

# **Umeco Americas Limited**

## **Directors' report and financial statements**

**31 December 2014**

Registered number 7092612

MONDAY

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# Umeco Americas Limited

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# Umeco Americas Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

### Principal activities

The principal activity of the company is that of a holding company.

### Results and dividend

The loss for the year was £12,400,000 (2013: £nil). The directors do not recommend the payment of a dividend (2013: £nil).

### Directors

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

DM Drillock (resigned 31 October 2014)  
DG Darazsdi (appointed 1 November 2014)  
RD Smith

### Disclosure of information to 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.

### 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



**DG Darazsdi**  
Director

Composites House  
Sinclair Close  
Heanor Gate Industrial Estate  
Heanor  
Derbyshire  
DE75 7SP

20 JULY 2015

## Umeco Americas Limited

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

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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.



## **Independent auditor's report to the members of Umeco America Limited**

We have audited the financial statements of Umeco America Limited for the year ended 31 December 2014 set out on pages 4 to 8. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 2, 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](http://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 2014 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.

### **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 matter - Prior period financial statements**

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited.

### **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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Michael Froom** (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
One Snowhill  
Snowhill Queensway  
Birmingham  
B4 6GH

20 July 2015

# Umeco Americas Limited

## **Profit and loss account** *for the year to 31 December 2014*

	<i>Note</i>	<b>2014</b> <b>£000</b>	Unaudited 2013 £000
Loss on sale of investment	2	<b>(12,400)</b>	-
<b>Loss on ordinary activities before taxation</b>	2	<b>(12,400)</b>	-
Tax on loss on ordinary activities	4	-	-
<b>Loss for the year</b>	6	<b>(12,400)</b>	-

There were no recognised gains or losses other than those disclosed in the profit and loss account in either the current or preceding year.

All the activities of the company are classed as continuing.

# Umeco Americas Limited

## Balance sheet

as at 31 December 2014

	Note	2014 £000	Unaudited 2013 £000
<b>Capital and reserves</b>			
Called up share capital	5	-	-
Share premium	6	12,400	-
Profit and loss account	6	(12,400)	-
		<hr/>	<hr/>
<b>Shareholders' funds</b>	7	<hr/>	<hr/>

These financial statements were approved by the board of directors on 20 July 2015 and were signed on its behalf by:



**DG Darazsdi**  
Director

Registered number 7092612

# Umeco Americas Limited

## Notes *(forming part of the financial statements)*

### 1 **Accounting policies**

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

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

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under FRS1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own consolidated financial statements.

As the company is a wholly owned subsidiary of Cytec Industries Inc., it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

#### ***Exemption from consolidation***

These financial statements present information about the company as an individual undertaking and not about its group. The company has taken advantage of the exemption from preparing consolidated financial statements afforded by s401 of Companies Act 2006 because it is a wholly owned subsidiary of Cytec Industries Inc. which prepares consolidated financial statements that are publically available, see note 8.

#### ***Going concern***

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The directors, having assessed the responses of the directors of the company's ultimate controlling party Cytec Industries Inc. to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Cytec group to continue as a going concern.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Cytec Industries Inc., the company's directors have a reasonable expectation that the company will be able 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.

#### ***Investments***

Fixed asset investments in subsidiary undertakings are stated at cost, less any provision for impairment.

#### ***Taxation***

The charge for taxation is based on the result for the year and includes full provision for taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. The company has adopted FRS19 in the preparation of these financial statements.



# Umeco Americas Limited

## Notes (continued)

### 2 Loss on ordinary activities before taxation

Auditor's remuneration payable to the company's auditors for the audit of the accounts was £1,000 (2013: £nil). This remuneration was borne by Umeco Limited.

On 24 September 2012 the company disposed of 100% of its investment in Umeco American Holdings Inc. to Cytec UK Holdings Limited for £69,200,000, generating a profit on disposal of £23,412,000. In line with the terms of the original Sale and Purchase Agreement, the consideration received was subsequently adjusted in the current year to £56,800,000 based on the results of a transfer pricing study, generating a loss on disposal in the current year of £12,400,000.

### 3 Remuneration of directors

Directors' emoluments have been borne by another group company. The directors of the company are also directors or officers of a number of the companies within the group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the year ended 31 December 2014 or year ended 31 December 2013.

### 4 Tax on loss on ordinary activities

	2014 £000	Unaudited 2013 £000
Corporation tax on loss on ordinary activities	-	-

The current tax for the year is higher than (2013: equal to) the standard rate of UK corporation tax of 21.5% (2013: 23.25%).

	2014 £000	Unaudited 2013 £000
Loss on ordinary activities before taxation	(12,400)	-
Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax 21.5% (2013: 23.25%)	(2,666)	-
Effects of: Non-taxable loss on disposal of investments	2,666	-
Total current tax charge	-	-

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

# Umeco Americas Limited

## Notes (continued)

### 5 Called up share capital

	2014	Unaudited 2013
	£	£
<i>Allotted, called up and fully paid</i>		
2 (2013:1) Ordinary shares of £1 each	2	1

On 8 September 2014 the company allotted 1 ordinary share of £1 to Umeco Limited in return for £12,400,000.

### 6 Reserves

	Share premium account £000	Profit and loss account £000
At the beginning of year (unaudited)	-	-
Share issue (note 5)	12,400	-
Loss for the year	-	(12,400)
At the end of year	12,400	(12,400)

### 7 Reconciliation of movement in shareholders' funds

	2014 £000	Unaudited 2013 £000
Loss for the financial year	(12,400)	-
Share issue (note 5)	12,400	-
Net movement in shareholders' funds	-	-
Opening shareholders' funds (unaudited)	-	-
Closing shareholders' funds	-	-

### 8 Ultimate holding company and ultimate controlling party

The company's ultimate holding company and ultimate controlling company is Cytec Industries Inc. incorporated in the United States of America. The consolidated accounts of this group are available to the public and may be obtained from Five Garret Mountain Plaza, Woodland Park, NJ 07424, USA.