

COMPANY REGISTRATION NUMBER: 3263720

Kingspan Metl-Con Limited
Directors' report and financial statements
31st December 2016

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Kingspan Metl-Con Limited

Financial Statements

Year ended 31st December 2016

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Kingspan Metl-Con Limited

Officers and Professional Advisers

The board of directors	Geoff Doherty Gene Murtagh
Company secretary	Kingspan Group Limited
Registered office	St. Hilda's Street Sherburn Malton North Yorkshire Y017 8PQ
Bankers	Bank Mendes Gans Herengracht 619 1017 CE Amsterdam The Netherlands
Solicitors	Macfarlanes 10 Norwich Street London England BC4A 1BD
Auditor	KPMG Chartered Accountants 1 Stokes Place St. Stephen's Green Dublin 2 Ireland
Registered number	3263720

Kingspan Metl-Con Limited

Directors' Report

Year ended 31st December 2016

The directors present their report and the financial statements of the company for the year ended 31st December 2016.

Principal activity and business review

The principal activity of the company continues to be that of a finance company.

The directors are satisfied with the results for the year.

Principal risks and uncertainties

The directors confirm that the company's on-going process for identifying, evaluating and managing its significant risks is in accordance with best practice guidance. The process has been in place throughout the accounting period and up to the date of approval of the financial statements, and is regularly reviewed by the Board.

As part of the annual risk assessment, the Board reviewed the company's internal assessment of the risks to the business under a wide range of headings that included: business and acquisition strategy; financial including transactional and translation FX risks; compliance; and others including macro-economic issues.

The Board identified and reported on the principal risks facing the business, and whilst recognising that these risks cannot be wholly eliminated, the Board is of the view that the risks are being appropriately addressed by the company's internal financial and management controls.

Political donations

The company did not make any donations for political purposes or to any political organisation during the year.

Results and dividends

The results for the year are set out on page 6. The directors do not recommend the payment of a dividend (2015: £nil).

Future developments

The directors plan to continue with the Company's current activity.

Subsequent events

There have been no significant events subsequent to the year-end which require disclosure in the financial statements.

Branches

The company has no branches outside of the United Kingdom.

Kingspan Metl-Con Limited

Directors' Report

Year ended 31st December 2016

Directors

The directors who served the company during the year were as follows:

Geoff Doherty

Gene Murtagh

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

The company is a wholly owned subsidiary of the ultimate parent company Kingspan Group Plc, being a company incorporated in the Republic of Ireland. The company, or the Group of which the company forms part, maintains Directors and Officers Liability Insurance and (where applicable) Trustee Liability Insurance as at the date hereof and throughout the financial year ended 31 December 2016, in respect of the above named directors.

None of the directors at the end of the year had any interest in the shares of the company, or of other group companies in the United Kingdom. The directors are not required to notify the company of any interest in the shares of group companies outside the United Kingdom.

Directors' statements on adequate accounting records

The measures taken by the directors to secure compliance with the company's obligations to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons.

The accounting records of the company are maintained in the company's premises at St Hildes Street, Sherburn, Malton, North Yorkshire, YO17 8PQ.

Strategic report

In preparing the directors' report, the directors have taken the small companies exemption under Section 414(B) of the Companies Act 2006, (Strategic and Directors' Report) Regulations 2013, not to prepare a strategic report for presentation with these financial statements.

Kingspan Metl-Con Limited

Directors' Report *(continued)*

Year ended 31st December 2016

Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. 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.

Disclosure of information to auditor


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

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

This report was approved by the board of directors on 18th August 2017 and signed on behalf of the board by:



Geoff Doherty
Director



Kingspan Metl-Con Limited

Independent Auditor's Report to the Members of Kingspan Metl-Con Limited (continued)

Year ended 31st December 2016

We have audited the financial statements of Kingspan Metl-Con Limited for the 31 December 2016 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 101 *Reduced Disclosure Framework*. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit 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.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2006 are set out below

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

3 We have nothing to report in respect of matters on which we are required to report by exception

Under ISAs (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

Under the Companies Act 2006 we are required 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.

