

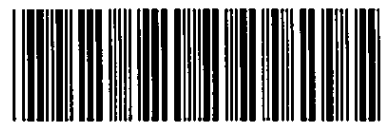
**Thermal Engineering Holding Limited**

**Annual report and financial statements**

**Registered number 7119234**

**31 December 2013**

WEDNESDAY



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## Strategic report

The directors' present their Strategic Report, Directors' Report and financial statements for the year ended 31 December 2013

### Principal activity

The principal activity of the Company was that of a holding company for a subsidiary company operating in the manufacturing of components for the aerospace market

### Business review, results and dividends

The result for the year, after taxation, is a loss of £9k (*2012 loss of £13k*) No dividend was paid or proposed for the year ended 31 December 2013 (*2012 £nil*)

On 29 November 2013, the Company was acquired by Senior UK Limited The Company is now a wholly owned subsidiary of Senior UK Limited and the ultimate parent company is Senior plc

### Principal risks and uncertainties

The main risk facing the Company is the underlying performance of its subsidiary, Thermal Engineering Limited The risks and uncertainties of Thermal Engineering Limited are addressed in its annual report and financial statements, that do not form part of this report

By order of the board



**P White**  
*Financial Director*

12 May 2014

## Directors' report

### Results and dividends

These are shown in the Strategic report on Page 1

### Directors

The directors who held office during the year and subsequent to the year end were as follows

P White

M Humber	(appointed 14th February 2013)
M Rollins	(appointed 29th November 2013)
D Harding	(appointed 29th November 2013)
A Bodenham	(appointed 29th November 2013)
S G Keating	(resigned 29th November 2013)
V A Rajkumar	(resigned 29th November 2013)
I G Slater	(resigned 29th November 2013)
A Adepoju	(resigned 29th November 2013)
M McVicar	(resigned 29th November 2013)
C Herbertson	(resigned 29th November 2013)

### Secretary

A Bodenham (appointed 29<sup>th</sup> November 2013)

### Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the loss for the year. The directors, having assessed the responses of the directors of the Company's parent, Senior plc, have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the company to continue in operational existence for the foreseeable future.

### Directors and their indemnity arrangements

All directors are entitled to indemnification from the company to the extent permitted by law against claims and legal expenses incurred in the course of their duties. Third party indemnity insurance is provided and remains in force as at the date of approving the directors' report.

### Political and charitable contributions

The Company made no political or charitable contributions during the year (2012 £nil)

## 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

### 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



P. White  
*Financial Director*

59/61 High Street,  
Rickmansworth,  
Hertfordshire  
WD3 1RH

12 May 2014

## Statement of directors' responsibilities

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)

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 judgments 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**

Botanic House  
100 Hills Road  
Cambridge  
CB2 1AR  
United Kingdom

### **Independent auditor's report to the members of Thermal Engineering Holding Limited**

We have audited the financial statements of Thermal Engineering Holding Limited for the year ended 31 December 2013 set out on pages 7 to 13. 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 statement of directors' responsibilities 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. 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 2013 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**

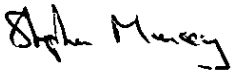
In our opinion the information given in the Strategic Report, the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditor's report to the members of Thermal Engineering Holding Limited** *(continued)*

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all of the information and explanations we require for our audit



**Stephen Muncey (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

Botanic House  
100 Hills Road  
Cambridge  
CB2 1AR

Date                      12 May 2014



**Profit and loss account**  
*for the year ended 31 December 2013*

	<i>Note</i>	<b>2013 £000</b>	<b>2012 £000</b>
Administrative expenses		(7)	(7)
<b>Operating loss</b>		(7)	(7)
Other interest receivable and similar income	3	68	65
Interest payable and similar charges	4	(70)	(71)
<b>Loss on ordinary activities before taxation</b>	2	(9)	(13)
Tax on loss on ordinary activities	5	-	-
<b>Loss for the financial year</b>	10	(9)	(13)

There were no recognised gains or losses for 2013 or 2012, **other than those included in the profit and loss account** above

The results derive wholly from continuing operations in both the current and prior year

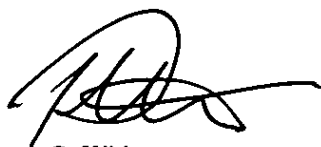
There is no material difference between the Company's results as reported and on a historical cost basis. Accordingly, no note of historical costs profits and losses has been prepared

The notes on pages 9 to 13 form part of these financial statements

**Balance Sheet**  
*at 31 December 2013*

	<i>Note</i>	<b>2013 £000</b>	<b>2013 £000</b>	<b>2012 £000</b>	<b>2012 £000</b>
<b>Fixed assets</b>					
Investments	6		50		50
			<u>50</u>		<u>50</u>
<b>Current assets</b>					
Debtors	7	717		883	
		<u>717</u>		<u>883</u>	
<b>Creditors</b> amounts falling due within one year	8	(799)		(956)	
<b>Net current liabilities</b>			<u>(82)</u>		<u>(73)</u>
<b>Net liabilities</b>			<u>(32)</u>		<u>(23)</u>
<b>Capital and reserves</b>					
Called up share capital	9		1		1
Profit and loss account	10		(33)		(24)
<b>Shareholders' deficit</b>			<u>(32)</u>		<u>(23)</u>

