

Registered number: 5859422

**Celanese Acetate Limited**

**Report and financial statements**  
**for the year ended 31 December 2014**

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**Celanese Acetate Limited**

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**Company Information**

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**Director** M J Lington (appointed 28 July 2015)

**Registered number** 5859422

**Registered office** 1 Holme Lane  
Spondon  
Derby  
United Kingdom  
DE21 7BS

**Auditor** KPMG LLP  
St Nicholas House  
Park Row  
Nottingham  
NG1 6FQ

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**Celanese Acetate Limited**

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**Celanese Acetate Limited**

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**Strategic report  
for the year ended 31 December 2014**

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**Results**

The loss for the year, after taxation, amounted to £6.6 million (2013 - loss of £5.2 million)

**Business review and principal activities**

Following the closure of the acetate, flake and tow manufacturing operations in late 2012, the principal activity of the company is now the manufacture and sale of Clarifoil Cellulose Films. This business manufactures diacetate films for packaging, tape and lamination with sales mainly to external customers.

Turnover for 2014 was £9.9 million (2013: £16.6 million). Of this, £nil (2013: £5.5 million) relates to the discontinued acetate, flake and tow manufacturing operation and £9.9 million (2013: £11.1 million) relates to the continuing Clarifoil operation. A loss of £6.6 million before tax in 2014, including £nil of restructuring costs (2013: a loss of £5.2 million before tax, including £1.0 million restructuring costs) has been realised.

The Clarifoil Cellulose Films business is not part of the main site plant closure of its acetate flake and tow manufacturing operations. The majority of the work to improve the Clarifoil production facility has finished and is close to the stage of being completely stand alone. The parent company continues to support and invest in these operations.

**Principal risks and uncertainties**

The Celanese flake unit was mothballed during 2012 and the tow unit is intended to be demolished. There is a risk that the actual cost of the environmental cleanup process differs from our best estimate recorded in these financial statements. This risk was mitigated through the use of environmental experts and surveyors in forming our estimate and regularly monitoring actual versus expected expenses.

The continuing Clarifoil operation is exposed to cost competition, strategic risk from changes in consumer demand, price risk from both raw material price fluctuations and price competition and exchange risk from operating across global geographic markets. The Company adopted appropriate policies to mitigate such risks where practical in line with group objectives and strategies.

This report was approved by the board and signed on its behalf.



**M J Lington  
Director**

Date: 29th September 2015

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**Celanese Acetate Limited**

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**Director's report  
for the year ended 31 December 2014**

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The director presents his report and the financial statements for the year ended 31 December 2014.

**Dividends**

The director does not recommend the payment of a dividend (2013 : £nil)

**Directors**

The directors who served during the year were:

W Keller (resigned 31 March 2014)  
S W Thornton (resigned 27 July 2015)  
L E Purvis (appointed 31 March 2014 & resigned 27 July 2015)

**Political contributions**

The company made no political and charitable donations during the year (2013: £nil)

**Future developments**

The continuing Clarifoil operation puts a lot of focus on commercializing its new product. The management team is constantly seeking future possibilities to expand the market share and improve/guarantee future profitability.

**Employees**

Where individuals become disabled whilst in the company's employment, reasonable effort is made to provide opportunity for continued employment within the potential aptitude and ability of the person concerned, and to provide such facilities, including any appropriate training, as may be necessary for that purpose.

In dealing with applications for employment and the training, career development and promotion of existing employees, efforts are made to ensure that a disabled individual's potential aptitude and ability are considered both without prejudice and as constructively as possible in relation to the opportunities available.

The company provided information regarding the financial and economic factors affecting its performance to employees in literature circulated periodically. A manual of the company's policies is available to all employees and consultation with employees takes place on a regular basis.

**Disclosure of information to auditor**

The director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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Celanese Acetate Limited

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Director's report  
for the year ended 31 December 2014

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**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.

