

Goodyear Industrial Rubber Products Limited

Annual report and financial statements

for the year ended 31 December 2017

Registered number: 01744764



Goodyear Industrial Rubber Products Limited

Annual report and financial statements for the year ended 31 December 2017

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Goodyear Industrial Rubber Products Limited

Directors and Advisors for the year ended 31 December 2017

Directors

Rachel Ridgill
Johannes Vrijzen

Company Secretary

Dale Mochan

Bankers

Barclays Bank Plc
PO Box 3333
1 Snowhill
Snow Hill Queensway
Birmingham
B3 2WN

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Registered Office

2920 Trident Court
Solihull Parkway
Birmingham Business Park
Birmingham
B37 7YN

Goodyear Industrial Rubber Products Limited

Directors' Report for the year ended 31 December 2017

The directors submit their annual report together with the audited financial statements of the company for the year ended 31 December 2017. The company is a private company limited by shares and is incorporated and domiciled in England.

Business review and future developments

The operations during the year resulted in a profit for the financial year of £19,000 (2016: £33,000). The directors do not propose to make any dividend payment on the ordinary shares in respect of 2017 (2016: £nil).

The results of the company and the financial position at the end of the year are considered to be satisfactory.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Principal activities

The company did not trade in 2017 or 2016. The company has a single income stream being the interest received on group deposits.

Directors

The directors who were in office during the year and up to the date of signing the financial statements were:

Marcio Lins (Resigned 30 November 2017)
Rachel Ridgill (Appointed 30 November 2017)
Johannes Vrijssen

Registered number

The company's registered number is 01744764.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The directors actively manage these risks by monitoring levels of risk and the related costs. No derivatives are used in the business.

Qualifying third party indemnity provisions

A qualifying third party indemnity provision is in place for the directors of the company. This indemnity is managed by the ultimate parent company and was in force for the full financial year and till the date of approval of these financial statements.

Principal risks and uncertainties

The Company acknowledges the EU referendum result however does not deem the change in EU membership as a major issue. No concrete conclusion can be made about the result and the Company does not believe it will be a major issue in the short to medium term.

Goodyear Industrial Rubber Products Limited

Directors' Report for the year ended 31 December 2017 (continued)

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Johannes Vrijksen
Director
30 April 2018

Goodyear Industrial Rubber Products Limited

Independent Auditors' Report to the Members of Goodyear Industrial Rubber Products Limited

Report on the audit of the financial statements

Opinion

In our opinion, Goodyear Industrial Rubber Products Limited's financial statements:

- 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 (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the statement of financial position as at 31 December 2017; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Goodyear Industrial Rubber Products Limited

Independent Auditors' Report to the Members of Goodyear Industrial Rubber Products Limited (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 auditors' report.

Goodyear Industrial Rubber Products Limited

Independent Auditors' Report to the Members of Goodyear Industrial Rubber Products Limited (continued)

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, 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 preparing a strategic report. We have no exceptions to report arising from this responsibility.



Richard Kay (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

30 April 2018

Goodyear Industrial Rubber Products Limited

Statement of Comprehensive Income for the year ended 31 December 2017

	Note	2017 £'000	2016 £'000
Administrative expenses		(9)	(2)
Operating loss	3	(9)	(2)
Interest receivable and similar income	5	32	43
Profit before taxation		23	41
Tax on profit	6	(4)	(8)
Profit for the financial year		19	33

The company has no other comprehensive income other than the profits above and therefore no separate statement of other comprehensive income has been presented.

All activities relate to continuing operations.

Goodyear Industrial Rubber Products Limited

Statement of Financial Position as at 31 December 2017

	Note	2017 £'000	2016 £'000
Current assets			
Debtors	7	7,496	7,474
Cash at bank and in hand		172	171
		7,668	7,645
Creditors: amounts falling due within one year	8	(2,513)	(2,509)
Net current assets		5,155	5,136
Net assets		5,155	5,136
Capital and reserves			
Called up share capital	9	10,226	10,226
Accumulated losses		(5,071)	(5,090)
Total equity		5,155	5,136

The financial statements on pages 7 to 14 were approved by the board of directors on 30 April 2018 and were signed on its behalf by:



Johannes Vrijzen
Director
Goodyear Industrial Rubber Products Limited

Company Registration Number: 01744764

Goodyear Industrial Rubber Products Limited

Statement of Changes in Equity for the year ended 31 December 2017

	Called up share capital £'000	Accumulated losses £'000	Total equity £'000
At 1 January 2016	10,226	(5,123)	5,103
Profit for the financial year	-	33	33
As at 31 December 2016	10,226	(5,090)	5,136
Profit for the financial year	-	19	19
As at 31 December 2017	10,226	(5,071)	5,155

Accumulated losses represent accumulated comprehensive income for the year and prior periods.