We have nothing to report in respect of the above responsibilities.



Kingspan Metl-Con Limited

Independent Auditor's Report to the Members of Kingspan Metl-Con Limited (continued)

Year ended 31st December 2016

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with UK law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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.

David Meagher (Senior Statutory Auditor)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

18 August 2017

Kingspan Metl-Con Limited

Statement of Comprehensive Income

Year ended 31st December 2016

	Note	2016 £	2015 £
Administrative expenses, net		<u>932,033</u>	<u>121,667</u>
Operating profit	3	932,033	121,667
Interest receivable	4	<u>2,861,654</u>	<u>2,498,967</u>
Profit on ordinary activities before taxation		3,793,687	2,620,634
Income tax	5	<u>—</u>	<u>—</u>
Profit for the financial year and total comprehensive income		<u>3,793,687</u>	<u>2,620,634</u>

All the activities of the company are from continuing operations.

The notes on pages 10 to 14 form part of these financial statements.

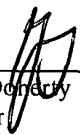
Kingspan Metl-Con Limited

Statement of Financial Position

31st December 2016

	Note	2016 £	2015 £
Current assets			
Trade and other receivables	6	58,513,872	49,184,926
Cash at bank and in hand		<u>6,881,352</u>	<u>2,461,777</u>
		65,395,224	51,646,703
Creditors: amounts falling due within one year	7	<u>58,513,572</u>	<u>48,558,738</u>
Net current assets		6,881,652	3,087,965
Net assets		6,881,652	3,087,965
Capital and reserves			
Called up share capital	8	100	100
Retained earnings		<u>6,881,552</u>	<u>3,087,865</u>
Total equity		6,881,652	3,087,965

These financial statements were approved by the board of directors and authorised for issue on 18th August 2017, and are signed on behalf of the board by:


Geoff Dore
Director

Company registration number: 3263720

The notes on pages 10 to 14 form part of these financial statements.

Kingspan Metl-Con Limited

Statement of Changes in Equity

Year ended 31st December 2016

	Called up share capital £	Retained earnings £	Total £
At 1st January 2015	100	467,231	467,331
Profit for the year	—	2,620,634	2,620,634
Total comprehensive income for the year	—	2,620,634	2,620,634
At 31st December 2015	100	3,087,865	3,087,965
Profit for the year	—	3,793,687	3,793,687
Total comprehensive income for the year	—	3,793,687	3,793,687
At 31st December 2016	<u>100</u>	<u>6,881,552</u>	<u>6,881,652</u>

The notes on pages 10 to 14 form part of these financial statements.

Kingspan Metl-Con Limited

Notes to the Financial Statements

Year ended 31st December 2016

1. General information

The company is a private company limited by shares, registered in the United Kingdom. The address of the registered office is St. Hilda's Street, Sherburn, Malton, North Yorkshire, YO17 8PQ.

2. Accounting policies

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS101") as issued in August 2014. The amendments to FRS101 (2014/2015 Cycle), issued in July 2015 and effective for financial years commencing 1 January 2015, have also been applied.

In preparing these financial statements, the company applied the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2014 and has set out below where advantage of the FRS101 disclosure exemptions has been taken.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

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

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 101. Its financial statements are consolidated into the financial statements of Kingspan Group Plc which are prepared under IFRS and can be obtained from www.kingspan.com. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 101:

- No cash flow statement has been presented.
- No comparative period reconciliations for share capital, tangible fixed assets or intangible assets have been presented.
- The effects of new but not yet effective IFRSs have not been disclosed.
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy has not been prepared.
- No disclosure has been given for the aggregate remuneration of key management personnel.

