

**YULE CATTO WESTERN EUROPE
LIMITED**

Report and Financial Statements

31 December 2015



YULE CATTO WESTERN EUROPE LIMITED

REPORT AND FINANCIAL STATEMENTS 2015

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YULE CATTO WESTERN EUROPE LIMITED

DIRECTORS' REPORT

The directors submit their report and the audited financial statements for the year ended 31 December 2015.

Under part 15 of the companies act this report has been prepared in accordance with the special provisions relating to small companies within FRS 102.

PRINCIPAL ACTIVITY

The principal activity of the company during the year under review was that of providing intercompany funding to fellow group companies.

PRINCIPAL RISKS AND UNCERTAINTIES

The company provides financing within the Synthomer plc Group (the "Group"), does not trade and, as such, it does not have any direct trading risks or uncertainties.

As a global, specialty chemicals business, the Group is subject to raw material price risk which it seeks to mitigate through strong supplier relationships and risks associated with global economic conditions. This is fully discussed in the Synthomer plc Group Annual Report.

Having regard to the above, the company's status and the Group's financial position, the directors have concluded it remains appropriate to prepare the financial statements on a going concern basis.

RESULTS AND DIVIDENDS

The result for the financial year amounted to €nil (2014: €nil). The directors do not recommend the payment of a dividend (2014 €nil) on the ordinary shares of the company.

DIRECTORS

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

R Atkinson

A D Burnett

DIRECTORS' REPORT (continued)

INDEPENDENT AUDITORS


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

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the small companies regime under part 15 of the companies Act 2006 and United Kingdom accounting standards (United Kingdom generally accepted accounting practice).

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed by its order by

 28 September 2016

R Atkinson

Secretary

Registered office:

Synthomer plc
Temple Fields
Harlow, Essex
CM20 2BH

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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 Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

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, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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 FRS 102. 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 is a director at the date of approval of this annual report confirms that:

- As far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- The director has taken all the steps that he/she ought to have taken as a director in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

YULE CATTO WESTERN EUROPE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YULE CATTO WESTERN EUROPE LIMITED

REPORT ON THE FINANCIAL STATEMENTS

Our opinion

In our opinion, Yule Catto Western Europe Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the balance sheet as at 31 December 2015;
- the profit and loss account and statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in 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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

YULE CATTO WESTERN EUROPE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YULE CATTO WESTERN EUROPE LIMITED (continued)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities 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.

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) ("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 parent 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.

What an audit of financial statements involves

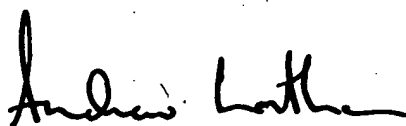
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.



Andrew Latham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans

29 September 2016

YULE CATTO WESTERN EUROPE LIMITED

PROFIT AND LOSS ACCOUNT For year ended 31 December 2015

	Note	2015 €'000	2014 €'000
Other operating income	5	-	-
OPERATING PROFIT		-	-
Interest receivable and similar income	6	-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities	7	-	-
PROFIT FOR THE FINANCIAL YEAR		-	-

All results are derived from continuing operations.

YULE CATTO WESTERN EUROPE LIMITED

STATEMENT of COMPREHENSIVE INCOME **For the year ended 31 December 2015**

	2015 €'000	2014 €'000
Profit for the financial year	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-

YULE CATTO WESTERN EUROPE LIMITED

BALANCE SHEET As at 31 December 2015

	Note	2015 €'000	2014 €'000
CURRENT ASSETS			
Debtors	8	30,477	30,477
Cash at bank and in hand		5,550	5,550
NET ASSETS		<u>36,027</u>	<u>36,027</u>
CAPITAL AND RESERVES			
Called up share capital	9	-	-
Share premium account		30,000	30,000
Other reserves		3,934	3,934
Profit and loss account		2,093	2,093
TOTAL SHAREHOLDERS' FUNDS		<u>36,027</u>	<u>36,027</u>

The financial statements of Yule Catto Western Europe Limited (registered number 4801775) on pages 6 to 14 were approved by the Board of Directors 26 September 2016 and signed on its behalf by



A D Burnett
Director

YULE CATTO WESTERN EUROPE LIMITED

STATEMENT OF CHANGES IN EQUITY As at year ended 31 December 2015

	Share Capital	Share Premium	Other Reserves	Profit & Loss Account	Total Equity
	€'000	€'000	€'000	€'000	€'000
At 1 January 2015	-	30,000	3,934	2,093	36,027
Profit for the financial year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
At 31 December 2015	-	30,000	3,934	2,093	36,027
At 1 January 2014	-	30,000	3,934	2,093	36,027
Profit for the financial year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
At 31 December 2014	-	30,000	3,934	2,093	36,027

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2015

1. ACCOUNTING POLICIES

General information

The company is a private company limited by share capital incorporated and domiciled in the United Kingdom.

The address of its registered office is:

Central Road
Temple Fields
Harlow, Essex
CM20 2BH

The principal activity of the company during the year under review was that of providing intercompany funding to fellow group companies.

