

Company Registration No. 02238488

PCI Xylenes & Polyesters Limited

**Annual Report and Unaudited Financial
Statements**

For the year ended:

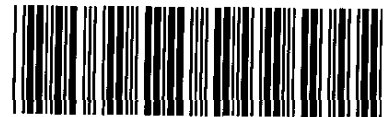
31 December 2017

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PCI Xylenes & Polyesters Limited

Report and financial statements 2017

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PCI Xylenes & Polyesters Limited

Report and financial statements 2017

Officers and professional advisers

Directors

Brian Aird
Mark Brinin
Stephen Halliday
Kenneth Thompson

Secretary

Brian Aird

Registered office

Level 13
Broadgate Tower
20 Primrose Street
London
EC2A 2EW

Bankers

Barclays Bank plc
Town Gate House
Church Street East
Woking
Surrey
GU21 1XW

Solicitors

Dickson Minto WS
16 Charlotte Square
Edinburgh
EH2 4DF

PCI Xylenes & Polyesters Limited

Strategic report

This strategic report has been prepared for the company only.

Review of the business & KPIs

The principal activity of the company is that of a specialist provider of research products and consultancy services associated with specialist chemicals industries.

On 1 January 2017 the trade and net asset of the business were sold for a total of £5.8m to its immediate parent company Wood Mackenzie Limited creating a gain on disposal of £4.4m.

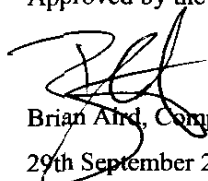
Financial risk management

The company's exposure to risks such as credit risk, interest rate risk and cash flow risk is within reasonable limits and these exposures are not hedged. There are no further material risk in which the company believe external hedging is required or mitigating action is needed at present.

Future developments

As a result of the trade and assets sale, management foresee the company to continue to act as an intermediate holding company within the group structure for the foreseeable future.

Approved by the Board and signed on its behalf by:



Brian Aird, Company Secretary,

29th September 2018

Level 13
Broadgate Tower
20 Primrose Street
London
EC2A 2EW

PCI Xylenes & Polyesters Limited

Directors' report

The Directors present their annual report and the unaudited financial statements for the year ended 31 December 2017 for PCI Xylenes & Polyesters Limited.

Principal activities

The principal activity of the company is that of a specialist provider of research products and consultancy services associated with specialist plastic films industries.

On 1 January 2017 the trade and net assest of the business were sold for a total of £5.8m to it's immediate parent company Wood Mackenzie Limited creating a gain on disposal of £4.4m.

The related party debtor of £5,754,643 remains outstanding at the year end.

Dividends

No dividends were paid during the period (2016: £nil).

Directors

The Directors who held office throughout the year and to the date of this report are set out on page 2.

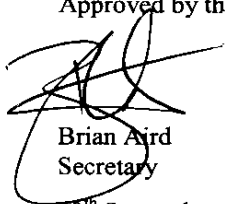
Employee involvement

As a key part of the Group's philosophy, we place great importance on involving our staff in our operations. Regular meetings are held between management, employees and employee representatives through which we seek to keep staff informed and involved in the progress and performance of the Group.

Employment of disabled persons

Our policy is to give full and fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. This policy has the commitment that appropriate training will be arranged for disabled persons, including retraining for alternative work of employees who become disabled, to promote their career development within the Group.

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



Brian Aird
Secretary

29th September 2018

PCI Xylenes & Polyesters 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 director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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; and
- 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 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.

PCI Xylenes & Polyesters Limited

Profit and loss account

Period ended 31 December 2017

	Notes	2017 £	2016 £
Turnover	3	-	2,224,951
Cost of sales		-	(1,827,495)
Gross profit		-	397,456
Administrative expenses		-	(-)
Operating (loss)/profit	4	-	397,456
Interest receivable/(payable)		-	-
Gain on disposal/transfer of trade and assets		4,388,842	-
(Loss)/Profit on ordinary activities before taxation		4,388,842	397,456
Taxation		(2,661)	7,374
(Loss)/Profit for the financial year		<u>4,386,181</u>	<u>404,830</u>

The profit for the current and prior years was derived from continuing operations.

