

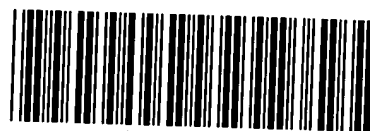
**Allnex Industries UK Limited**

Annual report and financial statements

Registered number 05235411

31 December 2018

THURSDAY



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## Strategic Report

### Principal activities

As at 31 December 2018, Allnex Industries UK Limited (the "Company") is an intermediate holding company. The main activity is holding and financing of group companies.

### Comparison with previous year

The accounting policies have been consistently applied to all the periods presented.

### Business Review

The only activity of the Company during the year was that of a holding company.

During the year the Company received an interim dividend of £25,500,000 (2017: £nil) and subsequently paid an interim dividend of £21,800,000 (2017: £nil).

The result on ordinary activities after tax for the financial year was £23,942,000 (2017: loss £1,668,000). The increase in profit is mainly due to the dividend income.

### Group relationships

The Company is wholly owned by Allnex Holding UK Limited, and part of a group of which Allnex (Luxembourg) & Cy S.C.A, Luxembourg City, Luxembourg is the ultimate parent.

### Future developments

The Company's immediate subsidiary has made a decision to cease trading and therefore the Company will cease as a holding company.

### Review of financial performance and key performance indicators

As at 31 December 2018 the Company had net assets of £474,000 (2017: net liabilities of £1,668,000)

By order of the board



**Duncan Adrian Taylor**  
*Director*

North Woolwich Road  
London, E16 2AF

9 July 2019

## **Directors' report**

The directors present their directors' report and annual report and financial statements for the year ended 31 December 2018.

### **Financial Risk Management**

During the year, the Company has not entered into any derivative transactions and the Company does not invest liquidity in financial products including hedge funds or similar vehicles.

The Company engages in a limited number of transactions and consequently does not have any significant customer credit risk.

### **Dividends**

The company paid an interim dividend of £21,800,000 (2017:£nil).

The directors do not recommend payment of a final dividend (2017: £nil).

### **Going concern**

During the year ended 31 December 2018, the Company's principal activity was that of a holding company. However, following the decision of the immediate subsidiary to cease trading in 2018, the financial statements for the Company have not been prepared on a going concern basis. The effect of this is explained in note 1.

### **Directors and directors' interests**

The directors who held office during the year and up to the date of signing this report were as follows:

Duncan Adrian Taylor

Marie Van In

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

### **Political and charitable contributions**

The Company made no political or charitable donations or incurred any political expenditure during the year (2017: £nil).

## **Directors' report *(continued)***

### **Directors' indemnities**

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

### **Disclosure of information to independent auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

By order of the board



**Duncan Adrian Taylor**  
*Director*

North Woolwich Road  
London  
E16 2AF  
9 July 2019

## **Statement of directors' responsibilities in respect of the annual report and the financial statements**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. (as explained in note 1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

# **Independent auditor's report to the members of Allnex Industries UK Limited**

## **Opinion**

We have audited the financial statements of Allnex Industries UK Limited ("the Company") for the year ended 31 December 2018 which comprise the Profit and Loss account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

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

## **Emphasis of matter - non-going concern basis of preparation**

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

## **The impact of uncertainties due to the UK exiting the European Union on our audit**

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, recoverability of intercompany receivables and related disclosures. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

## **Directors' report**

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

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

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

## **Independent auditor's report to the members of Allnex Industries UK Limited** *(continued)*

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Toby Odell (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
9 July 2019



**Profit and Loss account**  
*For the year ended 31 December 2018*

	<i>Note</i>	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Administrative expenses	2	(16)	(4)
Interest payable and similar charges	5	(1,562)	(1,664)
Income from shares in Group undertakings		25,500	-
		<hr/>	<hr/>
<b>Result on ordinary activities before taxation</b>		<b>23,922</b>	<b>(1,668)</b>
Tax on result on ordinary activities	6	20	-
		<hr/>	<hr/>
<b>Result for the financial year</b>		<b>23,942</b>	<b>(1,668)</b>
		<hr/>	<hr/>

There are no recognised gains and losses for the current period and prior year other than those presented in the profit and loss account above. Accordingly no statement of other comprehensive income has been presented. The results for the current period and prior years are derived from continuing operations.

