

Crosby UK Acquisition Limited
Annual report and financial statements
For the year ended 31 December 2017

Registered number: 08743521



Crosby UK Acquisition Limited

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Crosby UK Acquisition Limited

Report and financial statements For the year ended 31 December 2017 Officers and professional advisors

Directors

P Stavros
B Bhrahm
J Knudson

Company Secretary

Jordan Company Secretaries Limited

Registered Office

Suite 1, 3rd Floor
11-12 St. James's Square
London
SW1Y4LB

Auditor

Deloitte LLP
Statutory Auditor
Birmingham
United Kingdom

Crosby UK Acquisition Limited

Directors' Report

The Directors present their annual report and the audited financial statements for the year ended 31 December 2017.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption under Companies Act 2006 and is therefore exempt from producing a Strategic Report.

Principal activities

The company's principal activity is to act as a financing company. The Directors do not expect any change in this activity in the foreseeable future.

The retained loss for the year ended 31 December 2017 was \$2,155,000 (year ended 31 December 2016: \$2,678,000)

Future developments

There are no changes in the operations of the Company expected in the near future.

Going Concern

The Directors have considered the going concern assumption given the current uncertain economic climate and have reviewed the Company forecast for the foreseeable future. After making enquiries and considering the above facts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk and liquidity risk.

Credit risk

The Company's principal financial assets are cash, other receivables (including receivables from other Group undertakings) and investments in subsidiaries.

The Company's credit risk is primarily attributable to its receivables from other Group undertakings. The amounts presented in the Balance Sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company ensures regular communication with other Group companies as all its significant liabilities are within the group.

Dividends

The Directors do not recommend the payment of a dividend in the year (year ended 31 December 2016: \$2,829,000).

Directors

The Directors, who served throughout the year ended 31 December 2017 and thereafter are listed under "Officers and professional advisors".

Directors' liabilities

The ultimate parent undertaking has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force throughout the period and at the date of this report.

Crosby UK Acquisition Limited

Directors' Report

Charitable and political contributions

There were no political or charitable donations during the years ended 31 December 2017 and 2016.

Auditor

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

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

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

A resolution to reappoint Deloitte LLP as auditor will be put to the members at the Annual General Meeting.

By order of the Board



J Knudson
Director

Date: 20 September 2018

Crosby UK Acquisition Limited

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) 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 judgements and accounting 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Crosby UK Acquisition Limited

Independent auditor's report to the members of Crosby UK Acquisition Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Crosby UK Acquisition Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Crosby UK Acquisition Limited

Independent auditor's report to the members of Crosby UK Acquisition Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.



Peter Gallimore, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
28 September 2018

Crosby UK Acquisition Limited

Profit and loss account

For the year ended 31 December 2017

	Note	For the year ended 31 December 2017 USD'000	For the year ended 31 December 2016 USD'000
Other operating income/(expenses)	3	357	(1,268)
Income (Loss) on ordinary activities before finance charges		357	(1,268)
Finance charges -net	6	208	120
Income (Loss) on ordinary activities before taxation		565	(1,148)
Tax on profit on ordinary activities	5	(42)	208
Income (Loss) for the year		523	(940)

The above results derive from continuing operations.

The company has no recognised gains and losses other than the loss stated above and therefore, no separate statements of total recognised gains and losses has been presented.