Statement of compliance

The individual financial statements of Yule Catto Western Europe Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

Summary of significant accounting policies

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. The company has adopted FRS 102 in these financial statements. Details of the transition to FRS 102 are disclosed in note 12.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss where applicable.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the relevant notes below.

Going concern

The directors have reviewed the going concern basis of preparation and in doing so have considered the principal risks and uncertainties outlined in the Directors' Report, the financial position of the Company and the expected timing of the settlement of intercompany balances. The Company is a member of the Synthomer plc group and, as such, is a member of the group's banking arrangements under which it is a cross guarantor. The directors have concluded that the fact that the Company is a cross-guarantor does not present a significant risk to the going concern position of the Company since the group is considered to be a going concern; the basis on which the group is considered to be a going concern, and the related assumptions and risks, are fully disclosed within the financial statements of Synthomer plc.

Based upon the above, the directors believe that the company can continue to operate for at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis of preparation.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

1. ACCOUNTING POLICIES (continued)

Cash flow statement

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Synthomer Plc, includes the company's cash flows in its own consolidated financial statements.

Foreign exchange

(i) Functional and presentation currency

Since Euros are the main currency in which the company's business is transacted, the company's functional currency is Euros.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Investments

(i) Investment in subsidiary company

Investment in subsidiary company is held at historical cost less accumulated impairment losses.

(ii) Investment in associate

Investment in associate is held at historical cost less accumulated impairment losses.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and profit on ordinary activities before taxation as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

1. ACCOUNTING POLICIES (continued)

(ii) Deferred tax (continued)

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Critical accounting judgements and potential uncertainties

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on industry experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgments about the carrying value of assets and liabilities that are not readily apparent from other sources.

The directors have reviewed the estimates and assumptions used in the preparation of the financial statements. The directors do not believe that there is a significant risk which would lead to material adjustments to the carrying value of any assets and liabilities in the next financial year due to the changes on the estimates or assumptions.

2. RESULTS AND NET ASSETS

The company's results and net assets derive from the same class of business as noted in the directors' report and arose in the United Kingdom.

3. AUDITORS' REMUNERATION

Auditors' remuneration of £1,300 (2014 - £1,200) was borne by the ultimate parent company in both years.

4. EMPLOYEES AND DIRECTORS

The company did not have any employees in the year (2014: Nil).

The directors received no emoluments for their services to the company (2014: Nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

5. OTHER OPERATING INCOME

	2015 €'000	2014 €'000
Bank charges	-	-

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015 €'000	2014 €'000
Interest receivable from group undertakings	-	-

7. TAX ON RESULT ON ORDINARY ACTIVITIES

a) Tax expense included on result on ordinary activities

The standard rate of corporation tax for the year, based on the UK standard rate of corporation tax is 20.25% (2014: 21.5%).

	2015 €'000	2014 €'000
Current tax:		
UK corporation tax on result for the year	-	-
Tax expense on result on ordinary activities	-	-
No tax was recognised in other comprehensive income		

b) Reconciliation of tax charge

The actual tax expense differs from the standard rate for the reasons set out in the following reconciliation:

	2015 €'000	2014 €'000
Result on ordinary activities before taxation	-	-
Tax on result on ordinary activities at the standard rate of tax in the UK 20.25% (2014: 21.5%)	-	-
Factors affecting tax for the year:		
Expenses not deductible for tax purposes	-	-
Adjustments in respect of group relief	-	-
Current tax expense for the year	-	-

Finance Act 2015 introduced changes to the main rate of corporation tax, which was reduced from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020.

NOTES TO THE FINANCIAL STATEMENTS (continued)
Year ended 31 December 2015

The effective rate for the year ended 31 December 2015 has reduced accordingly.

8. DEBTORS

	2015	2014
	€'000	€'000
Amounts falling due within one year:		
Amount owed by parent company	30,477	30,477
Amounts owed by group undertakings	-	-
	<u>30,477</u>	<u>30,477</u>

9. CALLED UP SHARE CAPITAL

	2015	2014
	€	€
Allotted, called-up and fully paid:		
Ordinary shares of €1 each	<u>2</u>	<u>2</u>

10. RELATED PARTY DISCLOSURES

As the company is a wholly owned subsidiary of Synthomer plc, the company has taken advantage of the exemption available under in FRS 102, section 33.1A, not to disclose transactions with wholly owned members of the Synthomer Plc group.

11. ULTIMATE PARENT COMPANY

These financial statements present information about the company as an individual undertaking.

In the opinion of the directors, the company's immediate parent and controlling company at the year end was Dimex Limited, a company incorporated in the United Kingdom. Synthomer plc is the ultimate parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared. Copies of the group financial statements are available from Synthomer plc, Temple Fields, Harlow, Essex, CM20 2BH.

12. TRANSITION TO FRS 102

The company has transitioned to FRS 102.
The prior year FRS 102 reconciliation impact is £nil.