These financial statements were approved by the board of directors on 12 May 2014 and were signed on its behalf by



**P. White**  
*Financial Director*

Company registered number 7119234

The notes on pages 9 to 13 form part of these financial statements

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following principal accounting policies have been applied consistently in the current and prior year, except as noted below

#### *Basis of preparation*

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

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements due to the Company being included in a parent company's consolidated financial statements. The consolidated financial statements of Senior plc, within which this company is included, can be obtained from the address given in note 12. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 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 published consolidated financial statements.

As the Company is a wholly owned subsidiary of Senior plc, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group.

#### *Going concern*

The financial statements have been prepared on a going concern basis, notwithstanding the loss for the year. The directors, having assessed the responses of the directors of the Company's parent, Senior plc, have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the company to continue in operational existence for the foreseeable future.

#### *Investments*

Investments are stated at cost, less amounts written off for impairment value. In the opinion of the directors, the investments in subsidiary undertakings are worth at least their carrying value.

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### *Taxation*

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## Notes (continued)

### 2 Loss on ordinary activities before taxation

	2013 £000	2012 £000
<b><i>Loss on ordinary activities before taxation is stated after charging</i></b>		
Auditor's remuneration – audit of these financial statements	7	5

The Company has no employees (2012 nil) The Company makes use of employees from fellow group companies

Certain directors who served during the year are also directors of the ultimate parent company or a fellow subsidiary company, and are remunerated by those companies. Although they do receive remuneration from those companies for their service to various group companies, including this Company, it is not practicable to allocate their remuneration to individual companies within the group. Therefore, their remuneration has been disclosed in the financial statements of the relevant company from which it is received.

### 3 Other interest receivable and similar income

	2013 £000	2012 £000
On amounts due from group undertakings	68	65

### 4 Interest payable and similar charges

	2013 £000	2012 £000
Owed to former directors	69	71
On amounts due to group undertakings	1	-
	70	71

## Notes (continued)

### 5 Taxation

#### Analysis of charge in year

	2013 £000	2013 £000	2012 £000	2012 £000
<i>UK corporation tax</i>				
Current tax on income for the period (see below)	-	-	-	-
		-		-
Tax on loss on ordinary activities		-		-

#### Factors affecting the tax charge for the current year

The current tax charge for the period is lower (2012 lower) than the standard rate of corporation tax in the UK (23.25%, 2012 20%). The differences are explained below

	2013 £000	2012 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	(9)	(13)
Current tax at 23.25% (2012 20%)	(2)	(3)
<i>Effects of</i>		
Unrelieved tax losses	2	3
Total current tax charge (see above)	-	-

#### Factors that may affect future current and total tax charges

The Finance Act 2013, which provides for a reduction in the main rate of Corporation Tax from 23% to 21% effective from 1 April 2014 and to 20% effective from 1 April 2015, was substantively enacted on 2 July 2013

## Notes (continued)

### 6 Investments

Subsidiary  
undertakings  
£000

#### Cost and net book value

At 1 January 2013 and 31 December 2013

50

	Country of incorporation	Principal activity	Class and percentage of shares held
<b>Subsidiary undertakings</b>			
Thermal Engineering Limited	England and Wales	Manufacture of aero-engine components	100% ordinary shares

### 7 Debtors

	2013 £000	2012 £000
Amounts owed by group undertakings	717	883

### 8 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Owed to former directors	-	956
Amounts owed to group undertakings	799	-
	799	956

## Notes (continued)

### 9 Called up share capital

	2013 £	2012 £
<b><i>Allotted, called up and fully paid</i></b>		
980 (2012 978) ordinary shares of £1 each	980	978
	<u>980</u>	<u>978</u>

On 12 August 2013, the company issues 2 new ordinary shares for a consideration of £2

### 10 Profit and loss account

	2013 £000	2012 £000
At beginning of the year	(24)	(11)
Loss for the financial year	(9)	(13)
	<u>(33)</u>	<u>(24)</u>

### 11 Reconciliation of movement in shareholders' deficit

	Called up share capital £000	Profit and loss account £000	Shareholders' deficit £000
At beginning of year	1	(24)	(23)
Loss for the financial year	-	(9)	(9)
	<u>1</u>	<u>(33)</u>	<u>(32)</u>

### 12 Ultimate parent company

The Company is controlled by Senior UK Limited, its 100% shareholder

The Company is a subsidiary undertaking of Senior plc which is the ultimate parent company incorporated in England and Wales. The largest and smallest group in which the results of the Company are consolidated is that headed by Senior plc.

The consolidated financial statements of the group are available to the public and may be obtained from the Senior plc website ([www.seniorplc.com](http://www.seniorplc.com)) or from its registered office at 59-61 High Street, Rickmansworth, Hertfordshire, WD3 1RH.