Crosby UK Acquisition Limited

Balance Sheet As at 31 December 2017

	Note	31 December 2017 USD'000	31 December 2016 USD'000
Non-current assets			
Investment in subsidiaries	7	58,455	58,455
Debtors due after one year	8	8,676	7,828
		<u>67,131</u>	<u>66,283</u>
Current assets			
Debtors			
– due within one year	8	-	-
Cash at bank and in hand		344	-
		<u>344</u>	<u>-</u>
Total current assets		<u>344</u>	<u>-</u>
Creditors: Amounts falling due within one year	9	(5,236)	(4,609)
Income Tax Payable		(42)	-
		<u>(4,934)</u>	<u>(4,609)</u>
Net current (liabilities) / assets		<u>(4,934)</u>	<u>(4,609)</u>
Total assets less current liabilities		<u>62,197</u>	<u>61,674</u>
Net assets		<u>62,197</u>	<u>61,674</u>
Capital and reserves			
Called-up share capital	10	10	10
Share premium account		64,342	64,342
Profit and loss account		(2,155)	(2,678)
		<u>62,197</u>	<u>61,674</u>
Total capital employed		<u>62,197</u>	<u>61,674</u>

Notes to the financial statements on pages 10-14 form an integral part of the financial statements.

These financial statements, with company registration 08743521 were approved by the board of directors and were signed on its behalf by



J Knudson
Director

Date: 28 September 2018

Crosby UK Acquisition Limited

Statement of Changes in Equity As at 31 December 2017

	Called up Share Capital USD '000	Share Premium Account USD '000	Profit and Loss Account USD '000	Total USD '000
At 31 December 2015	10	67,172	(1,738)	65,444
Loss for the financial year	-	-	(940)	(940)
Dividends paid	-	(2,830)	-	(2,830)
At 31 December 2016	10	64,342	(2,678)	61,674
Income for the financial year	-	-	523	523
At 31 December 2017	10	64,342	(2,155)	62,197

Crosby UK Acquisition Limited

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

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

As the company is a wholly owned subsidiary of Ascend Investments Sarl, the company has taken advantage of exemption from the requirement to prepare group financial statements under s400 of the Companies Act 2006. The consolidated financial statements of Ascend Investments Sarl, within which this company is included, can be obtained from the address given in note 12. These financial statements therefore present information about the company and not about its group.

The functional currency of Crosby UK Acquisition Limited is considered to be US dollars (USD) because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in US dollars. Foreign operations are included in accordance with the policies set out below.

Crosby UK Acquisition Limited 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. Crosby UK Acquisition Limited is consolidated in the financial statements of its parent, Ascend Investments S.a.r.l, which may be obtained from the address in note 12. 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.

Going concern

The Directors have considered the going concern assumption given the current uncertain economic climate and have reviewed the Company forecast for the foreseeable future. After making enquiries and considering the above facts, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Investments

Fixed asset investments are shown at cost less provision for impairment.

The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Crosby UK Acquisition Limited

Notes to the financial statements For the year ended 31 December 2017

1. Accounting policies (continued)

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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, 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.

Critical judgements in applying the Company's accounting policies

There are no critical judgements that the directors have made in the process of applying the Company's accounting policies.

3. Other operating income/(expenses)

	Year ended 31 December 2017 USD'000	Year ended 31 December 2016 USD'000
Other operating income/(expenses)	357	(1,268)

The audit fees payable to the Company's auditor of \$4,388 (2016: \$3,832) for the audit of the financial statements were borne by a fellow Group undertaking in the year. There were no non audit fees in the period.

Crosby UK Acquisition Limited

Notes to the financial statements

For the year ended 31 December 2017

4. Directors' remuneration and Staff costs

The Directors received no remuneration for their services to the Company during the years ended 31 December 2017 or 31 December 2016. The Directors of the company who served during the period were also Directors of a number of companies within Ascend Investments Sarl. The Directors' services to the company do not occupy a significant amount of their time. As such, the Directors do not consider that they have received any remuneration for their incidental services to the Company for the years ended 31 December 2017 or 31 December 2016.

The Company has had no employees during the years ended 31 December 2017 or 31 December 2016.

