

Ciba Specialty Chemicals (RC-GB) Limited

**Directors' report and financial
statements**

Registered Number 1618961

31 December 2009



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

Principal activity and review of the business

The company has been dormant, as defined in Section 1169 of the Companies Act 2006, throughout the period. Accordingly, no profit and loss account has been presented for this period.

Financial Instruments

The risks arising from price, credit, currency, liquidity and cash flow are not material to the assessment of assets, liabilities and profit of the company.

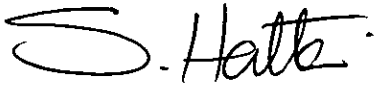
Directors

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

AH Dimery	Resigned 1 March 2010
R Wilkinson	Resigned 1 March 2010
EM Castle	Resigned 1 March 2010
T Jensen	Appointed 1 March 2010
S Hatton	Appointed 1 March 2010
T Urwin	Appointed 1 March 2010

In accordance with the company's Articles of Association the directors do not retire by rotation.

By order of the board



S Hatton
Secretary

Earl Road
Cheadle Hulme
SK8 6QG

16th June 2010

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 judgments 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Profit and loss account
for the year ended 31 December 2009

	Notes	2009 £000	2008 £000
Operating loss	2	-	(41)
		<hr/>	<hr/>
		-	(41)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		-	(41)
		<hr/>	<hr/>
Tax on profit on ordinary activities	4	-	-
Loss on ordinary activities after taxation		-	(41)
		<hr/>	<hr/>
Retained loss for the year	7	-	(41)
		<hr/>	<hr/>

The accompanying notes on pages 5 to 7 form an integral part of these financial statements

During the current year the company received no income and incurred no expenditure. Consequently, during that year, the company has made neither a profit nor a loss.

There were no recognised gains and losses other than those reflected in the above profit and loss account.

Balance sheet
as at 31 December 2009

	<i>Notes</i>	2009 £000	2009 £000	2008 £000	2008 £000
Current assets					
Debtors		-		-	
Net current assets			-		-
Total assets less current liabilities			-		-
Net assets			-		-
Capital and reserves					
Called up share capital	5		34		34
Capital reserve	6		7		7
Profit and loss account	6		(41)		(41)
Equity shareholders' funds	7		-		-

The accompanying notes on pages 5 to 7 form an integral part of these financial statements

The directors

(a) confirm that the company was entitled to exemption under subsections (1) and (2) of section 480 of the Companies Act 2006 from the requirement to have its accounts for the financial year ended 30 June 2009 audited

(b) confirm that members have not required the company to obtain an audit of its accounts for that financial year in accordance with section 476 of that Act

(c) acknowledge their responsibilities for

(i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Companies Act 2006, and

(ii) preparing accounts which give a true and fair view of the assets, liabilities, and financial position of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of sections 393 and 394 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company

These financial statements were approved by the board of directors on 16th June 2010 and were signed on its behalf by



T Urwin
 Director

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets, and in accordance with applicable accounting standards

The company has taken the exemption, under s400 of the Companies Act 2006, from preparing consolidated accounts. Consolidated accounts have been prepared by the ultimate parent undertaking of the company, BASF SE, a company incorporated in Germany.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement as the company is a wholly owned subsidiary undertaking of a company incorporated in Germany and a consolidated cash flow statement is included in that company's financial statements, which are publicly available.

Going Concern

After making all appropriate enquires, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the company's financial statements.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, at a future date at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary.

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 substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2 Net operating expense

	2009 £000	2008 £000
Administration	-	41
	<hr/>	<hr/>
	-	41
	<hr/>	<hr/>

Notes to the financial statements *(continued)*

3 Operating loss on ordinary activities

The auditor's remuneration of £1,000 (2008 £1,000) was borne by BASF Performance Products plc, a subsidiary undertaking, in both years

Directors' remuneration was borne by BASF Performance Products plc in both years. Full details are available in the financial statements of that company

4 Tax on profit on ordinary activities

	2009 £000	2008 £000
Current tax		
UK corporation tax	-	-
Adjustments in respect of prior years	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
Total tax (credit) / charge on ordinary activities	-	-
	<hr/>	<hr/>

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

	2009 £000	2008 £000
Loss on ordinary activities before tax	-	(41)
	<hr/>	<hr/>
Tax on ordinary activities at standard UK corporation tax rate of 28 % (2007 30%)	-	(12)
Effects of		
Expenses not deductible for tax purposes	-	22
Group relief claimed before payment	-	(10)
	<hr/>	<hr/>
Current tax charge for period	-	-
	<hr/>	<hr/>

5 Called up share capital

	2009 £000	2008 £000
Authorised		
100,000 Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid		
34,185 Ordinary shares of £1 each	34	34
	<hr/>	<hr/>

Notes to the financial statements *(continued)*

6 Reserves

	Capital Reserve £000	Profit and loss account £000
At 1 January 2009	7	(41)
Loss for the year	-	-
Equity dividends paid	-	-
	<hr/>	<hr/>
At 31 December 2009	7	(41)
	<hr/>	<hr/>

7 Reconciliation of movements in equity shareholders' funds

	2009 £000	2008 £000
Loss for the financial year	-	(41)
Opening equity shareholders funds	-	1 347
Equity dividends paid	-	(1,306)
	<hr/>	<hr/>
Closing equity shareholders' funds	-	-
	<hr/>	<hr/>

8 Ultimate parent undertaking and controlling party

The immediate parent undertaking of the company is Ciba UK Investment plc, a company incorporated in England and Wales

The directors consider that the ultimate parent company is BASF Societas Europaea (BASF SE), a company incorporated in Germany. This represents a change in the year from the previous ultimate parent company, Ciba Holding Inc

BASF SE is the parent undertaking of the smallest group of which Ciba Specialty Chemicals (RC-GB) Limited is a member and for which group financial statements are drawn up. Copies of these group financial statements are available from Press Office, BASF SE, 67056 Ludwigshafen, Germany

As a subsidiary undertaking of BASF SE, the company has taken advantage of the exemption in FRS 8 "Related Party Disclosures" not to disclose transactions with other members of the group