

Company number 2385881

BSC Filters Limited  
Annual report and financial statements  
for the year ended 31 December 2018

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# **BSC Filters Limited**

## **Annual Report and financial statements for the year ended 31 December 2018**

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# **BSC Filters Limited**

## **Directors and advisers for the year ended 31 December 2018**

### **Directors**

M Lee  
A Stringer  
R Toney

### **Registered office**

Units 10 - 11  
Stirling Park  
York  
YO30 4WU

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

### **Bankers**

DEUTSCHE BANK AG,  
1 Great Winchester Street,  
London,  
EC2N 2DB

### **Solicitors**

Last Cawthra Feather  
128 Sunbridge Road  
Bradford  
West Yorkshire  
BD1 2AT

# **BSC Filters Limited**

## **Strategic report for the year ended 31 December 2018**

The directors present their strategic report on the company for the year ended 31 December 2018.

### **Principal activity**

The company's principal activity is the design and manufacture of filters and filter based subsystems for the microwave industry.

### **Business review**

The business operates globally as a member of the Dover Corporation's Microwave Product Group (MPG). Its main markets are EU member states, with the UK accounting for 57.7% of total sales in the year. The company generates new business from the combined activity of its in-house sales team and territorially based representatives.

The company differentiates itself from its competitors by focussing on product innovation designed to meet specific and often complex customer needs and continuing evolution of its core products.

The 2018 Financial Statements show a pleasing increase in revenue and earnings as the prior years' strategic investment in developing technically advanced new products began to yield results. Whilst core filter products still account for the majority of sales, significant growth was seen in our added value & sub-systems lines with several major, multi-year program wins and a high level of customer interest in our ongoing Research and Development activity. As this business matures we expect to see further sales growth and improved margins from these products. BSC achieved another important strategic milestone with the completion of its first full flight-qualified space program, helping to build capability and heritage in this targeted growth segment. On the back of a record year for orders booked, the company is in a good position for strong future growth across all its product ranges and remains committed to continued investment in its core filter business and new product development.

The profit for the financial year was £467,598 (2017: £263,339).

### **Research & development**

In house development of our manufacturing facilities and engineering capability will enable the company to develop more advanced Active components, assemblies and sub systems.

### **Financial risk management**

The company makes no use of financial instruments other than operational bank accounts and its exposure to price risk and cash flow risk is not material for the assessment of its net assets, liabilities, financial position and profit or loss of the company. The company's activities expose it to credit risk and liquidity risk.

#### *Credit risk*

Credit risk of the company mainly arises from trade debtors of £1,448,303 at 31 December 2018 (2017: £1,265,000) and amounts owed by group undertakings of £2,671,014 at 31 December 2018 (2017: £2,226,976). The company has no significant concentration of credit risk. The company has a credit policy to handle credit risk of customers. There is no significant concentration of sale to any individual customer. Amounts owed by group undertakings are due from Dover Luxembourg Participations S.à r.l. (previously Dover Fluids UK Ltd), the immediate parent company, and represent the cash pool.

# **BSC Filters Limited**

## **Strategic report for the year ended 31 December 2018 (continued)**

### *Liquidity risk*

There is not considered to be a significant liquidity risk in view of the company's stable business and adequate sources of funds in the cash pool. The company's major financial liability was trade and other payables of £955,900 at 31 December 2018 (2017: £904,755).

### **Key performance indicators ("KPI's")**

The Company makes use of KPI's to drive operational performance and improvement activity. However, given the straightforward nature of the business, the company's directors are of the opinion that analysis of these key performance indicators is not necessary for an understanding of the development, performance or position of the business.

On behalf of the Board



M Lee  
**Director**  
31 July 2019

# **BSC Filters Limited**

## **Directors' report for the year ended 31 December 2018**

The directors present their report together with the audited financial statements of the company for the year ended 31 December 2018.

