

**KLT Filtration Limited (Formerly KL
Technologies (Filtration) Limited)**

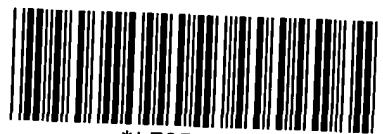
Financial Statements

52 weeks ended

24 November 2017

Company Number 07542674

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KLT Filtration Limited (Formerly KL Technologies (Filtration) Limited)

Company Information

Directors	S Morris M Hamilton M Littlewood M Butler
Company secretary	M Hamilton
Registered number	07542674
Registered office	Estuary Road King's Lynn Norfolk PE30 2HS
Independent auditors	BDO LLP 16 The Havens Ransomes Europark Ipswich Suffolk IP3 9SJ
Bankers	HSBC Bank Plc Meridian Way Meridian Business Park Norwich NR7 0TA

KLT Filtration Limited (Formerly KL Technologies (Filtration) Limited)

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KLT Filtration Limited (Formerly KL Technologies (Filtration) Limited)

Registered number: 07542674

Balance Sheet As at 24 November 2017

	Note	24 November 2017 £	25 November 2016 £
Fixed assets			
Tangible assets	6	51,084	46,844
		<u>51,084</u>	<u>46,844</u>
Current assets			
Stocks	7	141,349	148,772
Debtors: amounts falling due within one year	8	180,409	183,998
Cash at bank and in hand		81,590	73,822
		<u>403,348</u>	<u>406,592</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(85,656)	(119,260)
		<u>317,692</u>	<u>287,332</u>
Net current assets		<u>368,776</u>	<u>334,176</u>
Total assets less current liabilities			
Provisions for liabilities			
Deferred tax		(8,002)	(7,919)
		<u>(8,002)</u>	<u>(7,919)</u>
Net assets		<u><u>360,774</u></u>	<u><u>326,257</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		359,774	325,257
		<u><u>360,774</u></u>	<u><u>326,257</u></u>

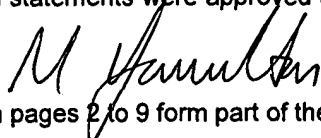
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

M Hamilton
Director



14 JUNE 2018

The notes on pages 2 to 9 form part of these financial statements.

KLT Filtration Limited (Formerly KL Technologies (Filtration) Limited)

Notes to the Financial Statements For the 52 weeks ended 24 November 2017

1. General information

KLT Filtration Limited is a private company limited by shares incorporated in England & Wales under the Companies Act. The address of the registered office is given on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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Notes to the Financial Statements For the 52 weeks ended 24 November 2017

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	10%
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

KLT Filtration Limited (Formerly KL Technologies (Filtration) Limited)

Notes to the Financial Statements For the 52 weeks ended 24 November 2017

2. Accounting policies (continued)

2.7 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

KLT Filtration Limited (Formerly KL Technologies (Filtration) Limited)

Notes to the Financial Statements For the 52 weeks ended 24 November 2017

2. Accounting policies (continued)

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.12 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.13 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

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Notes to the Financial Statements For the 52 weeks ended 24 November 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. Estimates and assumptions used in the preparation of the financial statements are continually reviewed as necessary.

In preparing these financial statements, the directors have had to make the following judgments:

- Determine whether there are indicators of impairment of the Company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

4. Employees

The average monthly number of employees, including directors, during the period was 10 (2016 - 10).

5. Exceptional income

	24 November 2017 £	25 November 2016 £
Waiver of amount payable to fellow subsidiary undertaking	-	396,159

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Notes to the Financial Statements For the 52 weeks ended 24 November 2017

6. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 26 November 2016	67,740
Additions	11,395
At 24 November 2017	<u>79,135</u>
Depreciation	
At 26 November 2016	20,896
Charge for the 52 weeks on owned assets	7,155
At 24 November 2017	<u>28,051</u>
Net book value	
At 24 November 2017	<u>51,084</u>
At 25 November 2016	<u>46,844</u>

7. Stocks

	24 November 2017 £	25 November 2016 £
Raw materials and consumables	106,863	107,185
Work in progress (goods to be sold)	7,296	14,542
Finished goods and goods for resale	27,190	27,045
	<u>141,349</u>	<u>148,772</u>

KLT Filtration Limited (Formerly KL Technologies (Filtration) Limited)

Notes to the Financial Statements For the 52 weeks ended 24 November 2017

8. Debtors

	24 November 2017 £	25 November 2016 £
Trade debtors	159,239	177,900
Other debtors	17,727	3,699
Prepayments and accrued income	3,443	2,399
	<u>180,409</u>	<u>183,998</u>

9. Creditors: Amounts falling due within one year

	24 November 2017 £	25 November 2016 £
Trade creditors	30,467	15,102
Corporation tax	375	24,375
Other taxation and social security	4,447	6,486
Other creditors	17,005	52,599
Accruals and deferred income	33,362	20,698
	<u>85,656</u>	<u>119,260</u>

10. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £9,150 (2016 - £2,674). Contributions totalling £1,174 (2016 - £258) were payable to the fund at the balance sheet date and are included in creditors.

11. Related party transactions

During the year the company sold materials to the value of £103,505 (2016 - £Nil) to a company in which a person with significant influence also has significant influence over KLT Filtration Limited. The balance outstanding at year end is £27,271 (2016 - £Nil).

Total remuneration paid to directors for services to the company was £74,147 (2016 - £76,375).

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Notes to the Financial Statements For the 52 weeks ended 24 November 2017

12. Controlling party

The ultimate parent undertaking is KLT Filtration Holdings Limited by virtue of its share holding in the company.

Prior to this, the ultimate parent undertaking until 23 November 2017 was KL Technologies Limited and from 23 until 24 November 2017, KLT Renewables Holdings Limited.

The ultimate controlling party is M Littlewood.

13. Auditors' information

An audit of the Company's financial statements was carried out by BDO LLP as statutory auditor who reported to the Company's members on *22 June 2018*. The auditor's report was signed by Keith Ferguson as senior statutory auditor and was unqualified.