

**Ciba Specialty Chemicals Overseas Limited**

**Directors' report and financial  
statements**

Registered Number 3647915

Year ended 31 December 2012



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## **Directors' report**

The directors present their annual report and financial statements for the year ended 31 December 2012

### **Principal activity**

The principal activity of the company is that of an investment holding company

### **Results and dividends**

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.

### **Financial Risks**

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.

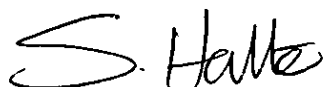
### **Directors**

The directors who held office during the year were as follows

T Jensen  
S Hatton  
T Urwin

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

## **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.

**Balance sheet**  
*as at 31 December 2012*

	<i>Notes</i>	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
<b>Fixed assets</b>			
Investments	4	2,765,000	2,765,000
<b>Total assets less current liabilities</b>		<b>2,765,000</b>	<b>2,765,000</b>
<b>Creditors</b> amounts falling due after more than one year	5	<b>(2,764,999)</b>	<b>(2,764,999)</b>
<b>Net assets</b>		<b>1</b>	<b>1</b>
<b>Capital and reserves</b>			
Called up equity share capital	6	1	1
Profit and loss account	7	-	-
<b>Equity shareholders' funds</b>	8	<b>1</b>	<b>1</b>

The accompanying notes on pages 4 to 7 form an integral part of this balance sheet

**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 31 December 2012 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 22/2/13 and were signed on its behalf by



**T Urwin**  
*Director*

## Notes to the financial statements

### 1 Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year is set out below

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention 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.

#### *Investments*

Except as stated below, fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

In the balance sheet, for investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored.

#### *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.

## Notes to the financial statements (continued)

### 2 Operating profit on ordinary activities

The Directors of the Company are employed by other subsidiaries within the group and do not take any remuneration from the Company

### 3 Tax on profit on ordinary activities

	2012 £	2011 £
<b>Current tax</b>		
UK corporation tax charge	-	-
Adjustments in respect of prior years	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
Adjustments in respect of prior years	-	-
<b>Total tax charge on profit on ordinary activities</b>	<u>-</u>	<u>-</u>

The current tax charge for the period is lower (2011 lower) than the standard rate of corporation tax in the UK (24.5%, 2011 26.5%). The differences are explained below

	2012 £	2011 £
<b>Profit on ordinary activities before tax</b>	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 24.5% (2011 26.5%)	-	-
Effects of		
Taxable losses not based on accounts*	-	(4)
Group relief surrendered for nil consideration	-	4
Income not taxable	-	-
<b>Current tax charge for year</b>	<u>-</u>	<u>-</u>

\*For UK corporation tax purposes, it is necessary to impute interest income on non-interest bearing intra-group balances. To the extent that the interest income is imputed in the lending company, it is possible to claim a corresponding adjustment in the borrowing company

## Notes to the financial statements *(continued)*

### 4 Fixed asset investments

	Subsidiary undertakings £
<i>Cost</i>	
At 1 January 2012 and 31 December 2012	2,765,000
	<u>          </u>

At 31 December 2012 the company had investments in the following subsidiary undertakings

Name of undertaking	Country of incorporation	Principal activity	Holding	%
Ciba Specialty Chemicals Holding Nederland BV	The Netherlands	Holding Company	Ordinary	100

### 5 Creditors: amounts falling due after more than one year

	2012 £	2011 £
Amounts owed to group undertakings	2,764,999	2,764,999
	<u>          </u>	<u>          </u>

### 6 Called up share capital

	2012 £	2011 £
<i>Authorised</i>		
10,000,000 ordinary shares of £1 each	10,000,000	10,000,000
	<u>          </u>	<u>          </u>
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1 each	1	1
	<u>          </u>	<u>          </u>



## Notes to the financial statements *(continued)*

### 7 Reserves

	Profit and loss account £
At 1 January 2012 and 31 December 2012	-

### 8 Reconciliation of movements in equity shareholders' funds

	2012 £000	2011 £000
Profit for the financial year before dividends	-	-
Dividend paid	-	(2,764,999)
Net (deduction from)/additions to equity shareholders' funds	-	(2,764,999)
Opening equity shareholders' funds	1	2,765,000
Closing equity shareholders' funds	1	1

### 9 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

BASF SE is the parent undertaking of the smallest group of which Ciba Specialty Chemicals Water Treatments 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