**Going concern**

Celanese International Holdings Luxembourg S.à.r.l ("CIH") has confirmed its current intent to provide any necessary financial support to enable Celanese Acetate Limited to continue to trade and to meet its liabilities as and when they fall due, but only to the extent that Celanese Acetate Limited remains a subsidiary or affiliate of the Group at the time such liabilities fall due, for at least 18 months from the signing of these financial statements. As a result, the directors have a reasonable expectation that the company has adequate resources to continue in operations for the foreseeable future.

This report was approved by the board and signed on its behalf.

*M J Lington*

M J Lington  
Director

Date: 29<sup>th</sup> September 2015

1 Holme Lane  
Spondon  
Derby  
United Kingdom  
DE21 7BS

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**Celanese Acetate Limited**

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**Director's responsibilities statement  
for the year ended 31 December 2014**

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

Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period. In preparing these financial statements, the director is 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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**Celanese Acetate Limited**

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**Independent auditor's report to the members of Celanese Acetate Limited**

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We have audited the financial statements of Celanese Acetate Limited for the year ended 31 December 2014 set out on pages 7 to 20. 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 director and auditor**

As explained more fully in the Director's Responsibilities Statement set out on page 4, the director is 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 Director's Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



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Celanese Acetate Limited

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**Independent auditor's report to the members of Celanese Acetate Limited**

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**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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Anthony Hambleton (Senior Statutory Auditor)  
for and on behalf of  
**KPMG LLP, Statutory Auditor**  
St Nicholas House  
Park Row  
Nottingham  
NG1 6FQ

Date: 29<sup>th</sup> September 2015

**Celanese Acetate Limited**

**Profit and loss account  
for the year ended 31 December 2014**

	Note	2014 £000	2013 £000
<b>Turnover</b>	1,2		
Continuing operations		9,900	11,070
Discontinued operations		-	5,546
		<u>9,900</u>	<u>16,616</u>
Cost of sales	25	(10,711)	(17,777)
		<u>(10,711)</u>	<u>(17,777)</u>
<b>Gross loss</b>		(811)	(1,161)
Selling and distribution costs	25	(3,373)	(1,153)
Administrative expenses	25	(2,628)	(2,009)
Other operating (expense)/income	3	(184)	180
		<u>(6,996)</u>	<u>(5,163)</u>
<b>Operating loss</b>	4		
Loss from continuing operations		(6,996)	(2,894)
Loss from discontinued operations		-	(1,249)
		<u>(6,996)</u>	<u>(4,143)</u>
<b>Exceptional items</b>			
Restructuring expenses relating to discontinued operations	8	744	(490)
		<u>744</u>	<u>(490)</u>
<b>Loss on ordinary activities before interest (includes £ loss relating to discontinued operations)</b>		(6,252)	(4,633)
Interest receivable and similar income	9	-	5
Interest payable and similar charges	10	(388)	(607)
		<u>(388)</u>	<u>(607)</u>
<b>Loss on ordinary activities before taxation</b>		(6,640)	(5,235)
Tax on loss on ordinary activities	11	-	-
		<u>-</u>	<u>-</u>
<b>Loss for the financial year</b>	19	<u>(6,640)</u>	<u>(5,235)</u>

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

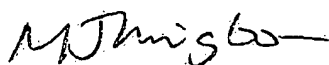
The notes on pages 9 to 20 form part of these financial statements.

