

Company Registration No. 7119234

**THERMAL ENGINEERING HOLDING
LIMITED**

Report and Financial Statements

31 December 2014

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THERMAL ENGINEERING HOLDING LIMITED

REPORT AND FINANCIAL STATEMENTS 2014

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THERMAL ENGINEERING HOLDING LIMITED

REPORT AND FINANCIAL STATEMENTS 2014

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D Harding
A Bodenham

SECRETARY

A Bodenham

REGISTERED OFFICE

59/ 61 High Street
Rickmansworth
Hertfordshire
WD3 1RH

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
St Albans, United Kingdom

THERMAL ENGINEERING HOLDING LIMITED

STRATEGIC REPORT

PRINCIPAL ACTIVITY

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

BUSINESS REVIEW, RESULTS AND DIVIDENDS


The result for the year, after taxation, is a profit of £82k (2013: loss of £9k). No dividend was paid or proposed for the year ended 31 December 2014 (2013: £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.

Approved by the Board of Directors
and signed on behalf of the Board



D Harding
Director
2 September 2015

THERMAL ENGINEERING HOLDING LIMITED

DIRECTORS' REPORT

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

DIRECTORS

The directors who served during the year were as follows:

P White	(resigned 15 May 2014)
M Humber	(resigned 20 May 2014)
M Rollins	(resigned 18 May 2015)
D Harding	
A Bodenham	

GOING CONCERN

The financial statements have been prepared on a going concern basis. 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 (2013: £nil).

AUDITOR

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

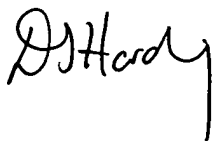
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP were appointed as auditor during the year and have expressed their willingness to continue in office as auditor. A resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

D Harding
Director
2 September 2015



THERMAL ENGINEERING HOLDING LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 2014 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

Opinion on other matter prescribed by the Companies Act 2006

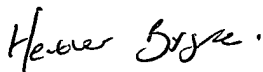
In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 the information and explanations we require for our audit.



Heather Bygrave (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
St Albans, United Kingdom

3 September 2015

THERMAL ENGINEERING HOLDING LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Other income	3	78	-
Administrative expenses		-	(7)
OPERATING PROFIT/ (LOSS)		78	(7)
Interest receivable and similar income	4	6	68
Interest payable and similar charges	5	(2)	(70)
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	82	(9)
Tax on profit/ (loss) on ordinary activities	6	-	-
PROFIT/ (LOSS) FOR THE FINANCIAL YEAR	11	82	(9)

All transactions derived from continuing operations.

There are no recognised gains and losses for the current financial year or preceding financial year other than as stated in the profit and loss account above. Accordingly, no statement of total recognised gains and losses is given.

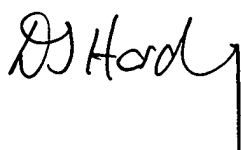
THERMAL ENGINEERING HOLDING LIMITED

BALANCE SHEET 31 December 2014

	Note	2014 £'000	2013 £'000
FIXED ASSETS			
Investments	7	50	50
CURRENT ASSETS			
Debtors	8	-	717
CREDITORS: amounts falling due within one year	9	-	(799)
NET CURRENT LIABILITIES		-	(82)
TOTAL ASSETS LESS CURRENT LIABILITIES		50	(32)
CAPITAL AND RESERVES			
Called up share capital	10	1	1
Profit and loss account	11	49	(33)
SHAREHOLDERS' FUNDS/ (DEFICIT)		50	(32)

The financial statements of Thermal Engineering Holding Limited, registered number 7119234, were approved by the Board of Directors and authorised for issue on 2 September 2015.

Signed on behalf of the Board of Directors



D Harding
Director

THERMAL ENGINEERING HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2014

1. ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently in the current and prior year.

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 13. 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. 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.

THERMAL ENGINEERING HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year ended 31 December 2014

2. PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

	2014 £'000	2013 £'000
Profit/ (loss) on ordinary activities before taxation is after charging/ (crediting):		
Auditor's remuneration - audit of these financial statements	-	7

The Company has no employees (2013: nil). The Company makes use of employees from fellow group companies.

During the year ended 31 December 2014 the Company's audit and tax fees were incurred by another group company.

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 INCOME

	2014 £'000	2013 £'000
Dividends from group undertakings	78	-

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2014 £'000	2013 £'000
On amounts due from group undertakings	6	68

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £'000	2013 £'000
Owed to former directors	-	69
On amounts due to group undertakings	2	1
	<u>2</u>	<u>70</u>

THERMAL ENGINEERING HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year ended 31 December 2014

6. TAX ON PROFIT/ (LOSS) ON ORDINARY ACTIVITIES

	2014 £'000	2013 £'000
Current taxation		
UK corporation tax charge for the year	-	-
Tax on profit/ (loss) on ordinary activities	-	-

The standard rate of tax for the year based on the UK standard rate of corporation tax is 21.5% (2013 - 23.25%). The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation.

	2014 £'000	2013 £'000
Profit/ (loss) on ordinary activities before tax	82	(9)
Tax on profit/ (loss) on ordinary activities at standard rate	18	(2)
Factors affecting charge for the year:		
Dividend income	(17)	-
Unrelieved tax losses	-	2
Utilisation of tax losses	(1)	-
Total actual amount of current tax	-	-

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted in July 2013 now standing at 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015. The closing deferred tax assets and liabilities have been calculated at 20% in accordance with the rates enacted at the balance sheet date.

In the Budget on 8 July 2015, the UK Government proposed, amongst other things, to further reduce the main rate of UK corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020. Existing temporary differences on which deferred tax has been provided may therefore unwind in periods subject to these reduced rates. These rate changes are to be included in the Finance Bill 2015 but this has not yet been substantively enacted.

7. INVESTMENTS

	Subsidiary undertakings £'000
Cost and net book value	
At 1 January 2014 and 31 December 2014	50

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

THERMAL ENGINEERING HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year ended 31 December 2014

8. DEBTORS

	2014 £'000	2013 £'000
Amounts owed by group undertakings	-	717

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £'000	2013 £'000
Amounts owed to group undertakings	-	799

10. CALLED UP SHARE CAPITAL

	2014 £'000	2013 £'000
Called up, allotted and fully paid		
980 (2013: 980) ordinary shares of £1 each	1	1

11. STATEMENT OF MOVEMENTS ON RESERVES

	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2014	1	(33)	(32)
Profit for the financial year	-	82	82
At 31 December 2014	1	49	50

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS (DEFICIT)

	2014 £'000	2013 £'000
Profit/ (loss) for the financial year	82	(9)
Opening shareholders' deficit	(32)	(23)
Closing shareholders' funds (deficit)	50	(32)

THERMAL ENGINEERING HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Year ended 31 December 2014

13. 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) or from its registered office at 59-61 High Street, Rickmansworth, Hertfordshire, WD3 1RH.