

A-Gas Investments Limited

Annual report and financial statements

Registered number 06004328

31 December 2016

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Company information

Directors

AJ Ambrose
RO Buissinne
SA Price
JP Masters
REM Stewart

Secretary

REM Stewart

Auditor

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Bristol
BS1 4BE

Bankers

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3 Rivergate
Bristol
BS1 6ER

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BS1 6DZ

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Solicitors

Burges Salmon
1 Glass Wharf
Bristol
BS2 0ZX

Registered Office

Banyard Road
Portbury West
Bristol
BS20 7XH



Strategic report

Principal activity

Since acquiring the entire share capital of A-Gas International Holdings Limited in 2007, the principal activities of the company have been as an intermediate holding company.

Review of the business and future developments

The company's financial and other key performance indicators during the year ending 31 December 2016 were as follows:

	2016 £000	2015 £000	Change %
Loss after tax	(26)	(14)	86%
Shareholder's deficit	(10,112)	(10,086)	0%
Current assets as a percentage of current liabilities	7%	7%	0%

Notwithstanding net current liabilities of £41,539,000 (2015: £41,513,000) and net liabilities of £10,112,000 (2015: £10,086,000), the financial statements have been prepared on a going concern basis which the directors believe to be appropriate for the following reason. A-Gas (Orb) Limited, the company's parent company, has indicated that for a period of at least 12 months from the date of approval of these financial statements they will provide support to the company to allow it to meet its liabilities as they fall due for payment.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements they have no reason to believe that it will not do so.

Principal risks and uncertainties

The company holds an investment balance in the A-Gas group. The company's principle risk is recovery of its investment, which is related to the principle risks and uncertainties facing the group. These principle risks and uncertainties facing the group are broadly grouped as legislative risk and exposure to price, credit, liquidity and cash flow risk.

Legislative risk

Demand for A-Gas' products is driven by growth in the underlying demand for climate cooling, refrigeration and fire protection applications. Changes in the regulatory environment in these sectors has an impact on the mix of products we sell in each market. There are various regulations governing the packaging used to distribute these products, with disposable cylinders no longer permitted in the EU and Australia.

The regulatory developments noted above refer principally to the international treaty known as the Montreal Protocol, which controls and will ultimately phase out the production and use of ozone depleting substances (ODS) and specifically the chlorine containing CFC (chlorofluorocarbon) and HCFC (hydrochlorofluorocarbon) based products. The principal replacement products for these ODSs are HFCs (hydrofluorocarbons) and whilst ozone benign, these products are considered to have global warming potential (GWP) and as such are included in the 'basket' of six gases (the major one being CO₂) which are encompassed in the Kyoto Protocol.

During 2015, consensus was reached on bringing the phase down of HFCs under the Montreal Protocol which is seen as a positive move by the industry in moving end users towards lower GWP products.



Strategic report *(continued)*

Principal risks and uncertainties *(continued)*

Legislative risk (continued)

A-Gas continues to monitor and comply with regulatory and legislative changes in all territories, adapting its product range, packaging and environmental services accordingly.

In addition to the Montreal Protocol, the following key legislative frameworks apply within A-Gas territories:

- **F-Gas regulation (UK/Europe)** – Passed as law by the European Parliament in 2006 as part of the EU's commitments under the Kyoto Protocol, this legislation aimed to reduce emissions of fluorinated greenhouse gases (F Gases) comprising mainly hydrofluorocarbons (HFCs) through containment, leak reduction, repair and recovery. Revisions of the EU F-Gas regulation proposed in 2014 have now entered into force and took effect from 1 January 2015.

The revisions include a cap and phase-down in the supply of HFCs, beginning with a freeze in supply in 2015 (calculated as the annual average of the total quantity of HFCs produced and imported into the EU during the period from 2009 to 2014). This is to be followed by a series of reduction steps from 2016 to reach 21% of HFC supply by 2030. Provision is made for the free allocation of HFC quotas to individual companies based on their historic reported HFC volumes placed on the EU market from 2009 to 2014.