As the consolidated financial statements of the ultimate parent, Kingspan Group Plc, include the equivalent disclosures, the Company has also taken exemption under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments.
- IFRS 7 *Financial Instruments: Disclosures*.
- IFRS 13 *Fair Value Measurement*.

Kingspan Metl-Con Limited

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

2. Accounting policies *(continued)*

Use of estimates and judgements

The preparation of financial statements in conformity with FRS 101, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The key estimations and judgements are in relation to the valuation of investments and the recoverability of investments.

The estimates and underlying assumptions are reviewed on an on-going 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.

Income tax

Income tax in the income statement represents the sum of current income tax and deferred tax not recognised in other comprehensive income or directly in equity.

Current tax

Current income represents the expected tax payable or recoverable on the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted at the reporting date and taking into account any adjustments arising from prior years. Liabilities for uncertain tax positions are recognised based on the directors best probability weighted estimate of the probable outflow of economic resources that will be required to settle the liability.

Deferred tax

Deferred tax is recognised on all temporary differences at the reporting date. Temporary differences are defined as the difference between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that are expected to apply in the period in which the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences (i.e. differences that will result in taxable amounts in future periods when the carrying amount of the asset or liability is recovered or settled).

Deferred tax assets are recognised in respect of all deductible temporary differences (i.e. differences that give rise to amounts which are deductible in determining taxable profits in future periods when the carrying amount of the asset or liability is recovered or settled), carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which to offset these items. The carrying amounts of deferred tax assets are subject to review at each reporting date and reduced to the extent that future taxable profits are considered to be inadequate to allow all or part of any deferred tax asset to be utilised.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Kingspan Metl-Con Limited

Notes to the Financial Statements (continued)

Year ended 31st December 2016

2. Accounting policies (continued)

Foreign currencies

(i) Functional and presentation currency

The financial statements are presented in euro, which is also the Company's functional currency.

(ii) Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets that are carried at historical cost are not subsequently re-translated. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translations are recognised in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to functional currency at foreign exchange rates ruling at the dates the fair values were determined.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. If payments received from customers exceed the income recognised, then the difference is presented as deferred income.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

3. Operating profit

Operating profit or loss is stated after crediting:

	2016 £	2015 £
Foreign exchange differences	<u>(932,033)</u>	<u>(121,675)</u>

The cost of the audit or any non-audit services provided by the auditors, are borne by fellow group company.

4. Interest receivable

	2016 £	2015 £
Interest on loans and receivables	2,839,701	2,498,077
Interest on cash and cash equivalents	<u>21,953</u>	<u>890</u>
	<u>2,861,654</u>	<u>2,498,967</u>

Kingspan Metl-Con Limited

Notes to the Financial Statements (continued)

Year ended 31st December 2016

5. Income tax

Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20.25%).

	2016 £	2015 £
Profit on ordinary activities before taxation	3,793,687	2,620,634
Profit on ordinary activities by rate of tax	758,737	530,678
Items not subject to tax	(736,463)	(488,661)
Group relief	(22,274)	(42,017)
Income tax	—	—

6. Trade and other receivables

	2016 £	2015 £
Amounts owed by group undertakings	58,513,871	49,184,926
Prepayments and accrued income	1	—
	<u>58,513,872</u>	<u>49,184,926</u>

The amounts due from group undertakings are unsecured, some have interest charged, some are interest free and all are due on demand.

7. Creditors: amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	<u>58,513,572</u>	<u>48,558,738</u>

The amounts due to group undertakings are unsecured, interest free and fall due on demand.

8. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £100 each	<u>1</u>	<u>100</u>	<u>1</u>	<u>100</u>

Kingspan Metl-Con Limited

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

9. Related party transactions

The company has availed of the exemption under FRS101 paragraph 8 (k) which allows non-disclosure of transactions with other group companies.

10. Controlling party

The ultimate parent company and controlling party is Kingspan Group plc, a company incorporated in the Republic of Ireland. The immediate parent company is Kingspan Limited, a company incorporated in the United Kingdom.