

UCB FERROCAST LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2016

FRIDAY



A16

A64TYLPV
21/04/2017
COMPANIES HOUSE

#415

UCB FERROCAST LIMITED

COMPANY INFORMATION

Directors

Mr J Brand
Mr A B A Rottach
Mr Y M J M Mohsen

Registered number

00851235

Registered office

c/o United Cast Bar (UK) Limited
Spital Lane
Chesterfield
Derbyshire
S41 0EX

Independent auditor

Grant Thornton UK LLP
Chartered Accountants and Statutory Auditor
The Colmore Building
20 Colmore Circus
Birmingham
B4 6AT

CONTENTS

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Income statement	5
Balance sheet	6
Statement of changes in equity	7
Notes to the financial statements	8 - 14

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 NOVEMBER 2016**

The directors present their report and the financial statements for the year ended 30 November 2016.

Principal activity

The Company is a subsidiary undertaking of UCB Starkey's Technicast Limited, which is itself a subsidiary of BI Group Plc.

The Company did not trade in the year.

Directors

The directors who served during the year were:

Mr J Brand
Mr A B A Rottach
Mr Y M J M Mohsen

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed 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 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.

UCB FERROCAST LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 NOVEMBER 2016**


Auditor

The auditor, Grant Thornton UK LLP, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 28 February 2013.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 February 2017 and signed on its behalf.



Mr J Brand
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UCB FERROCAST LIMITED

We have audited the financial statements of UCB Ferrocast Limited for the year ended 30 November 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. 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), 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 on page 1, 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.

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 30 November 2016 and of its loss 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 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 UCB FERROCAST 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 prepare financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Grant Thornton UK LLP

Kathryn Godfree (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Birmingham

28 February 2017

UCB FERROCAST LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2016**

	Note	2016 £	2015 £
Turnover	4	-	440,841
Cost of sales		-	(446,819)
		<hr/>	<hr/>
Gross profit/(loss)		-	(5,978)
Administrative expenses		(166)	(1,448)
		<hr/>	<hr/>
Operating loss		(166)	(7,426)
		<hr/>	<hr/>
Loss and total comprehensive loss for the year		(166)	(7,426)
		<hr/> <hr/>	<hr/> <hr/>

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 8 to 14 form part of these financial statements.

UCB FERROCAST LIMITED
REGISTERED NUMBER: 00851235

BALANCE SHEET
AS AT 30 NOVEMBER 2016

	Note	2016 £	2015 £
Current assets			
Debtors: amounts falling due within one year	9	1,532,741	1,538,110
Cash at bank and in hand	10	388	569
		<u>1,533,129</u>	<u>1,538,679</u>
Creditors: amounts falling due within one year	11	-	(5,384)
Net current assets		<u>1,533,129</u>	<u>1,533,295</u>
Total assets less current liabilities		<u>1,533,129</u>	<u>1,533,295</u>
Net assets		<u>1,533,129</u>	<u>1,533,295</u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account	14	1,533,029	1,533,195
		<u>1,533,129</u>	<u>1,533,295</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 February 2017.


Mr J Brand
 Director

The notes on pages 8 to 14 form part of these financial statements.

UCB FERROCAST LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2015	100	1,533,195	1,533,295
Loss for the year	-	(166)	(166)
Total comprehensive income for the year	-	(166)	(166)
At 30 November 2016	100	1,533,029	1,533,129

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 December 2014	100	1,540,621	1,540,721
Loss for the year	-	(7,426)	(7,426)
Total comprehensive income for the year	-	(7,426)	(7,426)
At 30 November 2015	100	1,533,195	1,533,295

The notes on pages 8 to 14 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

1. General information

UCB Ferrocast Limited is a limited liability company incorporated in England.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 101 is given in note 18.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

First time application of FRS 100 and FRS 101

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Going concern

The Company is part of a group banking arrangement with its fellow UK trading subsidiaries ("the UK Group") and each company in the UK Group has provided an undertaking that they will continue to make available such funds as are needed by other companies in the UK Group and, in particular, will not seek repayment of any amounts currently owed by a company in the UK Group until such time that company is in a position to make payment.