The accompanying notes are an integral part of these financial statements.

PCI Xylenes & Polyesters Limited

Balance sheet

As at 31 December 2017

	Notes	2017 £	2016 £
Fixed assets			
Intangible assets	8	-	166,380
Tangible assets	9	-	2,523
		<u>-</u>	<u>168,903</u>
Current assets			
Debtors	10	5,754,643	4,316,226
Cash at bank and in hand		-	482,090
		<u>5,754,643</u>	<u>4,798,316</u>
Creditors: amounts falling due within one year	11	-	(2,580,109)
Net current assets		<u>5,754,643</u>	<u>2,218,207</u>
Total assets less current liabilities		<u>5,754,643</u>	<u>2,387,100</u>
Provisions for liabilities	12	-	(1,018,648)
Net assets		<u><u>5,754,643</u></u>	<u><u>1,368,462</u></u>
Capital and reserves			
Called up share capital	13	2	2
Profit and loss account		<u>5,754,641</u>	<u>1,368,460</u>
Shareholders' funds		<u><u>5,754,643</u></u>	<u><u>1,368,462</u></u>

The accompanying notes form an integral part of these financial statements.

For the year ended 31 December 2017 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to qualifying subsidiaries. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements of PCI (Xylenes & Polyesters) Limited, registered number 02238488, were approved by the Board of Directors on 29th September 2018.

Signed on behalf of the Board of Directors..........Brian Aird, Director

PCI Xylenes & Polyesters Limited

Statement of changes in equity As at 31 December 2017

	Share Capital	Profit and loss account	Revaluation reserve	Total
	£	£	£	£
At 1 January 2016	2	963,630	-	963,632
Profit for the financial year	-	404,830	-	404,830
At 31 December 2016	2	1,368,460	-	1,368,462
Profit for the financial year		4,386,181		4,386,181
At 31 December 2017	2	5,754,641	-	5,754,643

The accompanying notes are an integral part of these financial statements.

PCI Xylenes & Polyesters Limited

Notes to the financial statements Year ended 31 December 2017

1. Accounting policies

General information and basis of accounting

PCI Xylenes & Polyesters Limited ('the Company') is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors Report on page 3.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its parent, Wood Mackenzie Limited, which may be obtained at Companies House. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Basis of consolidation

The company has not prepared Group financial statements as it is a wholly owned subsidiary of another company which prepares Group financial statements. Accordingly, the financial statements present information about the company as a standalone entity, not its Group.

Going concern

As outlined in the strategic report, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. As a result, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

1. Accounting policies (continued)

Financial instruments (continued)

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

In the Company balance sheet, investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Goodwill

Acquired goodwill is amortised in equal instalments over the estimated useful economic life of 20 years.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is provided so as to write off the cost of tangible fixed assets in equal instalments over the estimated useful economic lives of the assets. The rates of depreciation are as follows:

Leasehold improvements	Over the life of the lease
Computer equipment	3 years
Development costs	3 years
Fixtures & fittings	3 years

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

1. Accounting policies (continued)

Revenue recognition

The company enters into contracts for the supply of research products and consultancy services.

Research

Research revenue from subscribers to the research database is deferred and released to the profit and loss account over the life of the related subscription contract. Costs incurred in providing these services are recognised in the period in which they are incurred.

Consultancy contracts

Revenue from consultancy contracts is recognised over the contract term based on the percentage of services provided during the period compared to the total estimated cost of services to be provided over the entire contract.

Taxation

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

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

Pension costs

The company operates a defined contribution scheme on behalf of its employees. Contributions to the defined contribution scheme are charged to the profit and loss account as they become payable. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Foreign currency transactions

Foreign currency transactions are translated at the rate prevailing at the date of the transaction. All gains and losses on translation are taken to the profit and loss account in the period in which they arise. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated at the rates ruling at that date.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

At the end of each reporting period, the company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual investment, the company estimates the recoverable amount of the cash-generating unit to which the investment belongs.