The revisions also included prohibition of F-Gases with a global warming potential (GWP) of 2500 or more, although the use of reclaimed and recycled F gases with a GWP above 2500 is allowed until 1 January 2030. A proposed ban on import of pre-charged equipment was not approved and was replaced with measures for tracking such imports and exports.

The revisions are expected to increase demand in the medium term for the group's reclamation activities and for the next generation of less environmentally sensitive chemicals.

- **Clean Air Act / Environmental Protection Agency (US)** - Effective 1 January 1996, the Clean Air Act prohibited the production of virgin chlorofluorocarbon (CFC) refrigerants and limited the production of virgin hydrochlorofluorocarbon (HCFC) refrigerants to comply with the US obligations under the Montreal Protocol.

The US Environmental Protection Agency (EPA) is responsible for establishing federal regulations to comply with the Act, and it has achieved this by issuing annual consumption and production allowances to US manufacturers and importers. The regulations allow for the production or importation of HCFC-22 and the allowances for 2015 were 22 million pounds, reducing in a linear manner down to zero in 2020.

The revisions are expected to increase demand in the medium term for the group's reclamation activities and for the next generation of less environmentally sensitive chemicals.



Strategic report *(continued)*

Principal risks and uncertainties *(continued)*

Legislative risk (continued)

- As a party to the Montreal Protocol and its amendments, **South Africa** is obliged and committed to following the agreed phase out as follows:
 - Freeze consumption and production in 2016 at the baseline consumption (2009-2010);
 - Reduce 10% by 1 January 2015;
 - Reduce 35% by 1 January 2020;
 - Reduce 67.5% by 1 January 2025;
 - Allow 2.5% annual consumption during 1 January 2030-31 December 2040

This is controlled through the regulations regarding the Phasing Out and Management of Ozone Depleting Substances (ODS) together with the National Environmental Air Quality Act. The phase-out mechanism adopted by the Department of Environmental Affairs (DEA) to ensure that South Africa adheres to this phase out schedule, is by the issuing of quotas to importers of HCFC's based on their 2009/10 import volumes. South Africa has elected to accelerate the phase out of HCFC's by annual reductions in quota from 2015 and has also elected to accelerate the phase out of HCFC R141b with all imports of this product being banned from 1 January 2016. In addition, recovery of used product is now mandatory.

The revisions are expected to increase demand in the medium term for the group's reclamation activities and for the next generation of less environmentally sensitive chemicals.

- **Ozone Protection and Synthetic Greenhouse Gas Management (Australia)** – as regards the phase-out of HCFCs in Australia, the country is following an accelerated phase-out plan in comparison to their obligations under the Montreal Protocol. This accelerated plan all but removes the ability to import or produce virgin HCFCs from the beginning of 2017. Under the same legislation, the Australian Government has passed into law the phase down of HFCs to achieve an 85% reduction in imports/production by 2036. The phase down will commence from the beginning of 2018 and represents an acceleration of their commitments under the Kigali Amendment to the Montreal Protocol.

This legislation is expected to increase demand in the medium term for the Group's reclamation activities and for the next generation of less environmentally sensitive chemicals.

Exposure to price, credit, liquidity and cash flow risk

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Group policies are aimed at minimising such losses and deferred terms are only granted to customers who demonstrate an appropriate payment history and credit worthiness.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The group aims to mitigate liquidity risk by properly managing cash generation from its operations and applying cash collection targets. The group also manages liquidity risk by managing credit facilities and fixed term debt.



Strategic report *(continued)*

Exposure to price, credit, liquidity and cash flow risk *(continued)*

Cash flow risk

Cash flow risk is the risk of exposure to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability. The group manages this risk by preparing revolving three month forward cash flow forecasts.

By order of the board:

A handwritten signature in black ink, appearing to be 'REM Stewart'.