Based on this undertaking, the directors have prepared cash flow forecasts which indicate the UK Group should continue to have sufficient resources available to it to enable each company to continue in operational existence by meeting its day to day liabilities as they fall due for payment for a period of at least 12 months from the date of approval of these accounts.

In light of the foregoing, the directors continue to believe that it remains appropriate to prepare the financial statements on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

2. Accounting policies (continued)

2.7 Financial instruments (continued)

reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Income statement. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance sheet.

2.8 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, management make a number of judgements, estimates and assumptions about the recognition of assets, liabilities, income and expenses.

Significant management judgements

The directors do not consider that there are any significant management judgements required in applying the accounting policies of the Company.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Debtor recoverability

Management periodically review debtors to assess whether a provision for impairment should be recorded. In particular judgement by management is required in the estimation of the amount and timing of the future cashflows when determining the level of provision required.

4. Turnover

The whole of the turnover in the prior year was attributable to the one principal activity of the Company.

All turnover arose within the United Kingdom.

UCB FERROCAST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

5. Operating loss

The operating loss is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	-	5,170
	<hr/>	<hr/>

During the year, no director received any emoluments (2015 - £NIL).

6. Auditors' remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

	2016 £	2015 £
Fees for the audit of the Company	2,000	3,000
	<hr/>	<hr/>

7. Employees

Staff costs were as follows:

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

	2016 No.	2015 No.
Administration staff	3	3
	<hr/>	<hr/>

8. Taxation

	2016 £	2015 £
Total current tax	-	-
	<hr/>	<hr/>

UCB FERROCAST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.33%). The differences are explained below:

	2016 £	2015 £
Loss on ordinary activities before tax	<u>(166)</u>	<u>(7,426)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.33%)	(33)	(1,510)
Effects of:		
Unrelieved tax losses carried forward	33	-
Other differences leading to an increase in the tax charge	-	87
Group relief	-	1,423
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The main rate of corporation tax will reduce to 19% from 1 April 2017 and to 17% from 1 April 2020.

9. Debtors

	2016 £	2015 £
Trade debtors	-	132
Amounts owed by group undertakings	1,532,741	1,537,978
	<u>1,532,741</u>	<u>1,538,110</u>

The amounts owed by group undertakings are trading balances that do not bear interest and are repayable on normal commercial terms.

10. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>388</u>	<u>569</u>

UCB FERROCAST LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

11. Creditors: Amounts falling due within one year

	2016 £	2015 £
Taxation and social security	-	5,384
	<u> </u>	<u> </u>

12. Financial instruments

	2016 £	2015 £
Financial assets		
Financial assets that are measured at amortised cost	1,533,129	1,538,679
	<u> </u>	<u> </u>

13. Share capital

	2016 £	2015 £
Shares classified as equity		
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u> </u>	<u> </u>

14. Reserves

Profit and loss account

The profit and loss account includes all current and prior period retained profits and losses.

15. Contingent liabilities

The Company is party to the UK Group's cross guarantee banking arrangement in respect of the UK Group's £1.5m overdraft facility (2015: £1.5m) which was £Nil (2015: £Nil) at the balance sheet date.

16. Related party transactions

The Company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Group.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2016**

17. Controlling party

The Company is a subsidiary undertaking of UCB Starkey's Technicast Limited, which is itself a subsidiary undertaking of BI Group Plc. The results of the Company are consolidated in the financial statements of BI Group Plc. a company registered in the United Kingdom and also the financial statements of the ultimate parent company, National Industries Group Holding - KPSC incorporated in Kuwait. These are respectively the smallest and largest group accounts which include the results of the company. Copies of the financial statements of National Industries Group Holding - KPSC are available from PO Box 417, 13005 Safat, Kuwait.

18. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.