Critical judgements in applying the Company's accounting policies

The directors note that there are no critical judgements that have a significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty

The directors note no key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Turnover

Turnover represents amounts derived from the provision of services which fall within the company's ordinary activities after deduction of trade discounts and any applicable value added tax or equivalent.

4. Operating profit

	2017 £	2016 £
Operating profit is after charging:		
Depreciation	-	7,465
Foreign exchange loss/(gain)	-	(144,730)

5. Information regarding directors and employees

The serving directors are remunerated by the parent company.

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) **For the year ended 31 December 2017**

5. Information regarding directors and employees (continued)

	2017	2016
	£	£
Staff costs during the year (excluding directors)		
Wages and salaries	-	584,721
Social security costs	-	101,100
Pension costs	-	5,500
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>691,320</u>

Total contributions made to retirement benefit schemes and equivalents in the year to 31 December 2017 totalled £nil (2016: £5,500). There were no pension scheme contributions outstanding at the balance sheet date. The scheme and its assets are held by independent managers.

6. Taxation

	2017	2016
	£	£
<i>Current taxation</i>		
UK corporation tax charge	-	-
Adjustment in respect of previous periods	-	(6,087)
	<u>-</u>	<u>(6,087)</u>
Total current taxation	<u>-</u>	<u>(6,087)</u>
<i>Deferred taxation</i>		
Origination and reversal of timing differences	2,661	(879)
Adjustment in respect of previous periods	-	(513)
Effect of changes in tax rates	-	105
	<u>2,661</u>	<u>(1,287)</u>
Total deferred taxation	<u>2,661</u>	<u>(1,287)</u>
Total taxation on profit on ordinary activities	<u><u>2,661</u></u>	<u><u>(7,374)</u></u>

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

6. Tax on profit on ordinary activities (continued)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19.25% (2016: 20.00%). The actual current tax charge for the current year differed from the standard rate for the reasons set out in the following reconciliation:

	2017 £	2016 £
Profit on ordinary activities before taxation	4,388,842	397,456
Tax on profit on ordinary activities at standard rate	844,852	79,491
<i>Factors affecting the charge for the year:</i>		
Non-taxable gain on sale of trade and assets	(844,852)	-
Expenses not deductible for tax purposes	-	186
Fixed assets timing differences	2,661	-
Capital allowances for period in excess of depreciation	-	-
Adjustments to tax charge in respect of prior years	-	(6,600)
Effect of changes in tax rates	-	260
	-	(80,711)
Total actual amount of current tax	2,661	(7,374)

Reductions in the corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. In the Budget on 16 March 2016, the UK Government proposed to further reduce the rate of UK corporation tax to 17% with effect from 1 April 2020. The reduction in the UK corporate tax rate to 17% was enacted on 15 September 2016.

The above rate changes will reduce any future UK corporation tax liabilities of the company and will have a material impact on the deferred tax liabilities recognised at 31 December 2017.

The tax rate used for tax on profit on ordinary activities is the effective standard rate for UK corporation tax for the year ended 31 December 2017.

7. Dividends

No dividends were proposed or paid during the year (2016: £nil).

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) **For the year ended 31 December 2017**

8. Intangible fixed assets

	Development Costs	Goodwill	Total
	£	£	£
Company			
Cost			
At 1 January 2017	136,380	30,000	166,380
Additions	-	-	-
Disposals/Transfers	(163,380)	(30,000)	(166,380)
	<hr/>	<hr/>	<hr/>
At 31 December 2017	-	-	-
	<hr/>	<hr/>	<hr/>
Accumulated depreciation			
At 1 January 2017	-	-	-
Charge for the year	-	-	-
Disposals/Transfers			
	<hr/>	<hr/>	<hr/>
At 31 December 2017	-	-	-
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2017	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2016	136,380	30,000	166,380
	<hr/>	<hr/>	<hr/>