**Celanese Acetate Limited**  
**Registered number: 5859422**

**Balance sheet**  
**as at 31 December 2014**

	Note	£000	2014 £000	£000	2013 £000
<b>Fixed assets</b>					
Intangible assets	12		230		34
Tangible assets	13		16,552		16,781
			<u>16,782</u>		<u>16,815</u>
<b>Current assets</b>					
Stocks	14	2,186		2,343	
Debtors (including £2,716,000 (2013: £2,330,000) due after more than 1 year)	15	5,977		6,279	
		8,163		8,622	
Creditors: amounts falling due within one year	16	(26,721)		(16,657)	
<b>Net current liabilities</b>			<u>(18,558)</u>		<u>(8,035)</u>
<b>Total assets less current liabilities</b>			<u>(1,776)</u>		<u>8,780</u>
<b>Provisions for liabilities</b>	17		<u>(6,699)</u>		<u>(10,615)</u>
<b>Net liabilities</b>			<u><u>(8,475)</u></u>		<u><u>(1,835)</u></u>
<b>Capital and reserves</b>					
Called up share capital	18		43,000		43,000
Share premium account	19		30,266		30,266
Capital contribution reserve	19		2,430		2,430
Profit and loss account	19		(84,171)		(77,531)
<b>Shareholders' deficit</b>	20		<u><u>(8,475)</u></u>		<u><u>(1,835)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**M J Lington**  
Director

Date: 29th September 2015

The notes on pages 9 to 20 form part of these financial statements.

Company number: 5859422

Notes to the financial statements  
for the year ended 31 December 2014

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

Celanese Corporation has the ability to direct capacity to a number of production locations across the world and has closed the Acetate manufacturing operations in late 2012. The Clarifoil films division is not included in the closure and will continue in business in the Celanese Acetate Limited statutory entity.

Celanese International Holdings Luxembourg S.a.r.l has confirmed its current intent to provide any necessary financial support to enable Celanese Acetate Limited to continue to trade and to meet their liabilities as and when they fall due, but only to the extent that Celanese Acetate Limited remains a subsidiary or affiliate of the Group at the time such liabilities fall due, for at least 18 months from the date of signing these financial statements. As a result, the director has a reasonable expectation that the company has adequate resources to continue in operations for the foreseeable future.

**1.2 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

**1.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue is recognised on delivery to customers, when the risks and rewards associated with the underlying products have been substantially transferred.

**1.4 Intangible fixed assets and amortisation**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. The life of any purchased goodwill is assessed and amortised to the Profit and loss account over that economic life. All previously purchased goodwill has been amortised in full and accordingly no charge for amortion has been made in either the current or previous year.

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	5% - 10%
Plant & machinery	-	6.67% - 20%
Fixtures & fittings	-	6.67% - 20%

Notes to the financial statements  
for the year ended 31 December 2014

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**1. Accounting policies (continued)**

No depreciation is provided on freehold land or capital work in progress.

Fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits. Otherwise impairments are recognised in the statement of total recognised gains and losses until the carrying amount reaches the asset's depreciated historical cost.

Impairment losses recognised in respect of income-generating units are allocated first to reduce the carrying amount of any goodwill allocated to income-generating units, then to any capitalised intangible asset and finally to the carrying amount of the tangible assets in the unit on a pro rata or more appropriate basis. An income generating unit is the smallest identifiable group of assets that generated income that is largely independent of the income streams from other assets or group of assets.

**Calculation of recoverable amount**

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment.

**1.6 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes an appropriate proportion of attributable overheads.

**1.7 Research and development**

Research and development expenditure is charged to the profit and loss account as incurred.

**1.8 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

Notes to the financial statements  
for the year ended 31 December 2014

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1. Accounting policies (continued)

1.9 Taxation

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

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

1.10 Pensions

The cost of providing retirement pensions and related benefits in respect of defined contributions schemes represents the contributions payable to the scheme in respect of the accounting period. The contributions are held in separately administered funds from the company's assets.

1.11 Provisions

Provision is made where, the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefit will be required and a reliable estimate of the obligation can be made. Provisions are discounted where the effect would be material.

1.12 Dividends unpaid on shares presented within shareholder's funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2. Turnover

Geographical analysis of the company's turnover (by destination):

	2014 £000	2013 £000
Belgium	318	5,546
United Kingdom	555	1,026
Rest of Europe	9,027	5,404
Australia, Middle East, Far East	-	340
The Americas	-	4,300
	<u>9,900</u>	<u>16,616</u>

The whole of the turnover from discontinued operations arose from sales to Belgium. The turnover from continued operations arose from sales to all other destinations.

