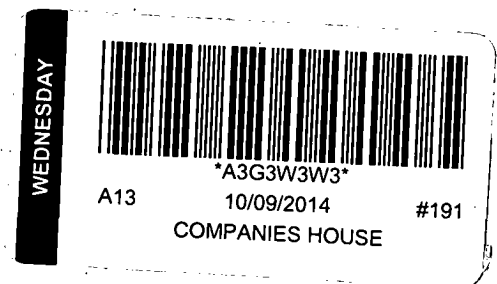


**Momentive Specialty Chemicals Stanlow Limited**

**Annual Report and Financial Statements**

**for the year ended 31 December 2013**



# **Momentive Specialty Chemicals Stanlow Limited**

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# **Momentive Specialty Chemicals Stanlow Limited**

## **Officers and professional advisers**

### **Directors**

N Seymour  
A Mertens

### **Secretary**

A Mertens

### **Registered office**

Sully Moors Road  
Penarth  
South Glamorgan  
United Kingdom  
CF64 5YU

### **Bankers**

CITIBANK  
Canary Wharf  
Citigroup Centre,  
Canada Square,,  
Canary Wharf,  
London  
E14 5LB

### **Solicitors**

Geldards LLP,  
Cardiff  
CF10 3ZF

### **Independent Auditors**

PricewaterhouseCoopers LLP  
1 Kingsway  
Cardiff  
CF10 3PW

# Momentive Specialty Chemicals Stanlow Limited

## Strategic Report for the year ended 31 December 2013

The directors present their Strategic Report on the Company for the year ended 31 December 2013.

### Review of business

Momentive Specialty Chemicals Stanlow continues to operate as a tolling entity, in which sales are made wholly to the Company's parent on a cost-plus basis. In June 2014 operations will cease as previously announced and provision has been made in these accounts for the costs associated with ceasing production, including site closure, clean-up costs and contract termination. As a result of the increased costs, under the tolling arrangement turnover increased in the year to £9,007,000 (2012: £3,527,000). The result for the year was a profit after taxation of £2,283,000 (2012: £764,000).

### General

In all Momentive operations product safety, employee health and safety, and environmental care are important elements in the development of the Company strategy. It is the responsibility of each Momentive Company to ensure that corporate environmental policy is put into practice. This includes protecting the environment by limiting the environmental impact of operations, meeting the requirements of legislation and training employees on environmental health and safety concerns. In order to remain competitive in the future economic environment, the Company will further change the mix from commodity to specialty products and continue to focus efforts around productivity and cost reductions in both manufacturing and services.

### Principal risks and uncertainties

The directors believe that the Company's activities expose it to a number of financial risks, mainly around raw material pricing risk. Raw materials pricing remains competitive and it is not always possible to pass directly any increases to the end customer due to contractual or competitors' pricing policies. Also the general economic environment continues to provide challenges to the business.

### Financial key performance indicators

The directors focus on operating profit and measures to improve overall profitability, including by changing the product mix from commodity to specialty products and continue to focus efforts around productivity and cost reductions in both manufacturing and service.

### Non-financial key performance indicators

The directors believe that the use of non-financial KPIs is not necessary for an understanding of the results and operations of the business.

This report was reviewed by the Board and signed on its behalf by:



**Arno Mertens**

Director

Date

6 August 2014

# **Momentive Specialty Chemicals Stanlow Limited**

## **Directors' report for the year ended 31 December 2013**

The directors present their Annual Report and the audited financial statements for the year ended 31 December 2013.

### **Principal activities**

The Company manufactures epoxy resins. The Company has a manufacturing agreement whereby the Company agreed to exclusively manufacture products for Momentive Specialty Chemicals BV.

### **Review**

The results for the financial year are set out in the profit and loss account on page 7. The retained profit for the financial year ended 31 December 2013 was £2,283,000 (2012: £764,000). The financial position of the Company at the year-end is set out in the balance sheet on page 8.

The directors expect the Company to perform satisfactorily during the forthcoming financial year, although note that from 30 June 2014 production will cease.

