

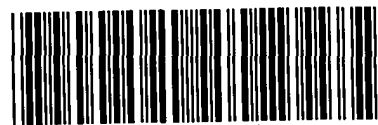
Company Registration No. 00675705

Polymark Export Limited

Annual Report and Financial Statements

For the year ended 31 December 2014

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Polymark Export Limited

Annual Report and financial statements for the year ended 31 December 2014

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Polymark Export Limited

Annual Report and financial statements for the year ended 31 December 2014

Officers and professional advisors

Directors

Giles Hudson
Edward Ufland
Philip Deakin

Company Secretary

S&J Registrars Limited

Registered Office

99 Gresham Street
London
EC2V 7NG

Independent Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading
United Kingdom

Polymark Export Limited

Strategic Report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006. The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Principal activity

The company is a holding company.

Key performance indicators

The directors do not measure the performance of the company through Key Performance Indicators as the company is a holding company.

Review of the business and future prospects

The results of the business reflect its status as a holding company.

During the year the company received a dividend from its investment of £20,000 (2013: nil). This investment was then subsequently sold to a third party.

Results and dividends

The result for the year ended 31 December 2014 is a profit after taxation of £1,630,000 (2013: £nil).

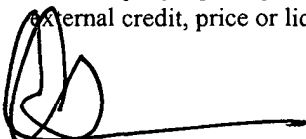
No dividends were paid during the year (2013: £nil). The directors do not recommend the payment of a final dividend (2013: £nil).

Principal risks and uncertainties

The main risk that the company is exposed to is the recoverability of amounts owed by group companies.

Financial risk management policies

The company's principal financial assets are amounts owed by group undertakings. Consequently, the company has no external credit, price or liquidity risks.



Giles Hudson
Director

9 March 2015

Polymark Export Limited

Directors' Report

The directors present their annual report on the affairs of the company, together with the audited financial statements and independent auditor's report, for the year ended 31 December 2014.

Going concern

The company has both positive net assets and net current assets as set out in the balance sheet on page 8. In addition, the company has a cash balance; it consequently has sufficient cash resources to meet any reasonably foreseeable obligation despite the current uncertain economic outlook. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

Directors

The directors who served during the year and at the date of signing the financial statements are shown on page 1.

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

The directors propose to reappoint Deloitte LLP as the auditor for the ensuing year.

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

By order of the Board



Giles Hudson
Director



2015

Polymark Export Limited

Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; 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. 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.

Polymark Export Limited

Independent Auditor's Report to the members of Polymark Export Limited

We have audited the financial statements of Polymark Export Limited for the year ended 31 December 2014 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. 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, 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 Practicing 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 annual report 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 company financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit 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 matters 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.

Polymark Export Limited

Independent Auditor's Report to the members of Polymark Export Limited (continued)

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.



Andrew Hornby (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom

09 March 2015

Polymark Export Limited

Profit and loss account

For the Year ended 31 December 2014

		2014 £'000	2013 £'000
	Notes		
Income from fixed asset investment		20	-
Profit on disposal of investment	2	2,054	-
		<hr/>	<hr/>
Total operating profit on ordinary activities before taxation		2,074	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	2,074	-
Tax charge on profit on ordinary activities	5	(444)	-
		<hr/>	<hr/>
Profit for the financial year	9,10	1,630	-
		<hr/>	<hr/>

The results shown relate to discontinued operations.

There are no recognised gains or losses in either the current year or the preceding year other than as reported above. Accordingly no statement of total recognised gains or losses has been presented.

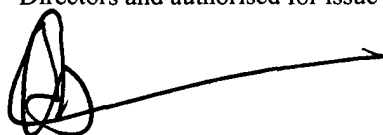
Polymark Export Limited

Balance sheet

As at 31 December 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Investments	6	-	121
Current assets			
Cash		32	12
Debtors: amounts due from group companies		2,174	-
		2,206	12
Creditors: amounts falling due within one year	7	(455)	(12)
Net current assets		1,751	-
Net assets		1,751	121
Capital and reserves			
Called-up share capital	8	20	20
Profit and loss account	9	1,731	101
Shareholder's funds	10	1,751	121

The financial statements of Polymark Export Limited, registered number 00675705, were approved by the Board of Directors and authorised for issue on 9 March 2015.



