

Advanced Composite Components Limited

**Annual report and financial
statements**

Registered number 01275395

31 December 2016



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2016.

This director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption and accordingly no separate strategic report has been prepared.

Principal Activities

The principal activity of the company is the holding of an investment in a subsidiary company. The company will continue to operate as an intermediate holding company for the foreseeable future.

Business review

The profit for the financial year was £1,243,457 (2015:£nil).

The directors do not recommend the payment of a dividend (2015 nil)

The investment balance as at 31 December 2016 is £100 (2015:£100).

The Company remains a wholly owned subsidiary within the Solvay Group of companies. Given that the principal activity of the company is as a holding company to a dormant company the directors do not consider that key performance indicators are applicable.

Directors

The directors who held office during the year are as follows:

A Schiebroek	(appointed 11 August 2016)
D Darazsdi	(resigned 11 August 2016)
R Smith	(resigned 11 August 2016)

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director 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.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

By order of the board



A Schiebroek
Director

Composites House
Sinclair Close
Heanor
Derbyshire
DE75 7SP

Date: 28 September 2017

Directors' responsibilities Statement

The directors are responsible for preparing the 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 UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including Financial Reporting Standard FRS 102.

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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Advanced Composite Components Limited

We have audited the financial statements of Advanced Composite Components Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statements of Changes in Equity and the related notes 1 to 11. 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), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 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 financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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, based on the work undertaken in the course of the audit:

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

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

Independent auditor's report to the members of Advanced Composite Components 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 by the company, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Peter Gallimore FCA (*Senior Statutory Auditor*)

for and on behalf of Deloitte LLP

Statutory Auditor

Birmingham

United Kingdom

28 September 2017

Profit and loss account
for the year ended 31 December 2016

	<i>Note</i>	2016 £	2015 £
Investment income	4	1,243,457	-
Profit before taxation		1,243,457	-
Tax on profit	5	-	-
Profit for the financial year		1,243,457	-

There were no recognised gains or losses other than those disclosed in the profit and loss account, in either the current or preceding year.

All the activities of the company are classed as continuing.

Balance sheet
as at 31 December 2016

	<i>Note</i>	2016	2015
		£	£
Fixed assets			
Investments	6	100	100
Current assets			
Debtors			
Amounts owed by Parent	7	553,355	-
Creditors falling due within one year			
Amounts owed to Parent	8	-	(690,102)
Net Assets / (Liabilities)		<u>553,455</u>	<u>(690,002)</u>
Capital and reserves			
Called up share capital	9	100,000	100,000
Profit and loss account		<u>453,455</u>	<u>(790,002)</u>
Shareholders' funds		<u>553,455</u>	<u>(690,002)</u>

These financial statements were approved by the board of directors on 28 September 2017 and were signed on its behalf by:



A Schiebroek
Director

Company registered number: 01275395

Statement of changes in equity

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2016	100,000	(790,002)	(690,002)
Total comprehensive income for the year			
Profit for the year	-	1,243,457	1,243,457
Balance at 31 December 2016	100,000	453,455	553,455

	Called up Share Capital £	Profit and loss account £	Total Equity £
Balance at 1 January 2015	100,000	(790,002)	(690,002)
Total comprehensive income for the year			
Result for the year	-	-	-
Balance at 31 December 2015	100,000	(790,002)	(690,002)

Notes

(forming part of the financial statements)

1 Accounting policies

Advanced Composite Components Ltd (the "Company") is a private company limited by shares, incorporated and registered in the UK (England and Wales) under the Companies Act 2006. Its registered address is Composites House Sinclair Close, Heanor, Derbyshire, DE75 7SP.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The financial statements are presented in pounds sterling because that is the functional currency of the primary economic environment, in which the Company operates.

These financial statements were prepared in accordance with Financial Reporting Standard 102 issued by the FRC.

The Company meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions to it in respect of its separate financial statements. Exemptions have been taken in relation to the presentation of a cash flow statement and financial instruments.

1.1. Measurement convention

The financial statements are prepared on the historical cost basis

1.2. Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The directors, having assessed the responses of the directors of the company's ultimate controlling party Solvay S.A. to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Solvay group to continue as a going concern.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Solvay S.A., the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment

Notes (continued)

1 Accounting policies (continued)

1.4. Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.6 Dividend Revenue

Dividend Income from investments is recognised when the shareholders' rights to receive payments have been established.

Notes (continued)

1.7 Other financial liabilities

Other financial liabilities are measured at fair value.

1.8 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2 Auditor's remuneration

Auditors' remuneration payable to the company's auditors for the audit of the accounts was £2,000 (2015 nil). This remuneration is borne by Umeco Limited

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Solvay S.A.

3 Directors' remuneration

Directors' emoluments have been borne by another group company. The directors of the company are also directors or officers of a number of the companies within the group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the years ended 31 December 2016 or 31 December 2015.

4 Investment income

	2016 £	2015 £
Dividends received from group undertakings	1,243,457	-

5 Taxation

	2016 £	2015 £
Profit on ordinary activities before taxation	1,243,457	-
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax 20% (2015 20.25%)	(248,691)	-
Effects of:		
Non-deductible expenses	-	-
Non-taxable income	248,691	-
Total tax (charge) credit for the year	-	-

A reduction to the UK corporation tax rate from 21% to 20% took effect from 1 April 2015. Finance Act 2015 (No.2), which was substantively enacted in October 2015, included provisions to reduce the rate of corporation tax to 19% with effect from 1 April 2017 and 18% from 1 April 2020. At Budget 2016 the government announced a further reduction to the corporation tax rate to 17% from 1 April 2020.

Notes (continued)

6. Fixed asset investments

	Shares in group undertakings £
Cost	
At 1 January 2016	100
Additions	-
	<hr/>
At 31 December 2016	100
	<hr/>
Provisions	
At 1 January 2016	-
Provided in year	-
	<hr/>
At 31 December 2016	-
	<hr/>
Net book value	
At 31 December 2016	100
	<hr/>
At 31 December 2015	100
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The Company has the following investment in subsidiaries:

	Country of Incorpor- ation	Class of shares held	Ownership 2016	2015
Advanced Composite Materials Ltd	UK	Ordinary	100%	100%

Advanced Composites Materials Ltd was dissolved on April 4 2017. The registered office of Advanced Composites Materials Ltd was Composites House Sinclair Close, Heanor, Derbyshire, DE75 7SP.

7 Debtors

	2016 £	2015 £
Amounts owed by Parent	553,355	-
	<hr/>	<hr/>
	553,355	-
	<hr/>	<hr/>

8 Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts owed by Parent	-	690,102
	<hr/>	<hr/>
	-	690,102
	<hr/>	<hr/>

The amounts owed to and by parent are unsecured, repayable on demand and are interest free.

9 Capital and reserves

Share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

10 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Cytec Industrial Materials (Derby) Limited. The ultimate controlling party is Solvay S.A Belgium. The largest and smallest group in which the results of the Company are consolidated is that headed by Solvay S.A. The consolidated financial statements of this groups is available to the public and may be obtained from its registered address. Rue De Ransbeek, 310, 1120 Brussels, Belgium.

11 Accounting estimates and judgements

Key sources of estimation uncertainty

The preparation of the financial statements requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

Impairment

Investments in subsidiaries are carried at cost less impairment. They are assessed at each reporting date to determine whether there is objective evidence that the asset is impaired. In determining the recoverable amounts, management must estimate the quantum and timing of future cash flows from the subsidiary.

Critical accounting judgements in applying the Company's accounting policies

The directors do not consider that there are any critical accounting judgements in applying the Company's accounting policies.