Goodyear Industrial Rubber Products Limited

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

1 Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

2 Accounting policies

A summary of the principal accounting policies is set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

There are no critical accounting judgements or key sources of estimation uncertainty.

Basis of preparation

The financial statements have been prepared in accordance with the historical cost convention and on a going concern basis.

Taxation

The tax payable is based on the taxable profit for the year. Taxable profit differs from the profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years and it also excludes items which are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted at the statement of financial position date.

Deferred tax is provided in accordance with FRS 102 in respect of all timing differences that have originated but not reversed at the statement of financial position date and is determined using the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse.

Deferred tax assets are recognised only to the extent that they are expected to reverse. Deferred tax is measured using rates of tax that are expected to apply in the periods in which timing differences reverse and based on rates that have been substantively enacted by the statement of financial position date. The company has not adopted a policy of discounting deferred tax assets and liabilities.

Disclosure exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, The Goodyear Rubber & Tire Company, includes the company's cash flows in its own consolidated financial statements.

Goodyear Industrial Rubber Products Limited

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

2 Accounting policies (continued)

Disclosure exemptions (continued)

- As a small company, under FRS 102 paragraph A4.11A, the company has taken advantage of the exemption not to prepare a strategic report.

3 Operating loss

	2017 £'000	2016 £'000
Operating loss is stated after charging:		
Fees payable to the company's auditors for the audit of the company's annual financial statements	9	2

There were no other fees payable to the company's auditors in the year.

4 Employee information

All directors' emoluments are borne by Goodyear Dunlop Tyres UK Limited. The directors of the company do not receive any emoluments in respect of their services to the company (2016: nil), and no recharges are made to the company (2016: nil).

The company had no employees during the current or prior year.

5 Interest receivable and similar income

	2017 £'000	2016 £'000
Interest received from group undertakings	32	43

Goodyear Industrial Rubber Products Limited

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

6 Tax on profit

(i) Tax expense included in the statement of comprehensive income

	2017 £'000	2016 £'000
Current tax:		
UK Corporation tax on profits for the year	4	8
Total current tax	4	8
Tax on profit on ordinary activities	4	8

(ii) Reconciliation of tax charge

The tax assessed for the year is the same as (2016: the same as) the standard effective rate of corporation tax in the UK for the year ended 31 December 2017 of 19.25% (2016: 20.00%). The differences are explained below:

	2017 £'000	2016 £'000
Profit before taxation	23	41
Profit multiplied by the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	4	8
Tax charge for the year	4	8

(iii) Tax rate changes

A change to the UK corporation tax rate was enacted in Finance Act 2016 on 15 September 2016. The change enacted is to reduce the main rate of corporation tax to 17% from 1 April 2020. A reduction of the UK corporation tax rate to 19% from 1 April 2017 had already been enacted in Finance Act 2015 on 18 November 2015.

Goodyear Industrial Rubber Products Limited

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

7 Debtors

	2017	2016
	£'000	£'000
Amounts owed by group undertakings	7,496	7,474

The unsecured loan above is due from Goodyear S.A., Luxembourg. Interest is receivable at a rate of Libor plus 10 basis points. The loan is redeemable on demand.

8 Creditors: amounts falling due within one year

	2017	2016
	£'000	£'000
Non-cumulative 7% preference shares	2,500	2,500
Amounts owed to group undertakings	9	2
Corporation tax	4	7
	2,513	2,509

The preference shares relate to 2,500,000 of issued 7% preference shares of £1 each. The authorised level of preference shares for issue is 5,000,000. The non-cumulative dividends are payable half yearly in arrears. On liquidation or otherwise, the assets are applied in priority to other shareholders in repaying capital but not any arrears or accruals of dividend. No voting rights at general meeting are attached. The company may redeem on not less than 30 days' notice on payment of par value.

Amounts owed to group undertakings relate to an audit fee payable to Goodyear Dunlop Tyres UK Limited. The amounts outstanding are repayable on demand, interest free and are unsecured.

Goodyear Industrial Rubber Products Limited

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

9 Called up share capital

	2017 £'000	2016 £'000
Allotted and fully paid		
10,226,443 (2016: 10,226,443) ordinary shares of £1 each	10,226	10,226

10 Related party transactions

The company makes use of the exemption under FRS 102 Section 33 "Related Party Disclosures" being a wholly owned subsidiary undertaking of The Goodyear Tire & Rubber Company not to disclose transactions with other group companies which are 100% owned by The Goodyear Tire & Rubber Company.

11 Ultimate parent company and controlling party

The immediate and ultimate parent company and controlling party is The Goodyear Tire & Rubber Company which is incorporated in the United States of America. The largest and smallest group in which the results of the company are consolidated is that headed by The Goodyear Tire & Rubber Company. Copies of the group financial statements of The Goodyear Tire & Rubber Company are available from www.goodyear.com/investor