REM Stewart
Director

Banyard Road
Portbury West
Bristol
BS20 7XH
16 May 2017



Directors' Report

The directors present their report and financial statements for the year to 31 December 2016. The financial statements are prepared on a going concern basis.

Results and dividends

The loss on ordinary activities for the year, after taxation, amounted to £26,000 (2015: £14,000).

There were no dividends paid during the year (2015: £nil). The directors do not recommend the payment of a final dividend (2015: £nil).

Directors of the company

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

AJ Ambrose
RO Buissonne
SA Price
JP Masters
REM Stewart

Directors' qualifying third party indemnity provision

The group has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year (2015: £nil).

Disabled involvement

The group gives full consideration to applications for employment from disabled persons where the candidates' particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the group's policy to provide continuing employment wherever practicable in the same or alternative position and to provide appropriate training to achieve this aim.

Employee involvement

The group operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. During the period the policy of providing employees with information about the A-Gas group has been continued through monthly meetings. Employees participate directly in the success of the business through the group's profit sharing scheme.



Directors' Report *(continued)*

Disclosure of information to the 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 auditor is unaware; and each 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 auditor is aware of that information.

Re-appointment of auditor

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

By order of the board:

A handwritten signature in black ink, appearing to read 'REM Stewart'.

REM Stewart
Director

Banyard Road
Portbury West
Bristol
BS20 7XH

16 May 2017



Statement of Directors' Responsibilities in respect of the Strategic report, the Directors' report and the Financial Statements

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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
66 Queen Square
Bristol
BS1 4BE
United Kingdom

Independent Auditor's report to the members of A-Gas Investments Limited

We have audited the financial statements of A-Gas Investments Limited for the year ended 31 December 2016 set out on pages 11 to 23. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 8, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of A-Gas Investments Limited *(continued)*

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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.



James Ledward (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

16 May 2017



Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2016

	<i>Note</i>	2016 £000	2015 £000
Turnover	2	-	-
Administrative expenses		(1)	(1)
Operating loss	3	(1)	(1)
Interest payable and similar expenses	6	(31)	(29)
Interest receivable and similar income	7	-	13
Loss before taxation		(32)	(17)
Tax on loss	8	6	3
Loss for the financial year		(26)	(14)

All results are derived from continuing activities.

There are no other recognised gains or losses attributable to the shareholders of the company other than as stated above and therefore no separate Statement of Other Comprehensive Income has been presented.

The notes on pages 14 to 23 form an integral part of these financial statements.



Balance Sheet

at 31 December 2016

	Note	2016 £000	2015 £000
Fixed assets			
Investments	9	31,427	31,427
			31,427
Current assets			
Debtors	10	3,361	3,362
		3,361	3,362
Creditors: amounts falling due within one year	11	(44,900)	(44,875)
Net current liabilities		(41,539)	(41,513)
Total assets less current liabilities		(10,112)	(10,086)
Net liabilities		(10,112)	(10,086)
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		(10,112)	(10,086)
Shareholder's Deficit		(10,112)	(10,086)

The notes on pages 14 to 23 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 16 May 2017 and were signed on its behalf by:

REM Stewart
Director



Statement of Changes in Equity

	Called up Share capital £000	Profit & loss account £000	Total equity £000
Balance at 1 January 2015	-	(10,072)	(10,072)
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period			
Loss for the year	-	(14)	(14)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period	-	(14)	(14)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	-	(10,086)	(10,086)
	<hr/>	<hr/>	<hr/>

	Called up Share capital £000	Profit & loss account £000	Total equity £000
Balance at 1 January 2016	-	(10,086)	(10,086)
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period			
Loss for the year	-	(26)	(26)
Other comprehensive income	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the period	-	(26)	(26)
	<hr/>	<hr/>	<hr/>
Issue of shares	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	-	(10,112)	(10,112)
	<hr/>	<hr/>	<hr/>



Notes

(forming part of the financial statements)