Giles Hudson
Director

Polymark Export Limited

Notes to the financial statements For the year ended 31 December 2014

1. Accounting policies

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

Basis of accounting

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

Going concern

The company has both positive net assets and net current assets as set out in the balance sheet on page 8. In addition, the company has a cash balance; it consequently has sufficient cash resources to meet any reasonably foreseeable obligation despite the current uncertain economic outlook. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

Cashflow statement

The company has taken advantage of the exemption from preparing a cashflow statement afforded by FRS 1 (revised 1996) "cashflow statements," as it is a wholly owned subsidiary of Illinois Tool Works Inc which produces consolidated financial statements which are publicly available.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. A net deferred tax asset is regarded as recoverable and therefore recognised only when on the basis of all available evidence it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on a non-discounted basis.

Polymark Export Limited

Notes to the financial statements (continued) For the year ended 31 December 2014

2. Profit on disposal of investment

During the year the company disposed of its 40% interest in The Japan Polymark Company Limited.

This profit on sale is taxable at the company's standard rate of tax.

3. Profit on ordinary activities before taxation

Auditor fees are borne by another group company. The audit fee for the year, if allocated to the company, would be £3,000 (2013: £nil).

4. Directors and employees

The company had no employees during either financial year and the directors did not receive any remuneration from the company. Three directors (2013: three) are also directors of ITW Limited, a fellow group company. ITW Limited paid the directors £958,717 (2013: £492,447) of emoluments and the directors accrued benefits under a defined benefit scheme. The directors' emoluments have not been apportioned between each fellow group company for which the directors acted and the directors do not feel that any amount should be allocated as group recharges as it cannot be apportioned on a reasonable and consistent basis. The emoluments of the highest paid director were £434,070 (2013: £183,200) and the accrued pension entitlement under the company's defined benefit pension schemes of the highest paid director at 31 December 2014 was £23,963 (2013: £21,887).

5. Tax on profit on ordinary activities

The tax charge comprises:

	2014 £'000	2013 £'000
Current tax:		
Current year	446	-
Adjustment in respect of previous years	(2)	-
Total tax charge on profit on ordinary activities	<u>444</u>	<u>-</u>

Factors affecting current tax charge for the year

The difference between the total current tax charge shown above and the amount calculated by applying the standard effective rate of UK corporation tax to the profit before tax is as follows:

	2014 £'000	2013 £'000
Profit on ordinary activities before taxation	2,074	-
Profit on ordinary activities multiplied by standard rate of corporation tax in UK of 21.50% (year ended 31 December 2013: 23.25%)	446	-
Adjustment in respect of previous years	(2)	-
Current tax charge for the year	<u>444</u>	<u>-</u>

Polymark Export Limited

Notes to the financial statements (continued) For the year ended 31 December 2014

6. Investments

	Shares in subsidiary undertakings £'000
Cost	
At 1 January 2014	121
Disposals	(121)
	<hr/>
At 31 December 2014	-
	<hr/>
Net book value	
At 31 December 2014	-
	<hr/>
At 31 December 2013	121
	<hr/>

The company owned shares in Japan Polymark Limited, which operates and is incorporated in Japan. Its principal activity was the manufacture and distribution of labelling and identification systems. Polymark Export Limited owns 40% (2013: 0%) of the shares of Japan Polymark Company Limited, which has share capital of ¥60,000,000 (2013 ¥60,000,000). This investment was sold during the year.

7. Creditors

	2014 £'000	2013 £'000
Amounts owed to group undertakings	9	10
Taxation	446	2
	<hr/>	<hr/>
	455	12
	<hr/>	<hr/>

The amounts owed to group undertakings are unsecured, non-interest bearing and repayable upon demand.

8. Called-up share capital

The authorised and allocated share capital of the Company is as follows:

	2014 £'000	2013 £'000
Allotted, called up and fully paid		
20,000 ordinary shares of £1 each	20	20
	<hr/>	<hr/>

Polymark Export Limited

Notes to the financial statements (continued) For the year ended 31 December 2014

9. Reserves

	Profit and loss account £'000
At 1 January 2014	101
Profit for the year	1,630
At 31 December 2014	<u>1,731</u>

10. Reconciliation of movements in shareholder's funds

	2014 £'000	2013 £'000
Profit for the financial year	1,630	-
Opening shareholder's funds	<u>121</u>	<u>121</u>
Closing shareholder's funds	<u>1,751</u>	<u>121</u>

11. Ultimate parent undertaking

The company is a wholly owned subsidiary undertaking of Illinois Tool Works Inc. A company incorporated in Delaware, USA. This is also the ultimate holding company.

The only group in which the results of the company are consolidated is that headed by the ultimate parent company. Copies of these financial statements are available from Illinois Tool Works Inc., 3600 West Lake Avenue, Glenview, Illinois, 60025, United States of America.

12. Related party transactions

The company has taken advantage of the exemption from disclosures of related party transactions available in Financial Reporting Standard 8 to wholly owned subsidiaries of companies with publicly available financial statements.