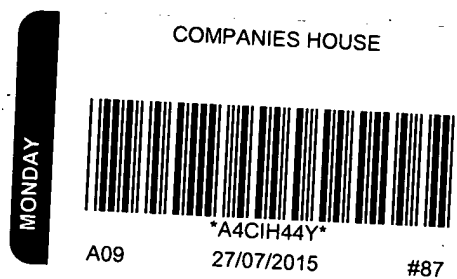


**Umeco Limited**

**Directors' report and financial  
statements**

**Registered number 148635**

**31 December 2014**



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## **Strategic report**

### **Principal activities and business review**

The principal activities of the company are that of an intermediate holding company.

### **Investments**

The investment balance as at 31 December 2014 is £49,260,000, (2013: £49,260,000). The investment balance has been considered for impairment by the Directors, with an impairment loss of £12,686,000 recognised in the year (2013: £12,675,000). This impairment relates to the Company's investments in J & H (Marine) Limited and Levelgrange Limited, which were both dissolved on 30 December 2014, and Umeco Americas Limited.

The carrying amounts of the investments are reviewed for impairment by the Directors when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

The carrying amounts of the investments were reviewed against their recoverable amounts, being the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment.

By order of the board



**DG Darazsdi**  
*Director*

Composites House  
Sinclair Close  
Heanor Gate Industrial Estate  
Heanor  
Derbyshire  
DE75 7SP

Date: 20 July 2015

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

### **Results and dividend**

Losses for the financial year were £9,913,000 (31 December 2013: loss of £16,166,000). During the year dividends of £nil (31 December 2013: £nil) were paid.

### **Directors**

The directors who held office during the year are as follows:

D Darazsdi (appointed 1 November 2014)  
W Avrin  
DM Drillock (resigned 31 October 2014)  
RD Smith

### **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.

By order of the board



**DG Darazsdi**  
*Director*

Composites House  
Sinclair Close  
Heanor Gate Industrial Estate  
Heanor  
Derbyshire  
DE75 7SP

Date: 20 July 2015

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

The directors are responsible for preparing the Strategic Report, 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).

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 Umeco Limited

We have audited the financial statements of Umeco Limited for the year ended 31 December 2014 set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### 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.

**Michael Froom** (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
One Snowhill  
Snowhill Queensway  
Birmingham  
B4 6GH

20 July 2015

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

	<i>Note</i>	<b>2014 £000</b>	<b>2013 £000</b>
Administrative expenses		(915)	(1,885)
<b>Operating loss</b>	<b>4</b>	<b>(915)</b>	<b>(1,885)</b>
Interest payable	2	(393)	(425)
Interest receivable	3	2,954	3,434
Investment income	5	24	141
Amounts written off investments	9	(12,686)	(12,675)
Gain/(loss) on sale of investment	9	600	(6,174)
<b>Loss on ordinary activities before taxation</b>		<b>(10,416)</b>	<b>(17,584)</b>
Tax on loss on ordinary activities	8	503	1,418
<b>Loss for the financial year</b>	<b>14</b>	<b>(9,913)</b>	<b>(16,166)</b>

There were no recognised gains or losses in either the current preceding year other than those disclosed in the profit and loss account.

All of the activities of the company are classed as continuing.

The notes on pages 7 to 16 form part of these financial statements.

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

	Note	2014		2013	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Investments	9		49,260		49,260
<b>Current assets</b>					
Debtors	10	126,531		142,106	
Cash at bank and in hand		15,579		21,122	
		<u>142,110</u>		<u>163,228</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(15,895)</u>		<u>(26,990)</u>	
<b>Net current assets</b>			<u>126,215</u>		<u>136,238</u>
<b>Total assets less current liabilities</b>			<u>175,475</u>		<u>185,498</u>
<b>Creditors: amounts falling due after one year</b>	11		<u>(1,529)</u>		<u>(1,551)</u>
<b>Provision for liabilities and charges</b>	12		<u>(582)</u>		<u>(670)</u>
<b>Net assets</b>			<u><u>173,364</u></u>		<u><u>183,277</u></u>
<b>Capital and reserves</b>					
Share capital	13		12,289		12,289
Share premium	14		116,882		116,882
Other reserves	14		111		111
Profit and loss account	14		44,082		53,995
<b>Shareholders' funds</b>	15		<u><u>173,364</u></u>		<u><u>183,277</u></u>

Notes on pages 7 to 16 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 20 July 2015 and were signed on its behalf by:



**DG Darazsdi**  
Director

Registered number : 148635



## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

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

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable law UK accounting standards under the historical cost accounting rules.