The accompanying notes are an integral part of the financial statements.

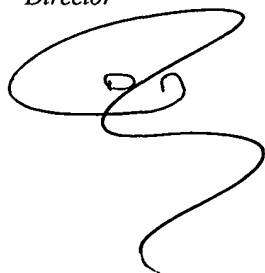
**Balance Sheet**  
*As at 31 December 2018*

	<i>Note</i>	31 December 2018 £000	31 December 2017 £000
<b>Current assets</b>			
Debtors	8	488	5,211
Cash at bank		-	-
<b>Total assets</b>		<b>488</b>	<b>5,211</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(14)</b>	<b>(6,879)</b>
<b>Net assets / (liabilities)</b>		<b>474</b>	<b>(1,668)</b>
<b>Capital and reserves</b>			
Called up share capital	10	1	8,927
Distributable reserves	10	-	-
Profit and loss account	10	473	(10,595)
<b>Total shareholders' funds / (deficit)</b>		<b>474</b>	<b>(1,668)</b>

The accompanying notes are an integral part of the financial statements.

These financial statements on pages 7 to 16 were approved by the board of directors on 9 July 2019 and were signed on its behalf by:

**Duncan Adrian Taylor**  
*Director*



## Statement of Changes in Equity

*For the year ended 31 December 2018*

	Share capital	Distributable reserves	Profit & loss	Total shareholders' funds
	£000	£000	£000	£000
<b>At the beginning of the year – 1 January 2018</b>	<b>8,927</b>	<b>-</b>	<b>(10,595)</b>	<b>(1,668)</b>
Profit for the financial year	-	-	23,942	23,941
Capital reduction	(8,926)	-	8,926	-
Dividend paid			(21,800)	(21,800)
<b>At the end of the year – 31 December 2018</b>	<b>1</b>	<b>-</b>	<b>473</b>	<b>474</b>

	Share capital	Distributable reserves	Profit & loss	Total shareholders' funds
	£000	£000	£000	£000
<b>At the beginning of the year – 1 January 2017</b>	<b>8,927</b>	<b>37,950</b>	<b>(46,877)</b>	<b>-</b>
Loss for the financial year	-	-	(1,668)	(1,668)
Transfer in the year		(37,950)	37,950	-
<b>At the end of the year – 31 December 2017</b>	<b>8,927</b>	<b>-</b>	<b>(10,595)</b>	<b>(1,668)</b>

The notes on pages 10 to 16 form part of these financial statements.

## **Notes to the financial statements for the year ended 31 December 2018**

*(Forming part of the financial statements)*

### **1 Accounting policies**

Allnex Industries UK Limited ("the Company") is a company limited by shares and incorporated and domiciled in the UK, E16 2AF North Woolwich Road, London.

As at 31 December 2018, the Company is an intermediate holding company. The main activity is holding and financing of group companies.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS102") as issued in August 2014 and the amendment to FRS 102 issued in July 2015.

The functional currency of these financial statements being the primary economic environment of the company is sterling.

The Company's parent undertaking, Allnex (Luxembourg) & Cy S.C.A includes the company in its consolidated financial statements. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS102 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Key management personnel compensation.

As the consolidated financial statements of Allnex Luxembourg Cy S.C.A include the equivalent disclosures, the company has also taken the exemption under FRS 102 available in respect of the following disclosures.

- The disclosures required by FRS102.11 basic financial instruments and FRS102.12 other financial instruments.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

### ***Basis of preparation***

In previous years, the financial statements have been prepared on a going concern basis. However, as the immediate subsidiary has ceased trading during 2018, the directors have not prepared the Company's financial statements on a going concern basis. There is no impact on the financial statements as a result of this basis of preparation.

The principle accounting policies, which have been applied consistently throughout the year, are set out below.

### ***Foreign currencies***

Transactions denominated in foreign currencies are recorded at the exchange rate ruling on the date the transaction takes place, when the rate specified in the related contract is used. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences (gains or losses) arising in the normal course of business and on the translation of monetary assets and liabilities are included in the profit and loss account

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

### ***Taxation***

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

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS102.

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date.

### **2 Administrative Expenses**

The auditor's remuneration for the statutory audit of these financial statements is £5,956 (2017: £3,654).

