

Registration number: 3101747

# Air Products Group Limited

trading as Air Products Group

Annual Report and Financial Statements

for the Year Ended 30 September 2017

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## **Air Products Group Limited**

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## **Air Products Group Limited**

### **Directors' Report for the Year Ended 30 September 2017**

The directors present their report and the financial statements for the year ended 30 September 2017.

#### **Directors of the company**

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

R. Boocock

C. Stinner

G. Weigard

#### **Principal activity**

The principal activity of the company is Air Products Group Limited is a holding company. Its principal subsidiaries' activities are the manufacture and sale of industrial gases and related products for their production and use. The principal risks of the company relate to the value of the investment in subsidiaries and the trading risks within those subsidiaries.

#### **Results and dividend**

On 6th May 2016, the Board of Directors of the Company's ultimate parent, Air Products & Chemicals, Inc., announced the intention to sell its performance materials division to Evonik Industries AG. The transaction was concluded on 3rd January 2017. As a result, the subsidiary Air Products Chemicals Limited was divested from the Air Products group recognising a gain on disposal in the current year of £252,149,000.

The profit for the year ended 30 September 2017 was £247,319,000 (2016: £1,861,000 loss). The company received a £16,000,000 dividend (2016: £23,573,000 dividend) in the year. The directors recommend no dividend for 2017 (2016: £2,200,000).

#### **Policy and practice on payment of creditors**

The group policy on the payment of creditors is to settle the terms of the payment with those suppliers when agreeing the terms of each transaction; ensure that those suppliers are made aware of the terms of the payment and abide by the terms of payment.

#### **Political donations**

The company made no political contributions during the year.

#### **Employees**

The company has no employees.

#### **Strategic Report**

The company has taken advantage of the exemption contained in section 414B of the Companies Act 2006 not to prepare a Strategic Report

## **Air Products Group Limited**

### **Directors' Report for the Year Ended 30 September 2017**

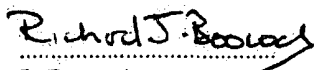
#### **Disclosure of information to the auditors**

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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

#### **Reappointment of auditors**

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 22 June 2018 and signed on its behalf by:



R. Boocock  
Director

## **Air Products Group Limited**

### **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), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and 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.

## **Air Products Group Limited**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIR PRODUCTS GROUP LIMITED**

#### **Opinion**

We have audited the financial statements of Air Products Group Limited ("the company") for the year ended 30 September 2017 which comprise the Profit & Loss Account, Statement of Comprehensive Income, Balance Sheet and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### **Going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

#### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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; or

- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

#### **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

The purpose of our audit work and to whom we owe our responsibilities

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.

*Malcolm Footer*

Malcolm Footer (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
London  
E14 5GL

22 June 2018

# Air Products Group Limited

## Profit and Loss Account for the Year Ended 30 September 2017

	Note	2017 £ 000	2016 £ 000
Turnover		-	-
Administrative expenses		(11)	(22)
<b>Operating loss</b>	2	(11)	(22)
Income from other fixed asset investments	4	16,000	23,573
Other interest receivable and similar income	5	4,021	54,993
Interest payable and similar expenses	6	(24,819)	(80,061)
Gain on sale of fixed asset investment		252,149	-
<b>Profit/(loss) before tax</b>		247,340	(1,517)
Taxation	7	(21)	(344)
<b>Profit/(loss) for the financial year</b>		247,319	(1,861)

The notes on pages 10 to 18 form an integral part of these financial statements.



**Air Products Group Limited**

**Statement of Comprehensive Income for the Year Ended 30 September 2017**

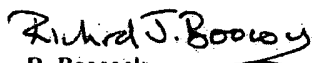
	Note	2017 £ 000	2016 £ 000
Profit/(loss) for the year		247,319	(1,861)
Total comprehensive income for the year		247,319	(1,861)

The notes on pages 10 to 18 form an integral part of these financial statements.

**Air Products Group Limited**  
**(Registration number: 3101747)**  
**Balance Sheet as at 30 September 2017**

	Note	2017 £ 000	2016 £ 000
<b>Fixed assets</b>			
Investments	8	653,018	709,430
<b>Current assets</b>			
Debtors	9	34,016	69,140
Cash at bank and in hand		147,486	10
		<u>181,502</u>	<u>69,150</u>
Creditors: Amounts falling due within one year	10	<u>(8,820)</u>	<u>(241,631)</u>
<b>Net current assets/(liabilities)</b>		<u>172,682</u>	<u>(172,481)</u>
<b>Total assets less current liabilities</b>		<b>825,700</b>	<b>536,949</b>
Creditors: Amounts falling due after more than one year	10	(255,894)	(307,308)
<b>Provisions for liabilities</b>		<u>(2,846)</u>	<u>-</u>
<b>Net assets</b>		<u>566,960</u>	<u>229,641</u>
<b>Capital and reserves</b>			
Called up share capital	12	167,204	77,204
Other reserves	13	55,163	55,163
Profit and loss account	13	<u>344,593</u>	<u>97,274</u>
<b>Total equity</b>		<u>566,960</u>	<u>229,641</u>

