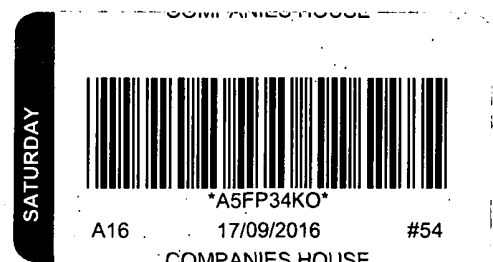


Phoenix Oil & Marine Limited  
Annual report and financial statements  
Registered number 04012370  
31 December 2015



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## Strategic report

The director presents the strategic report on the company for the year ended 31 December 2015.

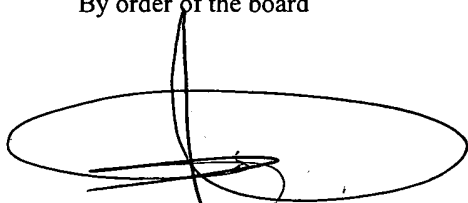
### Principal activities

The principal activity of the company is that of a holding company. The principal activity of the subsidiary undertaking, Dunlop Oil & Marine Limited, is the manufacture and sale of oil and marine hoses and associated equipment to a worldwide market.

### Review of the business

Due to the nature of the company, financial key performance indicators are not used by the director.

By order of the board

A handwritten signature in black ink, appearing to read 'ARK Zandiyeh', is written over a large, horizontal oval shape.

**ARK Zandiyeh**  
*Director*

Moody Lane  
Pyewipe  
Grimsby  
North East Lincolnshire  
DN31 2SY

07 September 2016

## **Directors' report**

The director presents the annual report and the audited financial statements of the company for the year ended 31 December 2015.

### **Results and proposed dividend**

The profit and loss account is set out on page 6 and shows a loss for the year. The director does not recommend the payment of a dividend (2014: £nil).

### **Directors**

The director who held office during the year was as follows:

ARK Zandiyeh

The director did not have any beneficial interest in the share capital of the company.

### **Political contributions**

The company made no political donations or incurred any political expenditure during the year.

### **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 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 period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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**

The director who held office at the date of approval of this directors' report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditor is unaware; and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

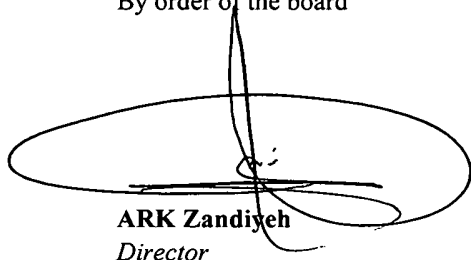
### Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 1.

### 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



ARK Zandiyeh  
Director

Moody Lane  
Pyewipe  
Grimsby  
North East Lincolnshire  
DN31 2SY

07 September 2016

## **Independent auditor's report to the members of Phoenix Oil & Marine Limited**

We have audited the financial statements of Phoenix Oil & Marine Limited for the year ended 31 December 2015 set out on pages 6 to 12. 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.

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 2, 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's 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 2015 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 matters prescribed by the Companies Act 2006**

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

**Independent auditor's report to the members of Phoenix Oil & Marine Limited**  
*(continued)*

**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.



**Katharine L'Estrange (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

1 Sovereign Square

Sovereign Street

Leeds

LS1 4DA

14 September 2016

**Profit and loss account**  
*for the year ended 31 December 2015*

	<i>Note</i>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Turnover</b>		-	-
Administrative expenses		-	-
		<hr/>	<hr/>
<b>Operating result</b>	<b>3</b>	-	-
Interest payable and similar charges	<b>4</b>	<b>(75)</b>	<b>(103)</b>
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>		<b>(75)</b>	<b>(103)</b>
Taxation on loss on ordinary activities	<b>5</b>	<b>15</b>	<b>22</b>
		<hr/>	<hr/>
<b>Loss for financial year</b>	<b>10</b>	<b>(60)</b>	<b>(81)</b>
		<hr/>	<hr/>

All results are derived from continuing activities.

**Other comprehensive income**  
*for year ended 31 December 2015*

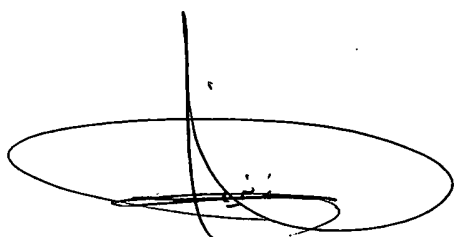
	<i>Note</i>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Loss for the year</b>	<b>10</b>	<b>(60)</b>	<b>(81)</b>
		<hr/>	<hr/>
<b>Other comprehensive income for the year, net of income tax</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	<b>10</b>	<b>(60)</b>	<b>(81)</b>
		<hr/>	<hr/>