### **Future developments**

During June 2013 it was announced that the Stanlow production facility will close when production ceases on or around 30 June 2014. The directors estimate that a provision of £3.6m is required in respect of the costs associated ceasing production, including site closure, clean-up costs and contract termination. In addition, any remaining fixed assets when production ceases will be transferred at net book value to other entities within the Group where they will continue to be used.

### **Health and safety**

In all of Momentive operations product safety, employee health and safety, and environmental care are important elements in the development of the Company strategy. It is the responsibility of each Momentive Company to ensure that corporate environmental policy is put into practice. This includes protecting the environment by limiting the environmental impact of operations, meeting the requirements of legislation and training employees on environmental health and safety concerns.

### **Directors**

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

N Seymour      (appointed 12 July 2012)  
A Mertens      (appointed 12 July 2012)

The directors do not have an insurance policy in place to provide them with indemnity cover.

### **Dividends**

The directors do not recommend the payment of a dividend for the year ended 31 December 2013 (2012: £nil).

### **Political and charitable donations**

The Company made no political or charitable donations in the year (2012: £nil).

### **Going concern**

After making enquiries, the directors confirm that the going concern basis has been adopted in preparing the Directors report and financial statements. See Note 1.

# Momentive Specialty Chemicals Stanlow Limited

## Directors' report for the year ended 31 December 2013 (continued)

### Directors' Responsibilities Statement

The directors are responsible for preparing the Strategic Report, 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 prepared 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;
- 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.

### Disclosure of information to auditors

Each of the persons who are directors at the time this Directors' report is approved have confirmed that:

- so far as that director is aware, there is no relevant audit information (i.e. information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware; and
- that the director has taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the annual general meeting. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

On behalf of the board



**Arno Mertens**  
Director

# **Momentive Specialty Chemicals Stanlow Limited**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOMENTIVE SPECIALTY CHEMICALS STANLOW LIMITED**

### **Report on the financial statements**

#### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

This opinion is to be read in the context of what we say in the remainder of this report.

#### **What we have audited**

The financial statements, which are prepared by Momentive Specialty Chemicals Stanlow Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the accounting policies; and
- the notes to the financial statements, which include a summary of the significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 and financial statements (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.

# Momentive Specialty Chemicals Stanlow Limited

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOMENTIVE SPECIALTY CHEMICALS STANLOW LIMITED (continued)

### Opinion on other matter 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.

### Other matters on which we are required to report by exception

#### Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

#### Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### Responsibilities for the financial statements and the audit

#### Our responsibilities and those of the directors

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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Jason Clarke (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cardiff

6 August 2014



# Momentive Specialty Chemicals Stanlow Limited

## Profit and loss account for the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Turnover	2	9,007	3,527
Cost of sales		-	-
<b>Gross profit</b>		<b>9,007</b>	<b>3,527</b>
Administrative expenses	3	(3,202)	(2,716)
Closure provision	14	(3,594)	-
<b>Operating profit</b>	3	<b>2,211</b>	<b>811</b>
Interest receivable and similar income	6	304	506
Interest payable and similar charges	7	(228)	(581)
<b>Profit on ordinary activities before taxation</b>		<b>2,287</b>	<b>736</b>
Tax on profit on ordinary activities	8	(4)	28
<b>Retained profit for the financial year</b>	16, 17	<b>2,283</b>	<b>764</b>

All results derive from continuing operations in both the current and prior financial year.

The Company has no recognised gains and losses for the current or the prior financial year other than those included in the results above, and therefore, no separate statement of total recognised gains and losses has been presented.

There is no material difference between the results shown on a historic cost basis and those shown above in both the current and prior financial year.

The notes on pages 9 to 16 form part of these financial statements.