1 Accounting policies

A-Gas Investments Limited (the company) is a company limited by shares and incorporated and domiciled in the UK. The registered number is 06004328 and the registered address is Banyard Road, Portbury West, Bristol, BS20 7XH.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The following accounting policies have been applied consistently in dealing with items which are considered material to the financial statements. The preparation of financial statements requires the use of certain critical accounting estimates. It also required management to exercise its judgement in the process of applying the company's accounting policies. Management do not believe there are any areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The Company's ultimate parent undertaking, A-Gas (*Orb*) Limited includes the Company in its consolidated financial statements. The consolidated financial statements of A-Gas (*Orb*) Limited are prepared in accordance with FRS 102 available to the public and may be obtained from the address as detailed in Note 14. 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 FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of A-Gas (*Orb*) Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

The directors do not believe that there are any estimates or judgements that have a significant effect on these financial statements.



Notes (continued)

1 Accounting policies (continued)

Going concern

Notwithstanding net current liabilities of £41,539,000 (2015: £41,513,000) and net liabilities of £10,112,000 (2015: £10,086,000), the financial statements have been prepared on a going concern basis which the directors believe to be appropriate for the following reason. A-Gas (Orb) Limited, the company's parent company, has indicated that for a period of at least 12 months from the date of approval of these financial statements they will provide support to the company to allow it to meet its liabilities as they fall due for payment.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements they have no reason to believe that it will not do so.

If the company were unable to trade, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and current liabilities. The financial statements at 31 December 2016 would be materially affected by changes in future funding arrangements.

Foreign currency

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.



Notes (continued)

1 Accounting policies (continued)

Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured.

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be reliably measured. Risks and rewards are generally considered passed to the buyer at the time of delivery of the goods to the customers.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset/are expensed as incurred.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.



Notes (continued)

1 Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Turnover

The company is an intermediate holding company and has not traded during the current or preceding year.

3 Expenses and auditors remuneration

Included in operating loss are the following:

The Company's audit fee was £3,000 (2015: £3,000) and was borne by another company within the A-Gas group, A-Gas (Orb) Limited. Fees paid to the company's auditor, KPMG LLP, for services other than the statutory audit of the company are not disclosed in the company's accounts since the consolidated accounts of the company's parent, A-Gas (Orb) Limited disclose non audit fees on a consolidated basis.

4 Directors' remuneration

All directors are also directors of the ultimate parent company, A-Gas (Orb) Limited. Their emoluments for both the current and preceding years are borne by and disclosed in the financial statements of A-Gas (Orb) Limited.



Notes (continued)

5 Staff costs

The average number of persons employed by the company (excluding directors) during the year was nil (2015: nil) and the aggregate costs of these persons was £nil (2015: £nil).

6 Interest payable and similar expenses

	2016 £000	2015 £000
Interest payable on loans due to group entities.	31	29

7 Interest receivable and similar income

	2016 £000	2015 £000
Interest received from bank account	-	13

8 Taxation

Total tax credit recognised in the profit and loss account, other comprehensive income and equity

	2016 £000	2015 £000
<i>Current tax</i>		
Current tax on loss for the period	6	3
Adjustments in respect of prior periods	-	-
Total current tax credit	6	3
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Total tax credit	6	3



Notes (continued)

8 Taxation (continued)

	£000	2016 £000	£000	£000	2015 £000	£000
	Current tax	Deferred tax	Total tax	Current tax	Deferred tax	Total tax
Recognised in Profit and loss account	6	-	6	3	-	3
Recognised in other comprehensive income	-	-	-	-	-	-
Recognised directly in equity	-	-	-	-	-	-
Total tax	6	-	6	3	-	3

Analysis of current tax recognised in profit and loss:

	2016 £000	2015 £000
UK corporation tax	6	3
Total current tax recognised in profit and loss	6	3

Reconciliation of effective tax rate

	2016 £000	2015 £000
Loss for the year	(26)	(14)
Total tax credit	6	3
Loss excluding taxation	(32)	(17)
Tax using the UK corporation tax rate of 20% (2015: 20.25%)	6	3
Group relief surrendered	(6)	(3)
Receipt for group relief	6	3
Total tax credit included in profit or loss	6	3

The company has unrecognised tax losses of £271,484 (2015:287,454).