### **Directors**

The directors who served during the year and up to the date of signing the financial statements were as follows:

- M Lee
- A Stringer
- R Toney (appointed 12<sup>th</sup> February 2019)
- D Howett (resigned 12 February 2019)

### **Dividends**

The results for the year to 31 December 2018 are set out in the profit and loss account on page 8. Dover Corporation have recommended the company to pay no dividends in the year (2017: £ Nil).

### **Future developments**

The uncertainty surrounding Brexit and the continuing economic malaise in Southern Europe continue to negatively influence our European core markets. Whilst seeking to maintain our position in these markets future growth activity will be focussed on integrated added value products and the use of MPG sales channels in targeted international markets.

### **Financial risk management**

The company has chosen in accordance with section 414C (11) of the Companies Act 2006 to set out information related to its financial risk management objectives in the Strategic Report.

### **Statement of disclosure of information to auditors**

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Re-appointment of independent auditors**

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for re-appointment of PricewaterhouseCoopers LLP as auditors to the Company.

On behalf of the Board



M Lee  
**Director**  
31 July 2019

## **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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.

# ***Independent auditors' report to the members of BSC Filters Limited***

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

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### **Opinion**

In our opinion, BSC Filters Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2018; the profit and loss account, the statement of changes in equity for the year then ended; the accounting policies; and the notes to the financial statements.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Independence***

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

ISAs (UK) require us to report to you when:

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

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.



Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### ***Strategic Report and Directors' Report***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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## **Responsibilities for the financial statements and the audit**

### ***Responsibilities of the directors for the financial statements***

As explained more fully in the Statement of the Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### ***Use of this report***

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.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Christopher Neale (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds

31 July 2019

# BSC Filters Limited

## Profit and loss account for the year ended 31 December 2018

	Note	2018 £	2017 £
<b>Turnover</b>	1	6,705,267	5,650,555
Cost of sales		(3,469,506)	(3,006,977)
<b>Gross profit</b>		3,235,761	2,643,578
Administrative expenses		(2,665,070)	(2,326,505)
Other operating (expenses) / income		(14,598)	7,196
<b>Operating profit</b>	2	556,093	324,269
Interest receivable and similar income	4	13,449	5,139
<b>Profit before taxation</b>		569,542	329,408
Tax on profit	5	(101,944)	(66,069)
<b>Profit for the financial year</b>		467,598	263,339

All activities in the current year and prior year relate to continuing operations.

There is no material difference between the profit before taxation and the profit for the financial years stated above and their historical cost equivalents.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of other comprehensive income has been presented for both years.

# BSC Filters Limited

## Balance sheet as at 31 December 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	6	356,984	273,371
Intangible assets	7	26,750	34,854
		<b>383,734</b>	<b>308,225</b>
<b>Current assets</b>			
Stocks	8	783,649	883,160
Debtors	9	4,267,209	3,619,735
		<b>5,050,858</b>	<b>4,502,895</b>
<b>Creditors: amounts falling due within one year</b>	10	<b>(1,249,069)</b>	<b>(1,096,978)</b>
<b>Net Current assets</b>		<b>3,801,789</b>	<b>3,405,917</b>
<b>Total assets less current liabilities</b>		<b>4,185,523</b>	<b>3,714,142</b>
<b>Creditors: amounts falling due after more than one year</b>	11	<b>(65,197)</b>	<b>(61,414)</b>
<b>Net assets</b>		<b>4,120,326</b>	<b>3,652,728</b>
<b>Capital and reserves</b>			
Called up share capital	13	24,932	24,932
Share premium account		293,903	293,903
Capital redemption reserve		3,374	3,374
Profit and loss account		3,798,117	3,330,519
<b>Total shareholders' funds</b>		<b>4,120,326</b>	<b>3,652,728</b>

The financial statements on pages 8 to 21 were approved by the board of directors on 28 June 2019 and were signed on its behalf by:



M Lee  
Director

Company number 2385881

## BSC Filters Limited

### Statement of Changes in Equity for the year ended 31 December 2018

	<b>Called up Share Capital</b>	<b>Share Premium Account</b>	<b>Capital Redemption Reserve</b>	<b>Profit and loss account</b>	<b>Total shareholders' funds</b>
	£	£	£	£	£
<b>At 1 January 2017</b>	<b>24,932</b>	<b>293,903</b>	<b>3,374</b>	<b>3,067,180</b>	<b>3,389,389</b>
Profit for the financial year	-	-	-	263,339	263,339
<b>At 31 December 2017</b>	<b>24,932</b>	<b>293,903</b>	<b>3,374</b>	<b>3,330,519</b>	<b>3,652,728</b>
Profit for the financial year	-	-	-	467,598	467,598
<b>At 31 December 2018</b>	<b>24,932</b>	<b>293,903</b>	<b>3,374</b>	<b>3,798,117</b>	<b>4,120,326</b>

# **BSC Filters Limited**

## **Statement of accounting policies for the year ended 31 December 2018**

### **General information**

The principal activity of the company during the year was to design and manufacture filters for the microwave industry. The company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is Unit 10-11, Stirling Park, York, YO30 4WU.

### **Statement of compliance**

The financial statements of BSC Filters Limited have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **Accounting policies**

These financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standard in the United Kingdom. The principal accounting policies, which have been consistently applied to all years presented, are set out below.

### **Basis of preparation**

The financial statements are presented in sterling. They are prepared on a going concern basis and under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

### **Disclosure exemptions**

The principle disclosure exemptions adopted by the Company in accordance with FRS 102 are as follows:

- the requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirement of Section 33 Related Party Disclosures paragraph 33.7 and;
- the requirements of Section 11 Basic Financial Instruments paragraphs 11.39 to 11.48A and Section 12 Other Financial Instruments Issues paragraphs 12.26 to 12.29.

The parent company in whose financial statements BSC Filters Limited's financial information is consolidated is Dover Corporation. Copies of the financial statements of Dover Corporation can be obtained by writing to Dover Corporation, 3005 Highland Parkway, Suite 200, Downers Grove, IL 60515, United States of America.

### **Critical accounting estimates**

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

- Warranty provision
- Inventory provision

### **Turnover**

Turnover represents amounts receivable for goods net of VAT and trade discounts.

# **BSC Filters Limited**

## **Statement of accounting policies for the year ended 31 December 2018 (continued)**

### **Tangible assets and depreciation**

Tangible assets are stated at cost less 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 rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and Machinery	straight line (over 3 to 7 years)
Fixtures and Fittings	straight line (over 3 to 7 years)
Computers	straight line (over 3 to 7 years)
Leasehold Improvements	over length of lease

### **Intangible assets and amortisation**

Intangible assets are stated at cost less amortisation. 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. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer software	straight line (over 3 to 7 years)
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### **Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition and is determined based on the first in first out method. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Finished goods and work in progress are valued on a standard cost basis with labour and overhead costs absorbed on rates based upon normal levels of production

### **Foreign currencies**

Transactions denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into Sterling at rates of exchange ruling at the balance sheet date. All profits and losses arising on foreign currency translation are dealt with in the profit and loss account.

### **Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year in which they are payable.

### **Taxation**

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. 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.

### **Provisions**

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### **Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

### **Trade debtors**

Trade debtors are recognised and measured at their original invoiced amount less any provision for uncollectable amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off to the profit and loss account when they are identified.

## **BSC Filters Limited**

### **Statement of accounting policies for the year ended 31 December 2018 (continued)**

#### **Financial costs**

Costs associated with the issue of bank and their other borrowings are deferred and charged to the profit and loss account over the term of the respective loan at a constant rate.

#### **Share based payments**

The Group provides share-based payment arrangements to certain employees

Cash-settled share options are measured at fair value at the balance sheet date. The Group recognises a liability at the balance sheet date based on these fair values, taking into account the estimated number of options that will actually vest and the current proportion of the vesting period. Changes in the value of this liability are recognised in the income statement.

# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018

### 1 Turnover

The analysis of turnover by geographical destination is as follows:

	2018 £	2017 £
UK	3,868,678	3,258,078
USA	222,815	263,083
Mainland Europe	2,484,736	2,076,284
Rest of World	129,038	53,110
	6,705,267	5,650,555

In the directors' opinion all sales are derived from the same class of business.