# Momentive Specialty Chemicals Stanlow Limited

## Balance sheet as at 31 December 2013

	Note	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Tangible assets	9	694	812
<b>Current assets</b>			
Debtors	11	14,532	6,349
		14,532	6,349
<b>Creditors - Amounts falling due within one year</b>	12	(250)	(384)
<b>Net current assets</b>		14,282	5,965
<b>Total assets less current liabilities</b>		14,976	6,777
<b>Creditors: amounts falling due after more than one year</b>	13	(7,956)	(5,634)
<b>Provisions for liabilities</b>		(3,594)	-
<b>Net assets</b>		3,426	1,143
<b>Capital and reserves</b>			
Called up share capital	14	-	-
Profit and loss account	15	3,426	1,143
<b>Total equity shareholders' funds</b>	16	3,426	1,143

The financial statements on pages 7 to 16 were approved and authorised for issue by the Board and were signed on its behalf on 6 August 2014 by:



**Arno Mertens**  
Director

The notes on pages 9 to 16 form part of these financial statements

# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013

### 1 Accounting policies

#### Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with the Companies Act 2006, on the basis of historic cost and in accordance with applicable accounting standards in the United Kingdom. The principal accounting policies, that have been consistently applied, are set out below.

#### Going concern

The directors have considered the twelve month period from the date of approval of these financial statements and are satisfied that the Company remains a going concern. The parent company has provided a letter of support to ensure the Company can meet its debts as they fall due. In accordance with the Momentive Specialty Chemicals group's restructuring plans, the Company ceased trading on 30 June 2014 and the costs associated with ceasing production have been reflected in these financial statements (see Note 14). No adjustments were necessary in these financial statements to reduce assets to their realisable values, or to reclassify fixed assets and long-term liabilities as current assets and liabilities.

#### Turnover

Momentive Specialty Chemicals Stanlow Limited is remunerated by a group company under a tolling contract that includes a mark-up on cost and the reimbursement of other fixed and variable cost. Income is recognised on a monthly basis as costs are incurred.

#### Foreign currencies

Income and expense items denominated in foreign currencies have been expressed in Sterling at the rate ruling on their transaction date. Monetary assets and liabilities recorded in foreign currencies have been expressed in Sterling at the rates of exchange ruling on the balance sheet date. Differences on transaction are included in the profit and loss account.

#### Cash flow statement

The Company has adopted FRS1 and consequently claims exemption from the preparation of a cash flow statement in accordance with the provisions of that standard. The Company's cash flows are included within the group financial statements of Momentive Specialty Chemicals Inc.

#### Tangible fixed assets and depreciation

Tangible fixed assets are included at purchase cost, including any installation costs, less accumulated depreciation. Depreciation is provided to write off historic cost and is calculated on a straight line basis over the estimated useful lives as follows:

Plant and machinery	5-10% per annum
---------------------	-----------------

Assets which are in the course of construction at the year-end are included at cost. No depreciation is provided for these assets until they are complete.

#### Stocks

The Company holds materials under the terms of the manufacturing agreement with its parent Company, Momentive Specialty Chemicals BV, in the ordinary course of business. Momentive Specialty Chemicals BV procure all raw materials required for production by the Company and retains ownership of these throughout the manufacturing process. Momentive Specialty Chemicals BV, retains title and bears all the risks and rewards over the materials and as such the Company does not recognise stock on its balance sheet.

# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 1 Accounting policies (continued)

#### Taxation and deferred taxation

Corporation tax is provided on the assessable profits of the Company at the appropriate rates in force.

Deferred tax is provided 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.

Deferred tax assets are recognised to the extent that it is more likely than not that there will be suitable taxable profits in the future against which the deferred tax asset can be offset. Deferred tax is measured at the 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 substantively enacted by the balance sheet date. Deferred tax balances are not discounted.

#### Pension Costs

Momentive Specialty Chemicals UK Limited operates a defined contribution scheme on behalf of the Company. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the year, which are recharged from Momentive Specialty Chemicals UK Limited.

#### Operating Leases

Rentals paid under any operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease. These are reimbursed in full by the parent Company, Momentive Specialty Chemicals BV.

#### Closure provisions

Closure costs are an estimate of costs to be incurred when the Company ceases production. The directors have estimated the provision based upon an internal assessment of the costs associated with ceasing production, including site closure, clean-up costs and contract termination.