Under FRS1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own consolidated financial statements.

As the company is a wholly owned subsidiary of Cytec Industries Inc., it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

#### ***Exemption from consolidation***

These financial statements present information about the company as an individual undertaking and not about its group. The company has taken advantage of the exemption from preparing consolidated financial statements afforded by s401 of Companies Act 2006 because it is a wholly owned subsidiary of Cytec Industries Inc. which prepares consolidated financial statements that are publically available, see note 17.

#### ***Going concern***

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The directors, having assessed the responses of the directors of the company's ultimate controlling party Cytec Industries Inc. to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Cytec group to continue as a going concern.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of Cytec Industries Inc., the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### ***Investments***

Fixed asset investments in subsidiary undertakings are stated at cost, less provision for any impairment.

#### ***Tax***

The charge for tax is based on the profit for the year and takes into account tax deferred because of timing differences between the treatment of certain items for tax and accounting purposes except as otherwise required by FRS19 'Deferred Tax'. Liabilities are calculated on a non-discounted full provision basis. Assets are recognised on the same basis, but only to the extent that it is probable they will be recovered.

#### ***Foreign currencies***

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Provisions*

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, and where it is probable that an outflow will be required to settle the obligation.

#### *Impairment*

The carrying values of investments are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and the value in use. In determining the value in use, estimated future cash flows are discounted to their present value using a discount rate that reflects the time value of money and risks specific to the asset being assessed. Impairment losses are recognised immediately in the profit and loss account and are not subsequently reversed.

#### *Retirement benefit obligation*

Pension costs are recognised in the financial statements in accordance with the requirements of FRS17 'Retirement Benefits'. The Company is a member of the defined benefit section of the Umeco Pension and Life Assurance Plan. Since the Company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, the scheme is accounted for by the Company as if it was a defined contribution scheme. Details of the Group's pension schemes are set out in note 16 to the financial statements.

For defined contribution schemes, amounts payable by the Company are charged to the profit and loss account as they fall due.

### 2 Interest payable

	2014 £000	2013 £000
Interest payable on bank loans and overdraft	393	277
Interest payable to group undertakings	-	137
Other interest payable	-	11
	<u>393</u>	<u>425</u>

### 3 Interest receivable

	2014 £000	2013 £000
Interest receivable from group undertakings	2,932	3,433
Interest receivable on bank deposits	22	1
	<u>2,954</u>	<u>3,434</u>

## Notes (continued)

### 4 Operating loss

<i>Operating loss is stated after charging/(crediting)</i>	<b>2014</b>	2013
	<b>£000</b>	£000
Depreciation - owned assets	-	26
Loss on disposal of tangible fixed assets	-	8
Exchange (gain)/loss	<b>(302)</b>	165
Auditor's remuneration – fee in respect of audit of this entity	<b>21</b>	22
	<hr/>	<hr/>

Details of non-audit fees paid by the Company and its subsidiaries to the company's auditor are disclosed in the consolidated financial statements of Cytec Industries, Inc.

### 5 Investment income

	<b>2014</b>	2013
	<b>£000</b>	£000
Dividends received from group undertakings	<b>24</b>	141
	<hr/>	<hr/>

### 6 Remuneration of directors

Directors' emoluments have been borne by another group company. The directors of the company are also directors or officers of a number of the companies within the group. 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 2014 or 31 December 2013.

