

Financial Statements

NORDAM Transparency Europe Limited

For the year ended 31 December 2014

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COMPANIES HOUSE

Registered number: 03513867

Company Information

Directors	M R Siegfried T H Siegfried
Company secretary	Eversecretary Limited
Registered number	03513867
Registered office	2 Tudor Road Altrincham Business Park Altrincham Cheshire WA14 5RZ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 11/13 Penhill Road Cardiff South Glamorgan CF11 9UP
Bankers	JP Morgan Chase Bank 25 Bank Street Canary Wharf London E14 5JP
Solicitors	Eversheds LLP Eversheds House 70 - 76 Great Bridgewater Street Manchester M1 5ES

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Directors' Report

For the year ended 31 December 2014

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

Principal activities and business review

The principal activity of the company during the year was the supply and refurbishment of aircraft windows.

The company has made a profit after tax for the year amounting to \$504,495 (2013: \$437,882).

Directors

The directors who served during the year were:

M R Siegfried

T H Siegfried

Directors' responsibilities statement

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 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Directors' Report

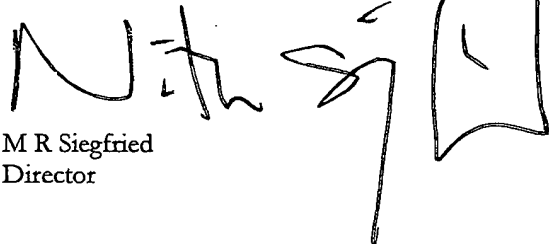
For the year ended 31 December 2014

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 13 AUGUST 2015 and signed on its behalf.

A large, stylized handwritten signature in black ink, appearing to read 'M R Siegfried', is written over the printed name and title.

M R Siegfried
Director

Independent Auditor's Report to the Members of NORDAM Transparency Europe Limited

We have audited the financial statements of NORDAM Transparency Europe Limited for the year ended 31 December 2014, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, 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 (APB'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's website at 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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



Independent Auditor's Report to the Members of NORDAM Transparency Europe Limited

Opinion on other matter prescribed by the Companies Act 2006

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.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Directors' report.

A handwritten signature in black ink, appearing to read "Grant Thornton UK LLP".

Rhian Owen (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Cardiff

Date:

13 AUGUST 2015

Profit and Loss Account

For the year ended 31 December 2014

	Note	2014 \$	2013 \$
Turnover	1,2	2,401,007	2,317,893
Cost of sales		(1,358,874)	(1,412,927)
Gross profit		1,042,133	904,966
Administrative expenses		(403,860)	(338,073)
Operating profit	3	638,273	566,893
Interest receivable and similar income		9,884	53
Interest payable and similar charges		(51)	-
Profit on ordinary activities before taxation		648,106	566,946
Tax on profit on ordinary activities	4	(143,611)	(129,064)
Profit for the financial year	11	504,495	437,882

The notes on pages 7 to 13 form part of these financial statements.

Balance Sheet

As at 31 December 2014

	Note	\$	2014 \$	\$	2013 \$
Fixed assets					
Tangible assets	6		7,672		6,740
Current assets					
Stocks		253,038		194,610	
Debtors	7	1,171,277		868,348	
Cash at bank		305,644		210,517	
		<u>1,729,959</u>		<u>1,273,475</u>	
Creditors: amounts falling due within one year	8	<u>(192,339)</u>		<u>(239,418)</u>	
Net current assets			<u>1,537,620</u>		<u>1,034,057</u>
Net assets			<u><u>1,545,292</u></u>		<u><u>1,040,797</u></u>
Capital and reserves					
Called up share capital	10		113,362		113,362
Profit and loss account	11		1,431,930		927,435
Shareholders' funds			<u><u>1,545,292</u></u>		<u><u>1,040,797</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 AUGUST 2015

M R Siegfried
Director

The notes on pages 7 to 13 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Turnover

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

1.3 Goodwill and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	- 15 years
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1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 8 years straight line
Fixtures & fittings	- 3 - 6 years straight line

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.8 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

2. Turnover

During the year 63% (2013: 76%) of the company's turnover was attributable to geographical markets outside the United Kingdom.

Notes to the Financial Statements

For the year ended 31 December 2014

3. Operating profit

The operating profit is stated after charging:

	2014	2013
	\$	\$
Amortisation - intangible fixed assets	-	9,656
Depreciation of tangible fixed assets:		
- owned by the company	4,774	4,997
Auditor's remuneration	12,037	16,711
	<u>12,037</u>	<u>16,711</u>

During the year, no director received any emoluments (2013 - \$NIL).