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2015) and 20% (effective from 1 April 2016) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2016. The March 2016 Budget announced that the rate will further reduce to 17% (effective from 1 April 2020). This will further reduce the company's future current tax charge and impact the group's deferred tax position accordingly.



Notes (continued)

9 Fixed Asset Investments

The companies in which the company has an interest in at year end are as follows:

<i>Name of company</i>	<i>Class and percentage of shares held</i>	<i>Country of incorporation</i>	<i>Registered Address</i>	<i>Principal Activity</i>
Subsidiary undertaking				
A-Gas International Limited	100% ordinary	England & Wales	Banyard Road, Portbury West, Bristol, BS20 7XH, UK	Holding company
A-Gas (UK) Limited ¹	100% ordinary	England & Wales	Banyard Road, Portbury West, Bristol, BS20 7XH, UK	Chemicals and gases
A-Gas (Australia) Pty Limited ¹	100% ordinary	Australia	9-11 Oxford Road, Laverton North, Melbourne, Victoria	Chemicals and gases
A-Gas (South Africa) (Pty) Limited ¹	100% ordinary	South Africa	49 Afrikander Road, Mirdock Valley South, Simonstown	Chemicals and gases
A-Gas (SEA) Pte Limited ¹	100% ordinary	Singapore	360 Orchard Road, #10-05 International Building	Chemicals and gases
A-Gas Electronic Materials Limited ¹	100% ordinary	England & Wales	Banyard Road, Portbury West, Bristol, BS20 7XH, UK	Electronic materials
A-Gas (Performance Chemicals), Inc. ¹	100% ordinary	USA	310 North Broad Street, Doylestown, PA, 18901	Chemicals and gases
Comercializadora Industrial JFD, S.A de C.V (CIJSA) ¹	100% ordinary	Mexico	Pablo Villaseñor 460, Col. Ladrón de Guevara CP 44600 Guadalajara	Chemicals and gases
A-Gas Solpac Asia Pacific Pte Limited ¹	100% ordinary	Singapore	360 Orchard Road, #10-05 International Building	Holding company
A-Gas Solpac Holdings (Thailand) Limited ¹	100% ordinary	Thailand	68-68/6 S&B Tower, Floor 7th, Room No. 702, Pan Road, Silom, Bangrak, Bangkok	Holding company
A-Gas Thailand Limited ¹	100% ordinary	Thailand	68-68/6 S&B Tower, Floor 7th, Room No. 702, Pan Road, Silom, Bangrak, Bangkok	Chemicals and gases
A-Gas (Shanghai) Chemical Co Ltd ¹	100% ordinary	China	6C International Ocean Building, 720 Pudong Avenue, Shanghai	Chemicals and gases
A-Gas US Holdings, Inc. ¹	100% ordinary	USA	1209 Orange Street, Wilmington, New Castle County, Delaware	Holding company
A-Gas US, Inc. ¹	100% ordinary	USA	1209 Orange Street, Wilmington, New Castle County, Delaware	Holding company
Reclamation Technologies, Inc. ¹	100% ordinary	USA	4119 Dunkirk, Toledo, Ohio, 43606	Chemicals and gases
Coolgas, Inc. ¹	100% ordinary	USA	1209 Orange Street, Wilmington, New Castle County, Delaware	Chemicals and gases
A-Zone Technologies Limited ^{1,2}	100% ordinary	England & Wales	Banyard Road, Portbury West, Bristol, BS20 7XH, UK	Chemicals and gases
RapRec, Inc. ^{1,3}	100% ordinary	USA	8932, W. Cactus Road, Peoria, AZ	Chemicals and gases
RapRec Franchising, Inc. ^{1,3}	100% ordinary	USA	8932, W. Cactus Road, Peoria, AZ	Chemicals and gases
RapRec Support, Inc. ^{1,3}	100% ordinary	USA	8932, W. Cactus Road, Peoria, AZ	Chemicals and gases
RapRec Refrigerants, Inc. ^{1,3}	100% ordinary	USA	8932, W. Cactus Road, Peoria, AZ	Chemicals and gases

Note 1 - Shares are held by a subsidiary company of A-Gas Investments Limited.

