

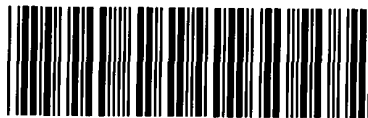
**PRIMAGRAPHS (HOLDINGS) LIMITED**

**Annual Report and Financial Statements**

**for the year ended 31 December 2016**

Registered number: 03774448

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**PRIMAGRAPHICS (HOLDINGS) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2016**

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**PRIMAGRAPHS (HOLDINGS) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
DECEMBER 2016**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

R Shaw  
A Symonds  
G Tynan

**COMPANY SECRETARIES**

Reed Smith Corporate Services Limited  
H Jakubowitz  
R Shaw  
G Tynan  
M O'Casal  
P Ferdenzi

**REGISTERED OFFICE**

Cambridge House  
No. 2 Focus Four  
Fourth Avenue  
Letchworth Garden City  
Hertfordshire  
SG6 2TU

**INDEPENDENT AUDITOR**

Deloitte LLP  
Statutory Auditor  
Mountbatten House  
1 Grosvenor Square  
Southampton  
United Kingdom  
SO15 2BZ

## **PRIMAGRAPHS (HOLDINGS) LIMITED**

### **STRATEGIC REPORT**

The directors present their Strategic report for the year ended 31 December 2016. The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

#### **Principal activity**

The principal activity of the company is that of a holding company to Primagraphics Limited.

#### **Review of the business**

The directors report a result after tax of nil (2015: nil), which is in line with expectations. The directors do not recommend payment of a dividend (2015: nil).

#### **Key performance indicators**

The key performance indicator is the value of the investment in Primagraphics Limited, given that the company's principal activity is that of a holding company. The carrying value of the investment at 31 December 2016 is £9,041,729 (2015: £9,041,729). The company suffered no investment impairment losses during the year ended 31 December 2016 (2015: nil).

#### **Principal risks and uncertainties**

As the principal asset of the company is its investment in Primagraphics Limited, the directors consider the principal risks and uncertainties facing the company to be equivalent to those facing Primagraphics Limited. A substantial portion of the revenue of Primagraphics Limited is dependent on the continued willingness of customers in the defence industry to buy their products and services. Reductions in defence industry spending may or may not have an adverse effect on programmes for which Primagraphics Limited provide products and services. Primagraphics Limited continues to seek opportunities within the market that will set them ahead of their competitors, whilst implementing cost reduction measures to bring stability to the bottom line. Competitive pressure is a continuing risk for Primagraphics Limited, which could result in it losing sales to its key competitors. Primagraphics Limited manages this risk by trading under the Curtiss-Wright brand name and by maintaining strong relationships with customers.

Further, Primagraphics Limited operates in a highly competitive market; this is a continuing risk. The decision of the United Kingdom to leave the EU is a risk that is being assessed by management but it is felt that our position in the global market will help to mitigate this risk. The company manages competitive risk by providing value added services and delivering high quality products to its customers.

#### **Financial risk management and policies**

The company has no significant outgoings. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company has access to intercompany borrowing facilities.

#### **Employees**

The company has no direct employees.

#### **Future developments**

The company will continue to act as a holding company. The level of activity is expected to continue at its present rate in the year ahead.

Approved by the Board of Directors and signed on behalf of the Board by:

  
A Symonds  
Director

29 September 2017

## **PRIMAGRAPHS (HOLDINGS) LIMITED**

### **DIRECTORS' REPORT**

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

#### **Directors**

The directors who served during the year and subsequently were as follows:

R Shaw  
A Symonds  
G Tynan

#### **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 in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the notes to the financial statements.

#### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself 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.

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board by:

  
A Symonds  
Director

29 September 2017

## **PRIMAGRAPHS (HOLDINGS) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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

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

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIMAGRAPHICS (HOLDINGS) LIMITED**

We have audited the financial statements of Primagraphics (Holdings) Limited for the year ended 31 December 2016 which comprise the Profit and loss account, the Balance sheet, Statement of change in Equity and the related notes 1 to 6. 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 result 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 matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report and the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements, and have been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIMAGRAPHS  
(HOLDINGS) 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, 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.

*C. Siviter*

Claire Siviter, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Statutory Auditor  
Southampton, United Kingdom

29 September 2017



**PRIMAGRAPHS (HOLDINGS) LIMITED**

**PROFIT AND LOSS ACCOUNT**

**For the year ended 31 December 2016**

	Note	2016 £	2015 £
Operating income		-	-
<b>OPERATING PROFIT, BEING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			
Tax on profit on ordinary activities		-	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>			

All activities are derived from continuing operations.

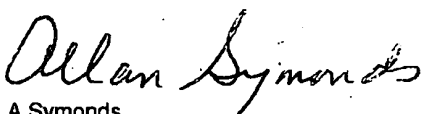
**PRIMAGRAPHS (HOLDINGS) LIMITED**

**BALANCE SHEET**  
**At 31 December 2016**

	Note	2016 £	2015 £
<b>FIXED ASSETS</b>			
Investments	4	<u>9,041,729</u>	<u>9,041,729</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET ASSETS</b>		<u>9,041,729</u>	<u>9,041,729</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	5	5,727,886	5,727,886
Share premium account		271,500	271,500
Profit and loss account		<u>3,042,343</u>	<u>3,042,343</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>9,041,729</u>	<u>9,041,729</u>

These financial statements of Primagraphics (Holdings) Limited (company number 03774448) were approved by the Board of Directors and authorised for issue on 29 September 2017.