4. Taxation

	2014	2013
	\$	\$
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit for the year	142,911	126,292
Deferred tax (see note 9)		
Capital allowances	700	2,772
Tax on profit on ordinary activities	<u>143,611</u>	<u>129,064</u>

5. Intangible fixed assets

	Goodwill
	\$
Cost	
At 1 January 2014 and 31 December 2014	289,700
Amortisation	
At 1 January 2014 and 31 December 2014	289,700
Net book value	
At 31 December 2014	-
At 31 December 2013	-

Notes to the Financial Statements

For the year ended 31 December 2014

6. Tangible fixed assets

	Plant & machinery \$	Fixtures & fittings \$	Total \$
Cost			
At 1 January 2014	298,595	30,885	329,480
Additions	5,706	-	5,706
Disposals	(47,832)	-	(47,832)
At 31 December 2014	256,469	30,885	287,354
Depreciation			
At 1 January 2014	291,855	30,885	322,740
Charge for the year	4,774	-	4,774
On disposals	(47,832)	-	(47,832)
At 31 December 2014	248,797	30,885	279,682
Net book value			
At 31 December 2014	7,672	-	7,672
At 31 December 2013	6,740	-	6,740

Notes to the Financial Statements

For the year ended 31 December 2014

7. Debtors

	2014	2013
	\$	\$
Trade debtors	307,457	464,715
Amounts owed by group undertakings	854,998	381,296
Other debtors	8,124	20,939
Deferred tax asset (see note 9)	698	1,398
	<u>1,171,277</u>	<u>868,348</u>

8. Creditors:

Amounts falling due within one year

	2014	2013
	\$	\$
Trade creditors	30,579	22,872
Amounts owed to group undertakings	14,852	53,037
Corporation tax	76,385	74,996
Other taxation and social security	7,606	7,688
Other creditors	62,917	80,825
	<u>192,339</u>	<u>239,418</u>

9. Deferred tax asset

	2014	2013
	\$	\$
At beginning of year	1,398	4,170
Charged for year (P&L)	(700)	(2,772)
	<u>698</u>	<u>1,398</u>

The deferred tax asset is made up as follows:

	2014	2013
	\$	\$
Accelerated capital allowances	698	1,398

Notes to the Financial Statements

For the year ended 31 December 2014

10. Share capital

	2014 \$	2013 \$
Authorised		
100,000 Ordinary shares of \$1.5468/£1 each	<u>154,680</u>	<u>154,680</u>
Allotted, called up and fully paid		
73,288 Ordinary shares of \$1.5468/£1 each	<u>113,362</u>	<u>113,362</u>

11. Reserves

	Profit and loss account \$
At 1 January 2014	927,435
Profit for the financial year	504,495
At 31 December 2014	<u>1,431,930</u>

12. Operating lease commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 \$	2013 \$
Expiry date:		
Within 1 year	-	25,469
After more than 5 years	<u>30,147</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 December 2014

13. Related party transactions

During the year the company acquired materials and goods for resale to the value of \$656,656 (2013: \$667,767), was recharged overheads of \$91,883 (2013: \$64,598), made payments to the value of \$762,475 (2013: \$732,365) and made sales to the value of \$40,750 (2013: \$24,096) to the NORDAM Group, Inc., the company's ultimate parent undertaking. The company also advanced a loan of \$450,000 (2013: \$299,920) to The NORDAM Group, Inc. during the year. At 31 December 2014 the amount due from NORDAM Group, Inc. was \$803,746 (2013: \$299,060).

During the year the company made sales to the value of \$153,200 (2013: \$29,960) and received payments to the value of \$146,000 (2013: \$760) from NORDAM Singapore Pte Ltd. At 31 December 2014 the amount due from NORDAM Singapore Pte Ltd was \$36,400 (2013: \$29,200).

During the year the company made purchases to the value of \$1,200 (2013: \$Nil) and made payments to the value of \$1,200 (2013: \$nil) to NORDAM Europe Limited. At 31 December 2014 the amount due to NORDAM Europe Limited was \$Nil (2013: \$Nil).

14. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of NORDAM UK Limited, a company incorporated in England and Wales.

The company's ultimate parent undertaking is The NORDAM Group, Inc., a company incorporated in the United States of America. This is the largest group in which the results of the company are consolidated. Copies of the group accounts can be obtained from:

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Tulsa
Oklahoma
74117
United States