### 2 Turnover

Details of the destination of sales are given below:

	2013 £'000	2012 £'000
The Netherlands	9,007	3,527
	9,007	3,527

Momentive Specialty Chemicals Stanlow Limited is remunerated from a Group Company under a tolling contract that includes a mark-up on cost, and the reimbursement of other fixed and variable costs.

# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 3 Operating profit

	2013 £'000	2012 £'000
<b>Operating profit is stated after charging / (crediting):</b>		
Operating lease rentals - other	10	9
Depreciation of own fixed assets (Note 9)	118	122
Loss on retranslation of foreign currencies	108	39
<b>Services provided by the Company's auditor and its associates</b>		
Audit services	10	10
Non audit services	-	-

All costs incurred by the Company in the year were recharged to its parent Company, Momentive Specialty Chemicals BV and have been included in the tolling agreement in order to calculate turnover.

### 4 Directors

No remuneration has been paid to the directors for their services to the Company as directors during the year (2012: nil). The directors were remunerated by other group companies for their services to the group as a whole during both years.

### 5 Employee information

The average monthly number of persons (excluding executive directors) employed by the Company during the year was 2, being administration staff (2012: 2). All payroll costs are incurred by Momentive Specialty Chemicals UK Limited and are recharged to the Company.

The aggregate payroll costs recharged to the Company were:

	2013 £'000	2012 £'000
Wages and salaries	152	147
Social security costs	19	18
Other pension costs (Note 18)	28	29
	199	194

# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 6 Interest receivable and similar income

	2013	2012
	£'000	£'000
Interest receivable on amounts owed by group undertakings	304	506

### 7 Interest payable and similar charges

	2013	2012
	£'000	£'000
Interest payable on amounts owed to group undertakings	(228)	(581)

### 8 Tax on profit on ordinary activities

#### (a) Analysis of charge in the year

	2013	2012
	£'000	£'000
Current tax	-	-
Deferred tax (charge)/credit	(4)	28
	(4)	28

Factors that may affect future tax charges:

The March 2013 Budget Statement announced changes to the UK Corporation tax rates that were substantively enacted as part of the Finance Bill 2013 on 2 July 2013. These reduced the main rate of corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015. As the changes have been substantively enacted at the balance sheet date their effects are included in these financial statements and accordingly deferred tax has been calculated using a rate of 20%.

# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 8 Tax on profit on ordinary activities (continued)

#### (b) Factors affecting current tax charge

The tax charge for the year is different to the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%).

The differences are explained below:

	2013 £'000	2012 £'000
Profit on ordinary activities before taxation	2,287	736
Profit on ordinary activities multiplied by the standard rate in the UK of 23.25% (2012: 24.5%)	532	180
Expenses not deductible for tax	3	-
Capital allowances in excess of depreciation	(5)	(13)
Utilisation of tax losses	(195)	-
Group relief	(335)	(167)
<b>Current tax charge for the year</b>	<b>-</b>	<b>-</b>

#### (c) Analysis of deferred tax balance for the year

The balance is made up of:

	2013 £'000	2012 £'000
Opening deferred tax asset/(liability)	1	(27)
(Charge)/Credit to the profit and loss	(4)	28
Closing deferred tax asset/(liability)	(3)	1
Deferred tax asset/(liability) at 31 December comprises:		
Accelerated capital allowances and other timing differences	(3)	1

# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 9 Tangible fixed assets

	Plant and Machinery £'000
<b>Cost</b>	
At 1 January 2013	1,589
Additions	-
<b>At 31 December 2013</b>	<b>1,589</b>
<b>Accumulated Depreciation</b>	
At 1 January 2013	777
Charge for the year	118
<b>At 31 December 2013</b>	<b>895</b>
<b>Net book value</b>	
<b>At 31 December 2013</b>	<b>694</b>
At 31 December 2012	812

Included within tangible fixed assets are assets in the course of construction. The net book value of these assets at the year-end is £nil (2012: £nil).