They were signed on its behalf by:



A Symonds

Director

**PRIMAGRAPHS (HOLDINGS) LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**At 31 December 2016**

	Called-up share capital £	Share premium account £	Profit and loss account £	Total £
At 31 December 2014	5,727,886	271,500	3,042,343	9,041,729
Profit for the financial year	-	-	-	-
At 31 December 2015	5,727,886	271,500	3,042,343	9,041,729
Result for the financial year	-	-	-	-
At 31 December 2016	5,727,886	271,500	3,042,343	9,041,729

## **PRIMAGRAPHS (HOLDINGS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2016**

#### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

##### **General information and basis of accounting**

Primagraphs (Holdings) Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Primagraphs (Holdings) Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Primagraphs (Holdings) Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in FRS 102 paragraph 1.12.

##### **Going concern**

In considering the appropriateness of the going concern basis the Board have reviewed the key risks and uncertainties to which they believe the company is exposed, the company's ongoing financial commitments and the availability of sufficient resources for the next twelve months and beyond.

The company does not have day to day working capital requirements as its sole activity is that of a holding company; as such the company is not profit making. The only cost incurred in the year related to the annual audit fee, which is borne by Curtiss-Wright Controls Inc., a parent company. The directors are in receipt of a letter of support from Curtiss-Wright Controls Inc. to provide sufficient financial assistance to enable the company to meet any financial liabilities as and when they fall due, for a period not less than 12 months from the date of signing the financial statements.

The directors therefore 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.

##### **Group financial statements**

Group financial statements are not prepared as the company and its subsidiary are included in the group accounts of the ultimate parent company. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### **Investments**

Investments held as fixed assets are stated at cost less provision for any impairment in value. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

##### **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 substantively enacted by the balance sheet date.

## **PRIMAGRAPHS (HOLDINGS) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**For the year ended 31 December 2016**

#### **1. ACCOUNTING POLICIES (CONTINUED)**

Deferred tax is recognised 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 that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### **Cash flow statement**

The company has taken advantage of the exemption under Section 7 of FRS 102 *Statement of Cash Flow* from preparing a Cash flow statement on the basis the cash flows of the company are presented in the consolidated accounts of the parent entity.

## PRIMAGRAPHS (HOLDINGS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2016

#### 2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company accounting policies, which are described in note 1, the directors are required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

##### *Impairment of investments*

Determining whether investments are impaired requires an estimation of their value in use to the Company. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the investment assets and a suitable discount rate in order to calculate present value.

#### 3. INFORMATION REGARDING DIRECTORS, EMPLOYEES AND AUDITOR

The company had no employees other than the directors throughout the year and preceding year. The directors did not receive any remuneration in the year or preceding year. The audit fee for the year was £6,500 and has been borne by another group company (2015: £6,500 borne by another group company). No non-audit services were provided by the audit firm in the current or preceding year.

#### 4. INVESTMENTS

##### **Subsidiary undertaking**

	2016 £	2015 £
Cost and net book value at 31 December	9,041,729	9,041,729

The company has investments in the following subsidiary undertaking:

Name of company	Holding	Proportion of voting rights and shares held	Nature of business
Primagraphics Limited	Ordinary shares	100%	Design, development and manufacture of computerised equipment

The subsidiary has a registered office at Cambridge House, No 2 Focus Four, Fourth Avenue, Letchworth Garden City, Hertfordshire SG6 2TU.

Primagraphics Limited reported a profit after tax for the year ended 31 December 2016 of £1,615,599 (2015: profit of £2,078,194) and the shareholders' funds at the year ended 31 December 2016 were £16,191,289 (2015: £14,575,690).

In the light of the current economic uncertainty, the directors have considered the carrying value of the investment with reference to the projected future cash flows of the subsidiary company. The directors remain satisfied that the carrying value of the investment is not impaired.

## PRIMAGRAPHS (HOLDINGS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 December 2016

#### 5. CALLED-UP SHARE CAPITAL

	2016 £	2015 £
<b>Authorised</b>		
5,641,492 ordinary shares of £1 each	5,641,492	5,641,492
86,394 deferred ordinary shares of £1 each	86,394	86,394
	<u>5,727,886</u>	<u>5,727,886</u>
<b>Called-up, allotted and fully-paid</b>		
5,641,492 ordinary shares of £1 each	5,641,492	5,641,492
86,394 deferred ordinary shares of £1 each	86,394	86,394
	<u>5,727,886</u>	<u>5,727,886</u>

A summary of the rights of each current class of shares is as follows:

#### Voting

Ordinary shares carry one vote per share. Deferred shares carry no voting rights.

#### Dividends

On a distribution, holders of the ordinary shares receive the first £100,000,000 distributed in any financial year. Any amounts in excess of this value are distributed between holders of the ordinary shares and deferred shares in the ratio of 95:5.

#### Capital

On a return of assets on liquidation or capital reduction, the assets of the company are to be applied as follows:

- First in paying holders of the ordinary shares the issue price thereof plus any arrears of dividends;
- Second in paying holders of the deferred shares the issue price thereof plus any arrears of dividends; and
- The balance to be distributed equally amongst all classes of shares in proportion to the amounts paid up.

#### 6. PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is Curtiss-Wright Controls (UK) Limited, a company registered in England and Wales.

The ultimate parent undertaking and controlling party is Curtiss-Wright Corporation, a company registered in the United States of America and with shares listed on the New York Stock Exchange. The consolidated accounts of this company are available to the public and copies of which may be obtained from the ultimate parent's registered office at 13925 Ballantyne Corporate Place, Suite 400, Charlotte, NC 28277, USA. Curtiss-Wright Corporation is the largest and smallest group for which consolidated accounts are prepared that include the results of the company.