### 7 Staff numbers and costs

The average number of persons employed by the company, including directors, during the year was as follows:

	<b>2014</b>	2013
	<b>Number</b>	Number
Administration	-	1
	<hr/>	<hr/>
	<b>£000</b>	£000
<i>The aggregate payroll costs of these persons were:</i>		
Wages and salaries	-	56
Social security costs	-	6
Other pension costs (note 16)	<b>204</b>	318
	<hr/>	<hr/>
	<b>204</b>	380
	<hr/>	<hr/>

## Notes (continued)

### 8 Tax on loss on ordinary activities

	2014 £000	2013 £000
UK taxation charge at 21.5% (2013: 23.25%)		
- current period	395	161
- prior periods	(927)	(1,726)
	<u>(532)</u>	<u>(1,565)</u>
Deferred tax		
- current year	31	136
- change in rate	-	15
- prior periods	(2)	(4)
	<u>(503)</u>	<u>(1,418)</u>

#### *Factors affecting the tax credit for the current year*

The current tax credit for the year is lower (2013: lower) than the standard rate of UK corporation tax. The reasons for this are as follows:

	2014 £000	2013 £000
Current tax reconciliation:		
Loss on ordinary activities before tax	(10,416)	(17,584)
	<u>(10,416)</u>	<u>(17,584)</u>
Current tax at 21.5% (2013: 23.25%)	(2,239)	(4,088)
Effects of:		
Expenses not deductible for tax purposes	77	37
Capital allowances in excess of depreciation	(4)	3
Non-taxable dividend income	(5)	(33)
Other timing differences	(32)	(140)
Prior year tax effect	(927)	(1,726)
Amounts written off investments	2,727	2,947
Non-taxable (profit)/loss on disposal of investments	(129)	1,435
	<u>(532)</u>	<u>(1,565)</u>
Total current tax credit	<u>(532)</u>	<u>(1,565)</u>

Reductions in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 31 December 2014 has been calculated based on the rate of 20% (2013: 20%) substantively enacted at the balance sheet date.

## Notes (continued)

### 9 Fixed asset investments

	£000
<b>Cost</b>	
At start of year	151,303
Additions	12,686
Dissolved investments	(1,589)
	<hr/>
At 31 December 2014	162,400
	<hr/>
<b>Provisions</b>	
At start of year	102,043
Charge for the year	12,686
Dissolved investments	(1,589)
	<hr/>
At 31 December 2014	113,140
	<hr/>
<b>Net book value</b>	
At 31 December 2014	49,260
	<hr/>
At 31 December 2013	49,260
	<hr/>

The company directly holds more than 20% of the equity in the following subsidiary undertakings at the year end:

Name	Country of incorporation	Class of shares held	Percentage of shares held	Principal activity
Advanced Composites Group Holdings Limited	Great Britain	Ordinary	100	Intermediate holding company
Cytec - Med-Lab Limited *	Great Britain	Ordinary	100	Distribute materials used in the overhaul and maintenance of aircraft engines and the testing of aviation fuel
Cytec Industrial Materials (Berlin) GmbH *	Germany	Ordinary	100	Develop, manufacture and supply advanced composite materials
Cytec Industrial Materials (Derby) Limited *	Great Britain	Ordinary and preference	100	Develop, manufacture and supply advanced composite materials
Cytec Industrial Materials (Manchester) Limited *	Great Britain	Ordinary	100	Develop, manufacture and supply advanced composite materials
Cytec Process Materials (Keighley) Limited *	Great Britain	Ordinary	40	Distribute vacuum bagging materials
Cytec Process Materials (Mondovi) Srl *	Italy	Ordinary	100	Manufacture of vacuum bagging films
Cytec Process Materials (Toulouse) Sarl *	France	Ordinary	100	Distribute vacuum bagging materials
G W Stewart Holdings Limited *	Great Britain	Ordinary	100	Intermediate holding company
Umeco Americas Limited *	Great Britain	Ordinary	100	Intermediate holding company
Umeco Composites Limited	Great Britain	Ordinary	100	Intermediate holding company
Umeco November Limited	Great Britain	Ordinary	100	Intermediate holding company
University Motors Limited	Great Britain	Ordinary	100	Intermediate holding company
University Motors (Newbury) Limited	Great Britain	Ordinary	100	Intermediate holding company
Umeco Properties Limited	Great Britain	Ordinary	100	Intermediate holding company