These financial statements were approved by the board of directors on 22<sup>nd</sup> June 2018 and were signed on its behalf by:

  
**R. Boocock**  
*Director*

Company Registration Number 3101747

# Air Products Group Limited

## Statement of Changes in Equity for the Year Ended 30 September 2017

	Share capital £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2015	77,204	55,163	101,335	233,702
Loss for the year	-	-	(1,861)	(1,861)
Total comprehensive loss	-	-	(1,861)	(1,861)
Dividends	-	-	(2,200)	(2,200)
At 30 September 2016	77,204	55,163	97,274	229,641
	Share capital £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2016	77,204	55,163	97,274	229,641
Profit for the year	-	-	247,319	247,319
Total comprehensive income	-	-	247,319	247,319
New share capital subscribed	90,000	-	-	90,000
At 30 September 2017	167,204	55,163	344,593	566,960

The notes on pages 10 to 18 form an integral part of these financial statements.

**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

**1 Accounting policies**

**Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied.

The company has adopted FRS 102 for the first time in these financial statements. All adjustments necessary to prior year results are explained in note 17.

The presentation currency of these financial statements is sterling. The amounts are presented in £1,000

**Basis of preparation**

These financial statements are prepared on a going concern basis. The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

**Measurement convention**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

**Summary of disclosure exemptions**

Under FRS 102 paragraph 1.12(b) the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a qualifying entity and its parent company, Air Products & Chemicals Inc, includes the company in its own published consolidated financial statements. The Company is also exempt from the requirement to prepare a cash flow statement, under FRS102, section 1A, on the grounds of its size.

As the company is a wholly owned subsidiary of Air Products & Chemicals Inc, the company has taken advantage of the exemption contained in FRS 102 paragraph 33.1(a) and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Air Products & Chemicals Inc, within which this company is included, can be obtained from the company's registered office.

The largest and smallest group in which the results of the company are consolidated is that headed by Air Products and Chemicals, Inc., the ultimate controlling party and a company incorporated in the State of Delaware, USA. The consolidated financial statements of this group are available to the public and may be obtained from:

Corporate Secretary  
Air Products and Chemicals, Inc  
7201 Hamilton Boulevard  
Allentown  
Pennsylvania 18195 – 1501.

**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

**Going concern**

The directors have a reasonable expectation that the company has adequate resources 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.

The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its subsidiaries.

**Fixed asset investments**

Investments in subsidiary undertakings, associates and joint ventures are stated at cost less any provision for impairment.

**Impairment of fixed assets**

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

*Calculation of recoverable amount*

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

*Reversals of impairment*

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.

**Foreign currency transactions and balances**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date, and the gains or losses on translation are included in the profit and loss account. If the transaction is hedged forward, the gains or losses arising on completion of this contract are recognised on the date of completion in the profit and loss account.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

**Financial instruments**

**Classification**

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

**Recognition and measurement**

**Basic financial instruments**

**Other debtors / creditors**

Other debtors are recognised initially at transaction price less attributable transaction costs. Other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

**Investments in subsidiaries, jointly controlled entities and associates**

These are separate financial statements of the company. Investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment, with net revaluation gains recognised in OCI and net revaluation losses in profit or loss.

**Other financial instruments**

**Financial instruments not considered to be Basic financial instruments (Other financial instruments)**

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

**Derivative financial instruments**

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

**Taxation**

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

**2 Operating profit**

Arrived at after charging/(crediting)

<b>2017</b>	<b>2016</b>
<b>£ 000</b>	<b>£ 000</b>

**Auditor's remuneration**

Audit of these financial statements

19	24
<u>19</u>	<u>24</u>

**3 Directors' remuneration**

Directors received no emoluments in connection with their services as a director of the company during the year (2016: £nil).

**4 Income from other fixed asset investments**

<b>2017</b>	<b>2016</b>
<b>£ 000</b>	<b>£ 000</b>

Dividends from fixed asset instruments

<u>16,000</u>	<u>23,573</u>
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**5 Other interest receivable and similar income**

<b>2017</b>	<b>2016</b>
<b>£ 000</b>	<b>£ 000</b>

Gain on derivative financial instruments

2,466	54,991
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Interest income

1,330	2
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Other foreign exchange gains

225	-
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<u>4,021</u>	<u>54,993</u>
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**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

**6 Interest payable and similar expenses**

	2017 £ 000	2016 £ 000
Foreign exchange loss on cash and cash equivalents	12,769	-
Foreign exchange loss on loans from group companies	1,363	57,055
Other finance expense	1,386	6,945
Interest payable to group companies	9,301	16,061
	<u>24,819</u>	<u>80,061</u>

**7 Taxation**

Analysis of charge in period:

	2017 £ 000	2016 £ 000
<i>UK corporation tax</i>		
Current tax on income for the period	(31)	-
Adjustments in respect of prior periods	(17)	295
Total current tax	(48)	295
Foreign tax	51	-
Total current income tax	<u>3</u>	<u>295</u>
<b>Deferred taxation</b>		
Origination/reversal of timing differences	18	18
Effect of changes in tax rates	-	31
Total deferred taxation	<u>18</u>	<u>49</u>
Tax expense in the income statement	<u>21</u>	<u>344</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2016 - lower than the standard rate of corporation tax in the UK) of 19.5% (2016 - 20%).

