Companies Act 2006 to only disclose principal subsidiaries

** These companies shareholdings are held directly whilst all others are held through wholly owned subsidiaries

10 Debtors

	Year ended 31 December 2013 £m	*Year ended 31 December 2012 £m*
Amounts falling due within one year		
Other debtors	0 1	0 2
Amounts falling due after one year		
Amounts owed by group undertakings	186 6	170 6

11 Creditors *Amounts falling due within one year*

	Year ended 31 December 2013 £m	*Year ended 31 December 2012 £m*
Other creditors	0 1	0 1
Interest payable	1 6	1 7
	1 7	1 8

12 Creditors *Amounts falling due after more than one year*

	Year ended 31 December 2013 £m	*Year ended 31 December 2012 £m*
Senior bank loans	95 7	78 3
Senior loan notes	155 0	155 0
Debt issue costs	(7.5)	(7 5)
Amounts owed to group undertakings	397 3	341 3
	640 5	567 1

13 Bank and Other Borrowings

	Amounts falling due in less than one year	Amounts falling due in more than one year	Total 2013	Amounts falling due in less than one year	Amounts falling due in more than one year	Total 2012
	£m	£m	£m	£m	£m	£m
Senior bank loans	-	95 7	95 7	-	78 3	78 3
Senior loan notes	-	155 0	155.0	-	155 0	155 0
Debt issue costs - senior bank loans	-	(2 2)	(2 2)	-	(1 1)	(1 1)
Debt issue costs - senior loan notes	-	(5.3)	(5 3)		(6 4)	(6 4)
Financial liabilities external borrowings	-	243 2	243 2		225 8	225 8
Financial liabilities loan due to parent undertaking	-	354 5	354.5		306 2	306 2
Financial liabilities loans due to subsidiary undertakings	-	42.8	42.8		35 1	35 1
	-	640 5	640 5		567 1	567 1

The Company has taken advantage of the exemption under Schedule 1 paragraph 61 (3) of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 to only give a general indication of the repayment terms and rates of interest

Interest is payable on loans under our senior facilities agreement at a floating rate equal to LIBOR or in relation to any loan drawn in euro EURIBOR plus, in each case the applicable margin and mandatory costs if any The applicable margin is between 2 75% and 4 50% The senior bank loans are scheduled to mature on 17 October 2016 17 October 2017 and 17 April 2018 The undrawn revolving credit facility is scheduled to mature on 17 October 2015 The obligations Exova plc as the borrower are guaranteed on a senior basis by certain members of the Group

The senior loan notes are at a fixed interest rate of 10 5% and are redeemable in 2018 They are fully and unconditionally guaranteed on a joint and several basis, by Exova Holdings Ltd and certain of its restricted subsidiaries

The loans due to parent undertakings incur interest at rates between 15% and 15 125%, are fully repayable in 2019 and are not secured

Amounts owed to subsidiary companies consist of unsecured loans in a variety of currencies repayable in 2019 with interest being charged either at three month London Interbank Offer Rate (LIBOR) or at three month Euro Interbank Offer Rate (EURIBOR)

The following analysis details outstanding borrowings the facilities available to the company and the undrawn amounts at the balance sheet date

Maturity	Amounts falling due in less than one year	between one and two years	between two and five years	after five years	Total 2013
	£m	£m	£m	£m	£m
Cash at bank	(4 8)	-	-	-	(4.8)
Cash and cash equivalents	(4 8)	-	-	-	(4 8)
Senior bank loans	-	-	95 7	-	95 7
Senior loan notes	-	-	155 0	-	155 0
Debt issue costs senior bank loans	-	-	(2 2)	-	(2 2)
Debt issue costs senior loan notes	-	-	(5.3)	-	(5.3)
Loan due to parent undertaking	-	-	-	354 5	354 5
Loans due to subsidiary undertakings	-	-	-	42.8	42 8
	(4 8)	-	243 2	397.3	635 7
Undrawn facilities					
Senior bank loan	29 9	-	-	-	29 9
Bank overdrafts	4 7	-	-	-	4 7
Revolving credit facility	30 1	-	-	-	30 1
Credit card facility	0 2	-	-	-	0 2
Total facilities	64 9	-	243 2	397.3	705 4

Maturity	Amounts falling due in less than one year	between one and two years	between two and five years	after five years	Total 2012
	£m	£m	£m	£m	£m
Cash at bank	(8 5)	-	-		(8 5)
Cash and cash equivalents	(8 5)	-	-		(8 5)
Senior bank loans	-	-	78 3		78 3
Senior loan notes	-	-	-	155 0	155 0
Debt issue costs senior bank loans	-	-	(1 1)		(1 1)
Debt issue costs senior loan notes	-	-	-	(6 4)	(6 4)
Loan due to parent undertaking	-		-	306 2	306 2
Loans due to subsidiary undertakings	-		-	35 1	35 1
	(8 5)		77 2	489 9	558 6
Undrawn facilities					
Bank overdrafts	4 7		-	-	4 7
Revolving credit facility	30 1			-	30 1
Credit card facility	0 2		-	-	0 2
Total facilities	35 0		77 2	489 9	602 1

14 Called Up Share Capital

	2013 £	2012 £
Authorised		
Ordinary shares of £1 each	50,000	50 000
Authorised called up issued and fully paid		
Ordinary shares of £1 each	50,000	50 000

15 Reserves

	Share capital £m	Share premium £m	Capital Contribution reserve £m	Profit & Loss Account £m	Total £m
At 1 January 2013 (Restated)	0 1	2 4	105 0	(227 1)	(119 6)
Loss for the period	-		-	(61 1)	(61 1)
At 31 December 2013	0 1	2 4	105 0	(288 2)	(180 7)

Capital contribution reserve

The capital contribution reserve was created on 12 October 2010 following the execution of a deed of release whereby Exova Holdings Limited agrees to unconditionally and irrevocably release Exova plc from its obligation to repay the sum of £105 000 000 from the current sum outstanding under the group undertaking agreement This amount is distributable in future periods subject to the provision of the Companies Act 2006

16 Related Parties

The company has taken advantage of the exemption in FRS 8 paragraph C not to disclose transactions with other group companies which meet the criteria that all subsidiary undertakings which are party to the transactions are wholly owned by the ultimate parent undertaking The company has not transacted with any other related parties in the year

17 Ultimate Holding Company and Controlling Party

The immediate parent undertaking and controlling party is Exova Holdings Limited Clayton Dubilier & Rice LLC the manager of Clayton Dubilier & Rice Fund VII LP is considered to be the ultimate controlling party The parent company of the smallest group of which the company is a member and for which group financial statements are prepared is Exova Holdings Limited

18 Post Balance Sheet Event

On 19 March 2014 Exova plc entered into a new financing agreement for £260 million comprising a £170 million senior term loan facility and a £90 million revolving credit facility with Royal Bank of Scotland as Agent The new financing agreement is for five years and has a termination date of April 2019 Interest is payable on loans under the agreement at a floating rate equal to LIBOR or in relation to any loan in euro EURIBOR, or in relation to any loan in Canadian dollars CDOR or in relation to any loan in SEK STIBOR plus in each case the applicable margin The applicable margin is between 1 50% and 2 50% The new funding was used in part to reduce the existing debt facility In addition the ultimate parent undertaking Exova Group plc was admitted to trading on the London Stock Exchange on 16 April 2014 and the primary proceeds of the share issue paid down the remaining existing debt