5. Tax on profit on ordinary activities

The tax charge comprises

	Year ended 31 December 2017 USD'000	Year ended 31 December 2016 USD'000
Current tax		
UK Corporation tax	42	(208)
Total tax charge	<u>42</u>	<u>(208)</u>
Profit (loss) on ordinary activities before taxation	565	(1,148)
Tax on profit on ordinary activities before taxation at standard UK corporation tax rate of 19.25% and 20.00%, respectively	109	(230)
Effects of:		
Group relief claimed at nil consideration	-	-
Unrealized gain on currency translation adjustment at nil consideration	(67)	-
Adjustment for recalculation of 2016 tax	-	(449)
Group relief not paid for	-	471
Current tax charge	<u>42</u>	<u>(208)</u>

Current tax charge

The standard rate of tax applied to the reported profit on ordinary activities is 19.25% (2016: 20.00%). The applicable tax rate changed to 20% from 1 April 2017. From 1 April 2020, the standard rate of corporation tax reduces to 18%.

Crosby UK Acquisition Limited

Notes to the financial statements For the year ended 31 December 2017

6. Finance charge (net)

	Year ended 31 December 2017	Year ended 31 December 2016
	USD'000	USD'000
Interest receivable and similar charges	208	120
	<u>208</u>	<u>120</u>

7. Investments in subsidiaries

	Year ended 31 December 2017 USD'000	Year ended 31 December 2016 USD'000
Cost and Net Book Value	<u>58,455</u>	<u>58,455</u>

The Company has investments in the following subsidiaries.

	Country of incorporation or principal business address	Principal activity	Holding USD'000	Class of share	%
Subsidiary undertakings					
Parsons Chaines Europe SAS	France	Forging	18,995	Ordinary	100%
Forge France SAS	France	Forging	383	Ordinary	100%
Inter Products BV	Holland	Forging	1,927	Ordinary	100%
Crosby Premier Stampings Ltd	UK	Forging	37,068	Ordinary	100%
Rhombus Rollen GmbH & Co	Germany	Forging	4	Ordinary	100%
Crosby Industrial e Comercio De Ferramentas Ltd	Brazil	Forging	78	Ordinary	100%

At the reporting date the investment was reviewed to determine whether there was any indication that the asset suffered an impairment loss. If there were indications of impairment, the recoverable amount of the affected asset was estimated and compared with its carrying amount. If the estimated recoverable amount was lower, the carrying amount was reduced to its estimated recoverable amount, and an impairment loss was recognised immediately in profit and loss.

No indications of impairment were identified during the year.

Crosby UK Acquisition Limited

Notes to the financial statements For the year ended 31 December 2017

8. Debtors

	2017 USD'000	2016 USD'000
Amounts falling due within one year:		
Amounts owed by Group undertakings	-	-
Proceeds on unfunded loan agreement	-	-
Other debtors	-	-
Amounts falling due after more than one year:		
Amounts owed by Group undertakings	8,676	7,828
	<u>8,676</u>	<u>7,828</u>

Amounts due from group companies are repayable on demand and attract interest at a rate linked to the groups cost of capital.

9. Creditors – amounts falling due within one year

	2017 USD'000	2016 USD'000
Amounts owed to Group undertakings	5,236	4,609
Other creditors	-	-
	<u>5,236</u>	<u>4,609</u>

Amounts due to group companies are repayable on demand and attract interest at a rate linked to the groups cost of capital.

10. Called-up share capital

	Year ended 31 December 2017	Year ended 31 December 2016
Allotted, called-up and fully-paid 1,000,000 ordinary shares of \$0.01 par value	<u>10</u>	<u>10</u>

11. Related Party Transactions

The Company is a wholly-owned subsidiary of Ascend Investment Sarl, and its results will be included in the publicly available consolidated financial statements. Accordingly, the Company has taken advantage of the exemption under FRS 102 section 33 Related Parties not to disclose transactions with other wholly owned subsidiaries of Ascend Investments Sarl.

12. Ultimate Parent Company

The Directors regard Ascend Investment Sarl as the ultimate parent undertaking and controlling party. The consolidated accounts of Ascend Investment Sarl are available from: 61, rue de Rollingergrund, L-2440, Luxembourg.