### **3 Result from participations in group companies**

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Dividends received	25,500	-
	<hr/>	<hr/>
	<b>25,500</b>	<b>-</b>
	<hr/>	<hr/>

### **4 Remuneration of directors and staff**

The directors received no remuneration for their services to the Company for the year (2017: £nil). The present directors are employed by, and receive remuneration for services from wholly owned subsidiaries of the ultimate parent undertaking.

There were no employees of the Company during the year (2017: nil).

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

### 5 Interest payable and similar charges

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Interest related to group undertakings	1,562	1,605
Foreign exchange loss	-	58
Other similar charges	-	1
	<hr/>	<hr/>
	<b>1,562</b>	<b>1,664</b>
	<hr/>	<hr/>

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

### 6 Tax on profit on ordinary activities

Analysis of charge in year

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
<i>Current tax</i>		
UK corporation tax on profits for the year	-	-
Adjustment in respect of prior periods	(20)	-
<b>Total current tax</b>	<b>(20)</b>	<b>-</b>

#### *Factors affecting the tax credit for the current year*

Tax assessed for the year is lower (year ended December 2017: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2018 of 19% (year ended December 2017: 19.25%).

The differences are explained below:

<i>Current tax reconciliation</i>	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Result on ordinary activities before tax	23,922	(1,668)
Result multiplied by standard rate of tax in UK of 19% (2017: 19.25%)	4,545	(321)
<i>Effects of:</i>		
Income not subject to tax	(4,845)	-
Adjustment to tax charge in respect of prior years	(20)	-
Group relief surrendered to Group undertakings	300	321
<b>Total current tax charge</b>	<b>(20)</b>	<b>-</b>

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

### *Factors that may affect future tax charges:*

The tax rate for the current year is lower than the prior period due to changes in the UK corporation tax rate which decreased from 19.25% in 2017 to 19.00% in 2018.

Further reductions to the UK tax corporation tax rates were enacted as part of the Finance Act 2016 on September 2016. This reduces the main rate to 19.00% from 1 April 2017 down to 17% from 1 April 2020.

## 7 Dividends

	Year ended 31 December 2018 £000	Year ended 31 December 2017 £000
Equity shares:		
Dividends paid	21,800	-
	<hr/>	<hr/>
Dividend per share in GBP (Shares with £1.00 nominal value)	2.44	0.0
Dividend per share in GBP (Shares with £0.01 nominal value)	0.02	0.0
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## Notes to the financial statements *(continued)*

### 8 Debtors

	31 December 2018 £000	31 December 2017 £000
Amounts owed by group undertakings	454	5,187
Withholding tax	34	24
	<u>488</u>	<u>5,211</u>

Amounts owed by group undertakings are unsecured, and are repayable on demand.

### 9 Creditors

	31 December 2018 £000	31 December 2017 £000
Amounts owed to group undertakings	(3)	(6,875)
Accruals	(11)	(4)
	<u>(14)</u>	<u>(6,879)</u>

Amounts owed to group undertakings are unsecured, and are repayable on demand.

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

### 10 Statement of Changes in Equity

For the year ended 31 December 2018

	Share capital £000	Distributable reserves £000	Profit & loss reserves £000	Total £000
As at 1 January 2018	8,927	-	(10,595)	(1,668)
Capital reduction	(8,926)	-	8,926	-
Profit for the financial year	-	-	23,942	23,941
Dividend paid	-	-	(21,800)	(21,800)
As at 31 December 2018	1	-	473	474

### 11 Called up share capital

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

Share capital : 1,000 ordinary shares of £1 each (2017: 8,448,236 at £1.00 and 47,865,402 at £0.01)

The ordinary shares have an entitlement to one vote per share.

### 12 Ultimate parent undertaking and controlling party

The immediate parent is Allnex Holding UK Limited.

The ultimate parent undertaking and controlling party is Allnex (Luxembourg) & Cy S.C.A which operates as part of the allnex Group.

The only group in which the results of the Company are consolidated is Allnex (Luxembourg) & Cy S.C.A. The consolidated financial statements of the group are available to the public and may be obtained from Allnex (Luxembourg) & Cy S.C.A registered office at 76 Grand Rue, L – 1660 Luxembourg RCS, Luxembourg B172.541.