Note 2 - A-Zone Technologies Limited owns 100% of the share capital of Dioxo Limited.

Note 3 - The Rapid Recovery companies were acquired on the 23 May 2016.



Notes (continued)

9 Fixed Asset Investments (continued)

Company	Shares in group undertakings £000	Participating interests £000	Other investments other than loans £000	Total £000
Cost				
At beginning of year	31,427	-	-	31,427
Additions	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	31,427	-	-	31,427
	<hr/>	<hr/>	<hr/>	<hr/>
Provisions				
At beginning of year	-	-	-	-
Provided in year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At end of year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 December 2016	31,427	-	-	31,427
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 January 2016	31,427	-	-	31,427
	<hr/>	<hr/>	<hr/>	<hr/>

10 Debtors

	2016 £000	2015 £000
Prepayments	7	8
Other debtors	10	10
Amounts owed by group undertakings	3,344	3,344
	<hr/>	<hr/>
	3,361	3,362
	<hr/>	<hr/>



Notes (continued)

11 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Loans due to group entities	39,840	39,846
Unsecured loan notes due to group entity	422	390
Amounts owed to group undertakings	4,546	4,546
Other creditors	92	93
	<hr/>	<hr/>
	44,900	44,875
	<hr/>	<hr/>

The unsecured loan notes due to a group entity bear interest at 8% per annum.

The current bank Revolving Credit Facility for all UK A-Gas entities is £7,500,000 (2015: £7,500,000). At 31 December 2016 no overdraft (2015: £nil) was drawn down by these entities. Any overdraft drawn down is secured by charges on the company's and other group companies' assets.

12 Share capital

	2016 £000	2015 £000
<i>Allotted, called up and fully paid</i>		
One ordinary share of £1 (2015: one)	-	-
	<hr/>	<hr/>

13 Contingent liability

The company together with other group subsidiaries has fixed and floating charges under a charge dated 13 April 2011 in respect of loans and bank borrowings of the company. The total amount of loans guaranteed at 31 December 2016 was £151,517,143 (2015: £136,236,000).

The company together with group subsidiaries has guaranteed the group bank overdraft to the extent of £7,500,000 (2015: £7,500,000).



Notes (continued)

14 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of A-Gas (Orb) Limited which is the company's ultimate controlling party.

The largest group in which the results of the Company are consolidated is that headed by A-Gas (Orb) Limited, incorporated in England and Wales. No other group financial statements include the results of the Company. The consolidated financial statements of the group are available to the public and may be obtained from the groups registered address: Banyard Road, Portbury West, Bristol, BS20 7XH.

15 Operating commitments

The company did not have any operating lease commitments (2015: nil).

16 Related party transactions

The company has taken advantage of the exemption given by FRS 102 to subsidiary undertakings, 100% of whose voting rights are controlled within the group, by not disclosing information on related party transactions with entities that are part of the group, or investees of the group qualifying as related parties.

	Receivables outstanding		Loans & creditors outstanding	
	2016 £	2015 £	2016 £	2015 £
Entities over which Company has control, joint control or significant influence (subject to wholly owned exemption)	3,344	3,344	44,808	44,782
	<hr/>	<hr/>	<hr/>	<hr/>
	3,344	3,344	44,808	44,782

17 Post Balance Sheet Events

There has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the company, to affect significantly the operations of the company, the results of those operations, or the state of affairs of the company, in future financial years.