

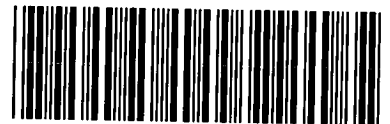
**Acteon UK Financing III (EUR) Limited**

**Annual report and financial statements**

Registered number 09956025

For the 11 month period ended 31 December 2016

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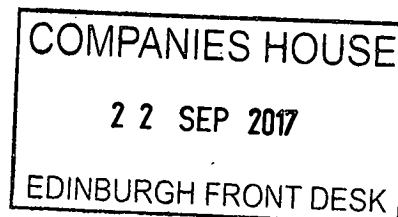
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## **Directors' report**

The directors present their Directors' report for the 11 month period ended 31 December 2016.

### **Principal activities and business model**

The Company was incorporated on 18 January 2016. These financial statements present the results of the Company for the 11 month period from the date of incorporation to 31 December 2016. The principal activity of the Company is that of a financing company.

### **Results and dividends**

The profit for the period after taxation amounted to €680,000.

The directors do not recommend the payment of a dividend.

### **Directors**

The directors who held office during the period and up to the date of this report are as follows:

M Grant (appointed at incorporation)  
S Uppal (appointed at incorporation)

### **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.

### **Small company provision**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 and have not prepared a Strategic report.

By order of the board



**M Grant**  
*Director*

Ferryside  
Ferry Road  
Norwich  
NR1 1SW

31 May 2017

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

The directors are responsible for preparing the 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 period. 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 101 *Reduced Disclosure Framework*.

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 Acteon UK Financing III (EUR) Limited**

We have audited the financial statements of Acteon UK Financing III (EUR) Limited for the 11 month period ended 31 December 2016 set out on pages 5 to 12. 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 101 *Reduced Disclosure Framework*.

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 2016 and of its profit for the period 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 Directors' report for the financial period is consistent with the financial statements are prepared 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 Directors' report:

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



**Independent auditor's report to the members of Acteon UK Financing III (EUR) 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic report.

A handwritten signature in black ink, appearing to read 'Paula Holland'.

**Paula Holland (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
37 Albyn Place  
Aberdeen  
AB10 1JB

**5 JUNE 2017**

**Profit and Loss Account and Other Comprehensive Income**  
for 11 month period ended 31 December 2016

	Note	11 months ended 31 Dec 2016 €000
Administrative expenses		(5)
<b>Operating loss</b>		<b>(5)</b>
Interest receivable and similar income	5	687
<b>Profit before taxation</b>	2-4	<b>682</b>
Tax on profit	6	(2)
<b>Profit for the financial period</b>		<b>680</b>
Other comprehensive income		-
<b>Total comprehensive income for the period</b>		<b>680</b>

All results relate to continuing activities.

**Balance Sheet**  
at 31 December 2016

	Note	€000	2016 €000
<b>Current assets</b>			
Debtors (€31,000,000 due after more than one year)	7	31,001	
Cash at bank and in hand		687	
		<u>31,688</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(31,007)</u>	
<b>Net current assets</b>			<u>681</u>
<b>Total assets less current liabilities</b>			<u>681</u>
<b>Net assets</b>			<u>681</u>
<b>Capital and reserves</b>			
Called up share capital	9		1
Profit and loss account			<u>680</u>
<b>Shareholder's funds</b>			<u>681</u>

These financial statements were approved by the board of directors on  
by:

31 May

2017 and were signed on its behalf



**M Grant**  
Director



**Statement of Changes in Equity**  
*for the 11 month period ended 31 December 2016*

	<b>Called up share capital €000</b>	<b>Profit and loss account €000</b>	<b>Total equity €000</b>
Balance at incorporation	1	-	1
Profit for the period and other comprehensive income	-	680	680
<b>Balance at 31 December 2016</b>	<b>1</b>	<b>680</b>	<b>681</b>

## Notes

(forming part of the financial statements)

### 1 Accounting policies

Acteon UK Financing III (EUR) Limited (the "Company") is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied. These financial statements are presented in Euros, which is the Company's functional currency. All financial information presented has been rounded to the nearest €1,000.

In preparing these financial statements, the Company has applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRS"), making amendments where necessary in order to comply with the Companies Act 2006. The Company has also taken advantage of the available FRS 101 disclosure exemptions in relation to the following:

- a Cash flow statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The Company's parent undertaking, Acteon Group Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Acteon Group Limited are prepared in accordance with Adopted IFRS and are available to the public and may be obtained from Companies House, Cardiff, CF14 3UZ.