### 2 Operating profit

Operating profit is stated after charging/(crediting):

	2018 £	2017 £
Depreciation of tangible assets - owned assets	99,461	69,605
Amortisation of intangible assets	11,187	12,510
Staff costs (note 3)	2,680,787	2,692,802
Operating lease charges - plant and machinery	11,461	14,907
Operating lease charges - other	102,686	103,578
Auditors' remuneration – audit of the financial statements	27,000	26,340
Foreign currency exchange losses/(gains)	(3,086)	(795)

### 3 Staff costs and directors' emoluments

Aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	2,317,394	2,314,973
Social security costs	234,625	221,029
Other pension costs	123,626	91,225
Share based compensation	5,142	65,578
	2,680,787	2,692,802



# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 3 Staff costs and directors' emoluments (Continued)

Directors' emoluments comprised:

	2018 £	2017 £
Aggregate emoluments	220,614	224,467
Company contribution to money purchase pension schemes	70,668	38,207
Share based compensation	5,142	65,578
	296,424	328,252

The number of directors to whom retirement benefits are accruing under money purchase pension schemes amounted to two (2017: two).

#### Highest paid director:

	2018 £	2017 £
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	126,268	101,193
Defined benefit pension scheme:	51,368	55,797
Share based compensation	5,142	65,578
	182,778	222,568

The monthly average number of employees (including executive directors) during the year was:

	2018 Number	2017 Number
Production	48	47
Administration	17	16
Selling and distribution	7	6
	72	69

### 4 Interest receivable and similar income

	2018 £	2017 £
Interest receivable	13,449	5,139

# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 5 Tax on profit

a) Tax expense included in profit or loss	2018 £	2017 £
<b>Current tax</b>		
UK corporation tax on profits for the year	102,204	77,376
Adjustments in respect of previous years	4,121	15,860
<b>Total current tax</b>	<b>106,325</b>	<b>93,236</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(4,381)	(27,167)
<b>Total deferred tax (note 12)</b>	<b>(4,381)</b>	<b>(27,167)</b>
<b>Tax on profit</b>	<b>101,944</b>	<b>66,069</b>

The tax assessed for the year is lower (2017: higher) than the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%) The differences are explained below:

b) Reconciliation of tax charge	2018 £	2017 £
<b>Profit before taxation</b>	<b>569,542</b>	<b>329,408</b>
Profit at the standard UK tax rate of 19% (2017: 19.25%)	108,213	63,411
Capital allowances in excess of depreciation	1,870	2,835
R&D tax credits	(4,942)	(1,343)
Other timing differences	(7,318)	(14,694)
Adjustments in respect of previous years	4,121	15,860
<b>Total tax charge for the year</b>	<b>101,944</b>	<b>66,069</b>

# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 5 Tax on profit on ordinary activities (continued)

#### Factors affecting current and future tax changes

Changes to the UK corporation tax rates were substantively enacted as part of the Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

### 6 Tangible assets

	Plant and Machinery £	Fixtures and Fittings £	Computers £	Leasehold Improvements £	Total £
<b>Cost</b>					
At 1 January 2018	1,173,527	66,719	81,452	245,752	1,567,450
Additions	154,112	-	19,942	9,021	183,075
<b>At 31 December 2018</b>	<b>1,327,639</b>	<b>66,719</b>	<b>101,394</b>	<b>254,773</b>	<b>1,750,525</b>
<b>Accumulated depreciation</b>					
At 1 January 2018	968,899	66,719	59,927	198,535	1,294,080
Charge for the year	75,357	-	6,125	17,979	99,461
<b>At 31 December 2018</b>	<b>1,044,256</b>	<b>66,719</b>	<b>66,052</b>	<b>216,514</b>	<b>1,393,541</b>
<b>Net book amount</b>					
<b>At 31 December 2018</b>	<b>283,383</b>	<b>-</b>	<b>35,342</b>	<b>38,259</b>	<b>356,984</b>
At 31 December 2017	204,628	-	21,525	47,217	273,370

# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 7 Intangible assets

	Computer software £
<b>Cost</b>	
At 1 January 2018	164,006
Additions	3,083
<b>At 31 December 2018</b>	<b>167,089</b>
<b>Accumulated amortisation</b>	
At 1 January 2018	129,152
Charge for the year	11,187
<b>At 31 December 2018</b>	<b>140,339</b>
<b>Net book amount</b>	
<b>At 31 December 2018</b>	<b>26,750</b>
At 31 December 2017	34,854

### 8 Stocks

	2018 £	2017 £
Raw materials and consumables	214,258	211,105
Work in progress	517,850	605,089
Finished goods and goods for resale	51,541	66,966
	<b>783,649</b>	<b>883,160</b>

Inventories are stated after provisions for impairment of £108,347 (2017: £83,142)

# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 9 Debtors

	2018 £	2017 £
Trade debtors	1,448,303	1,265,000
Amounts owed by group undertakings	2,671,014	2,226,976
Deferred tax (note 12)	12,589	8,208
Other Debtors	5,540	9,826
Prepayments and accrued income	129,763	109,725
	<b>4,267,209</b>	<b>3,619,735</b>

Amounts owed by group undertakings are unsecured, interest free and have no fixed terms of repayment and are owed by Dover Luxembourg Participations S.à r.l..

Trade debtors are stated after provisions for impairment of £19,000 (2017: £17,000)

### 10 Creditors and other payables: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdraft	500	-
Trade creditors	628,836	606,490
Amounts owed to group undertakings	51,166	41,344
Corporation tax payable	102,204	77,376
Warranty Provision	19,000	44,000
Other taxation and social security	171,465	68,662
Accruals and deferred income	275,898	259,106
	<b>1,249,069</b>	<b>1,096,978</b>

# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

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

	2018 £	2017 £
Dilapidation provision	48,000	48,000
Accruals and deferred income	17,197	13,414
	<b>65,197</b>	<b>61,414</b>

### 12 Deferred tax

	£
At 1 January 2018	8,208
Credited to the profit and loss account (note 5)	4,381
<b>At 31 December 2018</b>	<b>12,589</b>

The deferred tax asset recognised relates solely to accelerated capital allowances.

### 13 Called up share capital

	2018 £	2017 £
<b>2018: 24,932 (2017: 24,932) ordinary shares of £1 each</b>	<b>24,932</b>	<b>24,932</b>

### 14 Operating lease commitments

The company had the following future minimum lease payments under non-Cancellable operating leases for each of the following periods:

	2018 £	2017 £
Within one year	102,356	97,592
Within two to five years	125,383	214,991
<b>Total lease commitments</b>	<b>227,739</b>	<b>312,583</b>

# BSC Filters Limited

## Notes to the financial statements for the year ended 31 December 2018 (continued)

### 15 Pension costs

Defined contribution:	2018 £	2017 £
Contributions payable by the company for the year	123,626	91,225

Contributions amounting to £3,120 (2017: £2,185 payable) were receivable to the fund at the end of the year and are included in creditors – amounts falling due within one year.

### 16 Related party transactions and ultimate controlling party

The company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with fellow wholly owned subsidiaries.

The company is a wholly owned subsidiary of Dover Fluids UK Ltd a company incorporated in the UK. The directors consider Dover Corporation, incorporated in the US, to be the ultimate parent undertaking and controlling party.

Dover Corporation is the smallest and largest group for which consolidated financial statements are prepared. The company is included in the consolidated financial statements of Dover Corporation which are publicly available. Consequently the company has taken advantage of the exemption, under the terms of FRS 102 “Related party disclosures” from disclosing related party transactions with entities that are part of the Dover Corporation group. Copies of the financial statements of Dover Corporation can be obtained by writing to Dover Corporation, 3005 Highland Parkway, Suite 200, Downers Grove, IL 60515, United States of America.