### 10 Stock

The Company holds materials under the terms of the manufacturing agreement with its parent company, Momentive Specialty Chemicals BV, in the ordinary course of business. Momentive Specialty Chemicals BV procure all raw materials required for production by the Company and retains ownership of these throughout the manufacturing process. The value of such stock, at cost, which has been excluded from the balance sheet amounted to £751,548 (2012: £914,454).

### 11 Debtors

	2013 £'000	2012 £'000
Amounts owed by group undertakings	14,376	6,210
Other debtors	13	-
Taxation	143	138
Deferred tax asset (Note 8)	-	1
	<b>14,532</b>	<b>6,349</b>

Included within amounts owed by group undertakings are amounts of £13,263,407 (2012: £4,452,647) due in more than one year and bear interest at a rate of 3.8075% with a fixed maturity date of 1<sup>st</sup> January 2015. The remainder of amounts owed by group undertakings are unsecured, interest free and have no fixed repayment terms.



# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

### 12 Creditors – Amounts falling due within one year

	2013 £'000	2012 £'000
Trade creditors	228	274
Amounts owed to group undertakings	-	74
Accruals and deferred income	19	36
Deferred tax liability (Note 8)	3	-
	<b>250</b>	<b>384</b>

### 13 Creditors – Amounts falling due after more than one year

	2013 £'000	2012 £'000
Amounts owed to group undertakings	<b>7,956</b>	<b>5,634</b>

All amounts owed to group undertakings are loans of £7,956,135 (2012: £5,634,461) that are unsecured, bear interest at 3.8075% and have a maturity date of 1<sup>st</sup> January 2015. Subsequent to the year end, other group companies have confirmed that the loans will not be called for repayment until at least December 2015.

### 14 Provisions for liabilities

	2013 £'000	2012 £'000
Closure provision	<b>3,594</b>	-

It was announced in 2013 that the Stanlow production facility will close when production ceases on 30 June 2014. The directors have estimated that a provision of c.£3.6m will be required in respect of the costs associated with ceasing production, including site closure, clean-up costs and contract termination. Any remaining fixed assets when production ceases will be transferred at net book value to other group companies where they will continue to be used. These assets are stated at their recoverable amount.

### 15 Called up share capital

	2013 £	2012 £
<b>Authorised, allotted and fully paid</b>		
2 (2012: 2) ordinary shares of £1 each	<b>2</b>	<b>2</b>

### 16 Profit and loss account

# Momentive Specialty Chemicals Stanlow Limited

## Notes to the financial statements for the year ended 31 December 2013 (continued)

	£'000
At 1 January 2013	1,143
Profit for the financial year	2,283
<b>At 31 December 2013</b>	<b>3,426</b>

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

	2013 £'000	2012 £'000
Profit for the financial year	2,283	764
Opening equity shareholders' funds	1,143	379
<b>Closing equity shareholders' funds</b>	<b>3,426</b>	<b>1,143</b>

### 18 Pension Costs

The Company participated in a defined contribution pension scheme during the year. Costs that have been incurred of £28,039 (2012: £28,586) under this scheme by the Company in the year have been fully recharged to the parent Company, Momentive Specialty Chemicals BV. There are no prepaid or outstanding amounts at the year-end (2012: nil).

### 19 Financial commitments

At 31 December 2013 the Company has no annual commitments under non-cancellable operating leases (2012: nil).

### 20 Related party transactions

The Company claims exemption from disclosing transactions with members of the group headed by Momentive Specialty Chemicals Inc. in accordance with the exemptions contained in paragraph 3(c) of FRS 8, as it is a 100% subsidiary of that group whose financial statements are publicly available.

### 21 Ultimate parent undertaking

The Company's immediate parent is Momentive Specialty Chemicals BV. The ultimate parent undertaking and controlling party is Momentive Specialty Chemicals Inc., a company incorporated in the USA. Copies of the consolidated financial statements of Momentive Specialty Chemicals Inc. can be obtained from 180 E. Broad St. Columbus OH 43215, USA. At 31 December 2013 the ultimate controlling entity was considered to be Apollo Management, LP, a private investment firm based in the USA.