9. Tangible fixed assets

	Office & computer equipment	Total
	£	£
Company		
Cost		
At 1 January 2017	163,582	163,582
Additions	-	-
Disposals/Transfers	(163,582)	(163,582)
	<hr/>	<hr/>
At 31 December 2017	-	-
	<hr/>	<hr/>
Accumulated depreciation		
At 1 January 2017	161,059	161,059
Charge for the year	-	-
Disposals/Transfers	(161,059)	(161,059)
	<hr/>	<hr/>
At 31 December 2017	-	-
	<hr/>	<hr/>
Net book value		
At 31 December 2017	-	-
	<hr/>	<hr/>
At 31 December 2016	2,523	2,523
	<hr/>	<hr/>

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) **For the year ended 31 December 2017**

10. Debtors

	2017	2016
	£	£
Trade debtors	-	847,982
Amounts owed by group undertakings & related parties	5,754,643	3,457,244
VAT	-	16,760
Deferred tax asset	-	2,661
Prepayments and accrued income	-	(8,421)
	<u>5,754,643</u>	<u>4,316,226</u>

Note 12

Amounts due from group undertakings are unsecured, repayable on demand and do not accrue interest.

11. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	-	76,549
Amounts owed to group undertakings & related parties	-	2,314,946
Corporation tax	-	75,640
Other taxes and social security	-	54,128
Accruals & deferred income	-	23,837
Other creditors	-	35,009
	<u>-</u>	<u>2,580,109</u>

12. Provisions for liabilities

	2017	2016
	£	£
Provisions	-	-
Deferred Taxation	-	-
	<u>-</u>	<u>-</u>

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued) For the year ended 31 December 2017

12. Provisions for liabilities (continued)

Deferred taxation

	2017 £
(Asset)/Liability as at 1 January 2017	(2,661)
Charge for the year	2,661
(Asset)/Liability as at 31 December 2017	<u>-</u>

The deferred tax asset relates to decelerated capital allowances.

The UK Government has announced new rules will be introduced which affect the future utilisation of tax losses and deductibility of interest expenses. This is expected to result in a disallowance of interest expense incurred by the group and a restriction on the use of tax losses held by other group companies. The rules have yet to be substantively enacted but the rules are expected to apply retrospectively from 1st April 2017.

13. Called up share capital

	2017 £	2016 £
Called up, allotted and fully paid		
2 Ordinary shares of £1.00 each	2	2
	<u>2</u>	<u>2</u>

PCI Xylenes & Polyesters Limited

Notes to the financial statements (continued)

For the year ended 31 December 2017

14. Financial commitments

Operating lease commitments

Annual commitments at 31 December 2017 under non-cancellable operating leases are as follows:

	Land and buildings	
	2017	2016
	£	£
Leases which expire:		
Within one year	-	40,250
Within two to five years	-	-
After more than five years	-	-
	<hr/>	<hr/>
	-	40,250
	<hr/>	<hr/>

As of 1 January 2017 the operating leases were assigned to Wood Mackenzie Limited as part of the organisation.

15. Related party transactions

As the company is a wholly owned subsidiary within a group that prepares consolidated financial statements, the company has taken advantage of the exemption from disclosing transactions with other group entities.

During the year no dividends were paid (2016: £nil).

16. Ultimate controlling party

The immediate parent company is Wood Mackenzie Limited. The smallest group into which the company's results are consolidated is Wood Mackenzie Limited. Copies of the consolidated financial statements of Wood Mackenzie Limited can be obtained from Companies House, 4th floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh. At 31 December 2017 Verisk Analytics Inc., who is a leading provider of information about risk to professionals in insurance, healthcare, financial services, government and risk management and is headquartered in Jersey City, New Jersey, United States is the ultimate parent company and the largest group into which the results are consolidated. Verisk Analytics Inc. is a quoted company on NASDAQ in the United States. Copies of the consolidated financial statements of Verisk Analytics Inc can be obtained at the their registered office at 545 Washington Boulevard, Jersey City, NJ 07310-1686.