The differences are reconciled below:



**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

	2017 £ 000	2016 £ 000
Profit/(loss) before tax	247,340	(1,517)
Corporation tax at standard rate	48,231	(303)
Effect of expense not deductible in determining taxable profit (tax loss)	(52,444)	(4,715)
Effect of foreign tax rates	51	-
(Decrease)/increase in UK and foreign current tax from unrecognised temporary difference from a prior period	(17)	295
Tax decrease from other short-term timing differences	-	(21)
Tax increase arising from group relief	4,202	5,088
Other tax effects for reconciliation between accounting profit and tax expense (income)	(2)	-
Total tax charge	21	344

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective 1 April 2020) was substantively enacted on 15 September 2016.

**Deferred tax**

Deferred tax assets and liabilities

	Asset £ 000
<b>2017</b>	
At beginning of year	158
Charge to the profit and loss for the year	(18)
Effect of change in tax rate	-
	140
<b>2016</b>	
At beginning of year	207
Charge to the profit and loss for the year	(18)
Effect of change in tax rate	(31)
	158

**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

**8 Investments in subsidiaries, joint ventures and associates**

**Details of undertakings**

<b>Cost</b>	<b>2017</b>
	<b>£ 000</b>
At 1 October	709,430
Additions	2,282
Disposals	(58,694)
At 30 September	<u>653,018</u>

Details of the investments the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Air Products (BR) limited	Great Britain	Directly	100%	100%
Air Products PLC	Great Britain	Directly	100%	100%
Air Products Ireland Limited	Ireland	Indirectly	100%	100%
Air Products (Chemicals) Teesside Limited	Great Britain	Directly	100%	100%
Prodair Services Limited	Great Britain	Indirectly	100%	100%
Air Products Renewable Energy Limited	Great Britain	Indirectly	100%	100%
Air Products Yanbu Limited	Great Britain	Directly	100%	100%
Cryoservice Limited	Great Britain	Directly	100%	100%
Gas Direct Ltd	Great Britain	Indirectly	100%	100%
Joint ventures				
Air Products Llanwern	Great Britain	Indirectly	50%	50%
Associates				
Inversiones Air Products Holdings Limitada	Chile	Directly	11.5%	21%
Air Products and Chemicals de Mexico, S.A. de C.V.	Great Britain	Indirectly	21%	21%

**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

<b>9 Debtors</b>	<b>2017 £ 000</b>	<b>2016 £ 000</b>
Amounts owed by group undertakings	-	124
Other debtors	-	1,500
Deferred tax assets	140	158
Income tax asset	48	-
Derivative Financial Instruments	<u>33,828</u>	<u>67,358</u>
	<u>34,016</u>	<u>69,140</u>

**10 Creditors**

	<b>2017 £ 000</b>	<b>2016 £ 000</b>
<b>Due within one year</b>		
Amounts owed to group undertakings	8,801	241,606
Accruals and deferred income	<u>19</u>	<u>25</u>
	<u>8,820</u>	<u>241,631</u>
<b>Due after one year</b>		
Amounts owed to group undertakings	<u>255,894</u>	<u>307,308</u>

**11 Financial instruments**

**Categorisation of financial instruments**

	<b>2017 £ 000</b>	<b>2016 £ 000</b>
Financial assets measured at fair value through profit or loss	<u>33,828</u>	<u>67,358</u>
	<u>(33,828)</u>	<u>(67,358)</u>

The fair value of derivative financial instruments is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

**Air Products Group Limited**  
**Notes to the Financial Statements for the Year Ended 30 September 2017**

**12 Share capital**

**Allotted, called up and fully paid shares**

	2017		2016	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares A of £1 each	167,204	167,204	77,204	77,204

**13 Reserves**

The changes to each component of equity resulting from items of other comprehensive income for the current year were as follows:

	Other Reserves £ 000	Retained earnings £ 000
At beginning of year	97,274	97,274
Profit for the financial year	247,319	247,319
<b>At end of year</b>	<b>344,593</b>	<b>344,593</b>

During the year the company issued 90,000,000 £1 ordinary shares for a consideration of £90,000,000

**14 Ultimate parent company and parent undertaking of larger group**

The company is a subsidiary undertaking of Air Products and Chemicals Inc, which is the ultimate parent company incorporated in Delaware, USA.

The largest group in which the results of the company are consolidated is that headed by Air Products and Chemicals, Inc., the ultimate controlling party and a company incorporated in the State of Delaware, USA. The consolidated financial statements of this group are available to the public and may be obtained from:

Corporate Secretary  
Air Products and Chemicals, Inc  
7201 Hamilton Boulevard  
Allentown  
Pennsylvania 18195 - 1501

**15 Post balance sheet events**

In April 2018 the company distributed a dividend of £107,028,000.00 to its shareholders.