## Notes (continued)

### 9 Fixed asset investments (continued)

In addition to the above, the following dormant subsidiary undertakings are held by the company at the year end;

Name	Country of incorporation	Class of shares held	Percentage of shares held
Advanced Composites Limited *	Great Britain	Ordinary	100
Advanced Composite Components Limited *	Great Britain	Ordinary	100
Advanced Composite Materials Limited *	Great Britain	Ordinary	100
Advanced Composites Group SA *	South Africa	Ordinary	100
Advanced Composites Master Materials Limited *	Great Britain	Ordinary	100
Compstock Electronics Limited	Great Britain	Ordinary	100
Hungerford Electrical Limited	Great Britain	Ordinary	100
Med-Lab International Limited	Great Britain	Ordinary	100
Umeco Components Limited	Great Britain	Ordinary	100
Umeco International Holdings Limited	Great Britain	Ordinary	100
Umeco International Inc.	USA	Ordinary	100
Umeco Overseas Holdings Limited *	Great Britain	Ordinary	100
Umeco Trustees Limited	Great Britain	Ordinary	100
University Coachwork Limited *	Great Britain	Ordinary	100
Wesupply Aerospace Limited *	Great Britain	Ordinary	50

\* - indirect subsidiary

All of the subsidiary companies have financial years which are coterminous with that of the Company.

The following occurred during 2014:

The company subscribed for a further 177,975 £1 shares in J & H (Marine) Limited for par value. Subsequent to this, on 30 December 2014 that company was dissolved resulting in an impairment loss of £177,975.

The company subscribed for a further 107,634 £1 shares in Levelgrange Limited for par value. Subsequent to this, on 30 December 2014 that company was dissolved resulting in an impairment loss of £107,634.

The company subscribed for a further 1 £1 share in Umeco Americas Limited for £12,400,000. Subsequent to this, an impairment loss of £12,400,000 was identified in this investment.

Additional consideration of £600,000 was received from Cathay Investments Limited in relation to the 2013 sale of Wellmar Limited.

During the current year Cytec Process Materials (Milan) S.r.l was merged into Cytec Process Materials (Mondovi) S.r.l., both of which are indirect subsidiaries incorporated in Italy.

## Notes (continued)

### 9 Fixed asset investments (continued)

The following subsidiaries were dissolved during the year:

Name	Date dissolved
Advanced Composite Developments Limited *	6 May 2014
Advanced Composite Engineering Limited *	30 December 2014
Advanced Composite Mouldings Limited *	30 December 2014
Advanced Composite Panels Limited *	30 December 2014
Advanced Composites Group (Primco) Limited *	23 December 2014
Advanced Composites LTM Limited *	6 May 2014
Advanced Composites Technology Limited *	6 May 2014
Advanced Composites Technology Transfers Limited *	6 May 2014
B. & K. Resins Limited	23 December 2014
Chasers (Self-Drive) Limited *	30 December 2014
Cliffcrete Limited *	6 May 2014
Crossfield (Bristol) Limited *	6 May 2014
Fluorovac Limited *	6 May 2014
J & H (Marine Limited)	30 December 2014
Jostrel Limited	6 May 2014
Levelgrange Limited	30 December 2014
Med-Lab O.M. Limited *	6 May 2014
Shanghai Umeco Composites Co., Limited	29 January 2014
Stewart Electronics Limited *	23 December 2014
U M Sales Limited *	30 December 2014
Umeco Couplings Limited	6 May 2014
Umeco December Limited	6 May 2014
Umeco Developments Limited	23 December 2014
Umeco Repair and Overhaul Limited	6 May 2014
University Motors (Woodcote) Limited *	6 May 2014
Vacform Design Limited *	6 May 2014

All of the companies dissolved during the year were incorporated in Great Britain and were dormant.