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**Celanese Acetate Limited**

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**Notes to the financial statements  
for the year ended 31 December 2014**

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**3. Other operating income**

	2014 £000	2013 £000
Other operating (expense)/income	(184)	180

**4. Operating loss**

Operating loss is stated after charging:

	2014 £000	2013 £000
Amortisation of intangible fixed assets	137	12
Depreciation of tangible fixed assets:		
- owned by the company	556	486
Difference on foreign exchange	(14)	(36)
Research and development expenditure	576	316

**5. Auditor's remuneration**

	2014 £000	2013 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	30	31

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**Celanese Acetate Limited**

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**Notes to the financial statements  
for the year ended 31 December 2014**

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**6. Staff costs**

Staff costs were as follows:

	2014 £000	2013 £000
Wages and salaries	3,643	3,601
Social security costs	466	865
Other pension costs	421	942
	<u>4,530</u>	<u>5,408</u>

The average number of employees, including the director, during the year was as follows:

	2014 No.	2013 No.
Production	53	156
Administration	41	10
	<u>94</u>	<u>166</u>

**7. Director's remuneration**

During the year, no directors received any emoluments (2013 - £nil). Directors' emoluments are paid by the ultimate parent company. None of the directors are part of the company's defined contribution pension scheme.



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**Celanese Acetate Limited**

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**Notes to the financial statements  
for the year ended 31 December 2014**

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**8. Restructuring expenses**

The restructuring expenses recognised in the year are analysed as follows:

	2014 £000	2013 £000
Increase in restructuring provisions (note 17)	(297)	(1,000)
Release of surplus restructuring provisions (note 17)	900	-
	<u>603</u>	<u>(1,000)</u>

This is (credited)/charged to the profit and loss account on the following lines:

	2014 £000	2013 £000
Administrative expenses	-	-
Restructuring expenses relating to discontinued operations	744	(490)
Interest payable and similar charges (note 10)	(141)	(510)
	<u>603</u>	<u>(1,000)</u>

The deferred tax asset on these timing differences is not recognised in the financial statements (note 11).

**9. Interest receivable and similar income**

	2014 £000	2013 £000
Interest receivable from group companies	-	5

**10. Interest payable and similar charges**

	2014 £000	2013 £000
Accretion on provision (note 8)	(141)	(510)
Interest payable to group companies	(247)	(97)
	<u>(388)</u>	<u>(607)</u>

Notes to the financial statements  
for the year ended 31 December 2014

11. Tax on loss on ordinary activities

	2014 £000	2013 £000
UK corporation tax charge on loss for the year	-	-

Factors affecting tax charge for the year

The tax credit for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%). The differences are explained below:

	2014 £000	2013 £000
Loss on ordinary activities before tax	(6,640)	(5,235)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	(1,428)	(1,217)
Effects of:		
Depreciation in excess of/(less than) capital allowances	(41)	94
Permanent differences	1,615	40
Unrelieved tax losses carried forward	-	2,628
Movement in short term timing differences	(146)	(1,545)
Current tax credit for the year (see note above)	-	-

Unprovided deferred tax asset

Deferred taxation comprises:	2014 £000	2013 £000
Depreciation in excess of capital allowances	(7,744)	(7,763)
Tax losses	(2,212)	(2,188)
Other timing differences	(229)	(307)
	(10,185)	(10,258)

No deferred tax asset has been provided in respect of the above. The asset will be recovered when there is a reasonable expectation of taxable profits.