The consolidated financial statements of Acteon Group Limited include disclosures required by IFRS 7 *Financial Instruments: Disclosures* and IFRS 13 *Fair Value Measurements*, both relating to financial instruments. As a consequence, the Company has also taken the exemption under FRS 101 not to include the equivalent disclosures, apart from those which are relevant for financial instruments which are held at fair value and are not either held as part of a trading portfolio or derivatives.

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

The directors did not make any significant judgements in the application of these accounting policies.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The principal activity of the Company is that of an intermediate financing company. The directors consider the principal risks facing the Company are the recoverability of its loan balances. The directors have taken steps to monitor these risks through the review of comprehensive monthly financial data prepared by the loanee companies, which will alert them to any material developments in trading performance and cash management.

The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future. It also participates, and will continue to participate, in the group's centralised treasury arrangements and so will continue to share banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses to their enquiries from the directors of the Company's parent, Acteon Group Limited have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Acteon Group to continue as a going concern or its ability to continue with the current banking arrangements.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.3 Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and bank borrowings, and trade and other creditors.

##### *Trade and other debtors*

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

##### *Trade and other creditors*

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

#### 1.4 Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

#### 1.5 Interest receivable and interest payable

Interest payable and other charges include interest payable 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.

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 it accrues, using the effective interest method.

#### 1.6 Taxation

Tax on the profit or loss for the period 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 period, 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 temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.7 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. Foreign exchange differences arising on translation are recognised in the profit and loss account on a net basis.

#### 1.8 Intra group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

### 2 Expenses and auditor's remuneration

Included in operating loss is the following:

	11 months ended 31 Dec 2016 €000
Auditor's remuneration:	
Audit of these financial statements	3

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Acteon Group Limited.

### 3 Staff numbers and costs

The company had no employees during the current period other than the directors.

### 4 Directors' remuneration

None of the directors received any fees or remuneration for services as directors of the Company during the period. The directors also hold office in other group companies and emoluments paid to directors for services to those companies are disclosed within their financial statements.

### 5 Interest receivable and similar income

	11 months ended 31 Dec 2016 €000
Interest receivable from group undertakings	687

## Notes (continued)

### 6 Taxation

#### Recognised in the profit and loss account

	11 months ended 31 Dec 2016	
	€000	€000
<i>UK corporation tax</i>		
Current tax on income for the period	2	
		2
Tax on profit on ordinary activities		2

#### Reconciliation of effective tax rate

	11 months ended 31 Dec 2016 €000
Profit for the period	680
Total tax expense	2
Profit excluding taxation	682
Tax using the UK corporation tax rate of 20%	136
Transfer pricing adjustments	(134)
Total tax expense	2

Reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

### 7 Debtors

	2016 €000
Amounts owed by group undertakings	31,000
Other debtors	1
	31,001

The amounts owed to group undertakings are expected to be recovered in more than 12 months and are interest bearing.

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

	2016 €000
Amounts owed to group undertakings	31,000
Accruals and deferred income	5
Group relief	2
	31,007

The amounts owed to group undertakings are repayable on demand and non-interest bearing.

## Notes (continued)

### 9 Capital and reserves

#### Share capital

*Allotted, called up and fully paid*  
1,000 ordinary shares of €1 each

2016  
€000

1

Upon incorporation, the Company allocated 1,000 €1 ordinary shares for a total consideration of €1,000, settled in cash.

#### Profit and loss account

The profit and loss account comprises cumulative undistributed earnings of the Company.

### 10 Contingencies

The Company has a cross guarantee with other group companies in respect of group borrowings.

### 11 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Acteon Group Limited, incorporated in the United Kingdom.

The registered office of Acteon Group Limited is Ferryside, Ferry Road, Norwich, Norfolk, NR1 1SW.

The largest and smallest group in which the results of the Company are consolidated is that headed by Acteon Group Limited. The consolidated accounts of this company are available to the public and may be obtained from Companies House, Cardiff, CF14 3UZ.

The Company's ultimate parent undertaking is KKR Matterhorn Holdco Limited, a company incorporated in Jersey, and the ultimate controlling party is KKR & Co LP, a limited partnership listed on the New York Stock Exchange. The general partner of KKR & Co LP is KKR Management LLC.

The registered office address of KKR Matterhorn Holdco Limited is 47 Esplanade, St Helier, Jersey, JE1 0BD.

KKR & Co LP and KKR Management LLC's registered office address is 9 West 57th Street, Suite 4200, New York, NY 10019, USA.