\* - indirect subsidiary

## Notes (continued)

### 10 Debtors

	2014 £000	2013 £000
<i>Amounts falling due within one year</i>		
Amounts owed by group undertakings	126,388	108,716
Other debtors	32	55
Prepayments	37	192
	<hr/> 126,457	<hr/> 108,963
<i>Amounts falling due after one year</i>		
Amounts owed by group undertakings	-	33,040
Deferred tax	74	103
	<hr/> 74	<hr/> 33,143
	<hr/> <b>126,531</b>	<hr/> <b>142,106</b>

The elements of deferred taxation are as follows:

	2014 £000	2013 £000
Opening net deferred tax asset	103	250
Charge for the year	(29)	(147)
	<hr/> 74	<hr/> 103

### 11 Creditors

	2014 £000	2013 £000
<i>Amounts falling due within one year</i>		
Bank overdraft	13,291	25,054
Trade creditors	9	8
Amounts owed to group undertakings	-	2
Corporation tax	2,478	1,780
Accruals and deferred income	117	146
	<hr/> 15,895	<hr/> 26,990
<i>Amounts falling due after one year</i>		
Amounts due to group undertakings	<hr/> 1,529	<hr/> 1,551



## Notes (continued)

### 12 Provision for liabilities and charges

	Other provisions £000
Opening liability at 1 January 2014	670
Charge in the year	439
Utilised in the year	(527)
	<hr/>
Closing liability at 31 December 2014	582
	<hr/> <hr/>

The other provisions relate to costs of environmental work at a site in Toulouse, France, formerly operated by Umeco Repair & Overhaul. Due to the nature of the costs, the period over which the provision is expected to be utilised is difficult to determine but is currently expected to be between two and ten years. The provision also includes an onerous contract entered into by the company which is expected to end in May 2015.

### 13 Share capital

	2014 Number	2014 £000	2013 Number	2013 £000
<i>Ordinary shares of 25 pence each</i>				
Allotted, called up and fully paid	49,154,884	12,289	49,154,884	12,289
	<hr/>	<hr/>	<hr/>	<hr/>

### 14 Reserves

	Other reserves £000	Share premium account £000	Profit and loss account £000
At start of year	111	116,882	53,995
Retained loss for the financial year	-	-	(9,913)
	<hr/>	<hr/>	<hr/>
At end of year	111	116,882	44,082
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## Notes (continued)

### 15 Reconciliation of movements in shareholders' funds

	2014 £000	2013 £000
Shareholders' funds at start of year	183,277	199,443
Retained loss for the financial year	(9,913)	(16,166)
<b>Shareholders' funds at end of year</b>	<b>173,364</b>	<b>183,277</b>

### 16 Pension schemes

Umeco Limited, along with other group companies, participates in the Umeco Pension and Life Assurance Plan which has two schemes, a defined benefit scheme (which was closed to new entrants in 2000 and future accruals in 2011) ("the scheme") and a defined contribution scheme.

The assets of the defined benefit scheme are held separately from those of the company, being invested by independent fund managers. Contributions to the scheme are charged to the profit and loss account so as to spread the costs of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. As the scheme is run for a group of Umeco companies as a whole, the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis. Hence, as permitted by FRS17: Retirement Benefits, the scheme is accounted for by the company as if the scheme was a defined contribution scheme.

An actuarial valuation was undertaken as at 1 April 2013 and was updated for FRS 17 purposes to 31 December 2014 by a qualified independent actuary. The market value of the scheme's assets at 1 April 2013 were £17.2 million the value of which represented approximately 101% of the benefits that had accrued to members at that date on an ongoing basis, after allowing for assumed future increases in salaries. At this date the scheme had a surplus of assets over liabilities of £194,000.

At 31 December 2014, the scheme had a surplus on an FRS 17 basis of £nil (2013: £nil) following adjustment of £3,457,000 (2013: £4,296,000) resulting from the limit on the amount that can be recognised as an asset in the balance sheet.

The company's contributions to the scheme in the year were £204,000 (2013: £314,000).

The company formerly operated a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £nil (2013: £4,000). Contributions amounting to £nil (2013: £nil) were payable to the scheme and are included in creditors.

### 17 Ultimate holding company and ultimate controlling party

The company's ultimate holding company and ultimate controlling company is Cytec Industries Inc. incorporated in the United States of America. The consolidated accounts of this group are available to the public and may be obtained from Five Garret Mountain Plaza, Woodland Park, NJ 07424, USA.