Factors that may affect future tax charges

The standard rate of UK corporation tax rate was reduced from 23% to 21% with effect from 1 April 2014. Accordingly the company's results are taxed at an effective rate of 21.50%. A further reduction to 20% effective from 1 April 2015 was enacted by Parliament on 17 July 2013 and accordingly deferred tax closing balances are calculated at a rate of 20%. This rate change will impact the amount of the future cash tax payments to be made by the company.

In his budget of 8 July 2015, the Chancellor of the Exchequer proposed further reductions in the rate of corporation tax to 19%, effective from 1 April 2017 and 18%, effective from 1 April 2020. As these changes have not been substantively enacted, the effect of these changes have not been reflected in the financial statements.

**Celanese Acetate Limited**

**Notes to the financial statements  
for the year ended 31 December 2014**

**12. Intangible fixed assets**

	Trademarks £000	C02 Emission allowances £000	Goodwill £000	Total £000
<b>Cost</b>				
At 1 January 2014	304	-	407	711
Additions	-	333	-	333
At 31 December 2014	304	333	407	1,044
<b>Amortisation</b>				
At 1 January 2014	270	-	407	677
Charge for the year	12	125	-	137
At 31 December 2014	282	125	407	814
<b>Net book value</b>				
At 31 December 2014	22	208	-	230
At 31 December 2013	34	-	-	34

**13. Tangible fixed assets**

	Freehold property and land £000	Plant & machinery £000	Capital work in progress £000	Fixtures & fittings £000	Total £000
<b>Cost</b>					
At 1 January 2014	15,317	63,633	1,044	497	80,491
Additions	-	-	335	-	335
Disposals	-	(139)	-	(5)	(144)
Transfer	47	649	(696)	-	-
At 31 December 2014	15,364	64,143	683	492	80,682
<b>Depreciation</b>					
At 1 January 2014	8,174	55,052	-	484	63,710
Charge for the year	19	531	-	6	556
On disposals	-	(133)	-	(3)	(136)
At 31 December 2014	8,193	55,450	-	487	64,130
<b>Net book value</b>					
At 31 December 2014	7,171	8,693	683	5	16,552
At 31 December 2013	7,143	8,581	1,044	13	16,781

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**Celanese Acetate Limited**

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**Notes to the financial statements  
for the year ended 31 December 2014**

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**14. Stocks**

	2014 £000	2013 £000
Raw materials	132	247
Work in progress	347	431
Finished goods, spares and supplies	1,707	1,665
	<u>2,186</u>	<u>2,343</u>

In the opinion of the director, there is no material difference between the cost as shown and the replacement cost of stock.

**15. Debtors**

	2014 £000	2013 £000
<b>Due after more than one year</b>		
Other debtors	3,337	2,330
<b>Due within one year</b>		
Trade debtors	412	1,134
Amounts owed by group undertakings	750	897
Other debtors	1,129	1,653
Prepayments and accrued income	349	265
	<u>5,977</u>	<u>6,279</u>

The amounts owed by group undertakings are unsecured, interest free and repayable on demand.

**16. Creditors:  
Amounts falling due within one year**

	2014 £000	2013 £000
Trade creditors	1,235	2,332
Amounts owed to group undertakings	24,610	12,821
Accruals and deferred income	876	1,504
	<u>26,721</u>	<u>16,657</u>

The above amounts due to group undertakings are unsecured and repayable on demand.

**Celanese Acetate Limited**

**Notes to the financial statements  
for the year ended 31 December 2014**

**17. Provisions for liabilities and charges**

	Restructuring £000	Health, safety & environmental £000	Total £000
At 1 January 2014	7,036	3,579	10,615
Charged to the profit and loss account	297	-	297
Utilised during the year	(3,007)	(306)	(3,313)
Released to profit and loss account	(900)	-	(900)
At 31 December 2014	<u>3,426</u>	<u>3,273</u>	<u>6,699</u>

**Restructuring provision**

The restructuring provision of £3,426,000 (2013: £7,036,000) relates to redundancy, decommissioning, deactivation and remediation. A further £297,000 was provided in the year for redundancy and retention bonuses (including £141,000 unwind of the discount applied) and it is expected that the provision will be utilised in the next two years.

**Health, safety & environmental**

The health, safety and environmental provision relates to the expected cost of the environmental cleanup of land at the Spondon site. It is expected that the provision will be utilised over a period of the next 2-5 years.

**18. Share capital**

	2014 £000	2013 £000
Allotted, called up and fully paid		
43,000,002 Ordinary shares of £1 each	<u>43,000</u>	<u>43,000</u>

**19. Reserves**

	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000
At 1 January 2014	30,266	2,430	(77,531)
Loss for the financial year	-	-	(6,640)
At 31 December 2014	<u>30,266</u>	<u>2,430</u>	<u>(84,171)</u>

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**Celanese Acetate Limited**

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**Notes to the financial statements  
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**20. Reconciliation of movement in shareholders' (deficit)/funds**

	2014 £000	2013 £000
Opening shareholders' (deficit)/funds	(1,835)	3,400
Loss for the financial year	(6,640)	(5,235)
Closing shareholders' deficit	<u>(8,475)</u>	<u>(1,835)</u>

**21. Capital commitments**

At 31 December 2014 the company had capital commitments as follows:

	2014 £000	2013 £000
Contracted for but not provided in these financial statements	<u>9</u>	<u>41</u>

**22. Pension commitments**

The company's employees are eligible to join the Celanese Acetate Limited Personal Pension Plan, and the company is contracted-in to the State Second Pension. The plan, administered through Legal & General Assurance Society Ltd ('L&G'), is a defined contribution arrangement based on a personal contract between each participating employee and L&G. Company contributions are related to those of each employee, and in 2014 amounted to £421,000 (2013: £942,000) being an average of 11.43% of members' pensionable salary for the relevant period. The commitments outstanding at the year-end amounted to £nil (2013: £nil).

In addition, all company employees are covered by the Acetate Products Group Life Assurance Scheme. This scheme provides a lump sum payment on the death of any employee equivalent to four times annual salary. The premium for 2014 was £95,000 (2013: £95,000). Members of the Celanese Acetate GPP Plan (who joined the scheme at either 1 August 2004 or at the commencement of their employment, whichever is the later) are also covered by a self-insured lump sum scheme providing a payment to any member leaving the company's employment on grounds of permanent medical incapacity. Payments made under this scheme in 2014 were £nil (2013: £nil).

**Notes to the financial statements  
for the year ended 31 December 2014**

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**23. Related party transactions**

As 100% of the voting rights are controlled within the group headed by Celanese Corporation, the company has taken advantage of the exemption in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Celanese Corporation can be obtained from the address given in note 24.

**24. Ultimate parent undertaking and controlling party**

Celanese Acetate Limited is a wholly owned subsidiary of Celanese GmbH, which is itself a wholly owned subsidiary undertaking of the Celanese Corporation, a company incorporated in the USA.

Therefore, the ultimate parent undertaking and controlling party is Celanese Corporation, which is the parent undertaking of the largest group to consolidate these financial statements.

The smallest group in which the company is consolidated is that headed by Celanese GmbH, a company incorporated in Germany.

Copies of the consolidated financial statements for these groups are available from 1 Holme Lane, Spondon, Derby, DE21 7BS.

**25. Analysis of continuing and discontinued operations**

	2014		2013	
	Continuing	Discontinued	Continuing	Discontinued
	£000	£000	£000	£000
Turnover	9,900	-	11,070	5,546
Cost of sales	(10,711)	-	(10,955)	(6,822)
Gross (loss)	(811)	-	115	(1,276)
Selling and distribution costs	(3,373)	-	(1,030)	(123)
Administrative expenses	(2,628)	-	(2,009)	-
Other operating (expense)/income	(184)	-	30	150
	(6,996)	-	(2,894)	(1,249)