**Balance sheet**  
*at 31 December 2015*

	<i>Note</i>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Fixed assets</b>			
Investments	6	20,056	20,056
<b>Current assets</b>			
Debtors	7	15	22
<b>Creditors: amounts falling due within one year</b>	8	(5,463)	(5,410)
<b>Net current liabilities</b>		(5,448)	(5,388)
<b>Total assets less current liabilities</b>		14,608	14,668
<b>Net assets</b>		14,608	14,668
<b>Capital and reserves</b>			
Called up share capital	9	17,000	17,000
Profit and loss account		(2,392)	(2,332)
<b>Shareholders' funds</b>		14,608	14,668

The financial statements on pages 6 to 12 were approved by the Board of Directors on 07 September 2016 and were signed on its behalf by:



**ARK Zandiyeh**  
*Director*

Company registered number: 04012370

## Statement of changes in equity

	<b>Called up Share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
Balance at 1 January 2014	17,000	(2,251)	14,749
Effect of change in accounting policy	-	-	-
<b>Balance at 1 January 2014</b>	<b>17,000</b>	<b>(2,251)</b>	<b>14,749</b>
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(81)	(81)
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(81)</b>	<b>(81)</b>
Transactions with owners, recorded directly in equity			
Issue of shares	-	-	-
Dividends	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 December 2014</b>	<b>17,000</b>	<b>(2,332)</b>	<b>14,668</b>

	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
Balance at 1 January 2015	17,000	(2,332)	14,668
<b>Total comprehensive income for the year</b>			
Loss for the year	-	(60)	(60)
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(60)</b>	<b>(60)</b>
Transactions with owners, recorded directly in equity			
Issue of shares	-	-	-
Dividends	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance at 31 December 2015</b>	<b>17,000</b>	<b>(2,392)</b>	<b>14,608</b>

## 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 financial statements.

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

Phoenix Oil & Marine Limited (the “Company”) is a company incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”).

In preparing these financial statements, the Company applies 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 Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. No amendments were required to the opening balances following the transition to FRS 101.

The Company’s ultimate parent undertaking, Continental AG, includes the Company in its consolidated financial statements. The consolidated financial statements of Continental AG are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Vahrenwalder Strasse 9, D-30165, Hannover, Germany.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Continental AG include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 *Share Based Payments* in respect of group settled share based payments;
- Certain disclosures required by IFRS 3 *Business Combinations* in respect of business combinations undertaken by the Company; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

## Notes (continued)

### 1 Accounting policies (continued)

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 IFRS balance sheet at 31 December 2014 for the purposes of the transition to FRS 101.

#### *Change in accounting policy*

Except for the changes in accounting policies arising from the conversion from UK GAAP to FRS 101, no other changes to accounting policies were made in the year.

#### *Measurement convention*

The financial statements are prepared on the historical cost basis. Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell.

#### *Going concern*

The director has prepared the financial statements on a going concern basis despite the company being in a net current liabilities position, as the company's ultimate holding company, Continental AG, has given financial support to the company.

#### *Foreign currency*

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### *Taxation*

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

#### *Investments*

Investments held as fixed assets are stated at cost less any provision for impairment.

## Notes (continued)

### 2 Information regarding directors and employees

No director received any emoluments during the current year (2014: *£nil*).

The average number of employees (including directors) during the year was one (2014: *one*).

### 3 Expenses and auditor's remuneration

The auditors' remuneration of £1,500 (2014: *£1,500*) was borne by its subsidiary undertaking in the current and previous years.

### 4 Interest payable and similar charges

	2015 £000	2014 £000
Loan from group undertakings	75	103

### 5 Tax on loss on ordinary activities

The tax assessed for the year is equal to the standard rate of corporate tax in the UK of 20.25% (2014: *21.5%*).

The tax credit comprises:

	2015 £000	2014 £000
Group relief	15	22

### 6 Fixed asset investments

The Company has the following investment in subsidiaries:

				Group undertakings £000
<i>Cost</i>				
At 31 December 2014 and 31 December 2015				20,056
<i>Net book value</i>				
At 31 December 2014 and 31 December 2015				20,056
	Country of Incorporation	Class of shares held	Ownership 2015	2014
Dunlop Oil & Marine Limited	England	Ordinary	100%	100%

## Notes (continued)

### 7 Debtors

	2015 £000	2014 £000
Amounts owed by group undertakings	15	22

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 8 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Amounts payable to group undertakings	5,463	5,410

Amounts payable to group undertakings are unsecured, interest bearing at 1.33% (2014: 1.92%), have no fixed date of repayment and are repayable on demand.

### 9 Share capital

	2015 £000	2014 £000
<i>Authorised</i>		
20,000,000 Ordinary shares of £1 each	20,000	20,000
<i>Allotted, called up and fully paid</i>		
17,000,000 of £1 each	17,000	17,000

### 10 Reconciliation of movements in Shareholders' funds

	2015 £000	2014 £000
Loss for the financial year	(60)	(81)
Opening equity shareholders' funds	14,668	14,749
	14,608	14,668

### 11 Ultimate parent company

The ultimate parent undertaking is Continental AG which is incorporated in Germany. The immediate parent company is Phoenix Fluid Handling Industry GmbH which is also incorporated in Germany. The largest group in which the results of the company are consolidated is that headed by Continental AG. No other group financial statements include the results of the company. The consolidated financial statements of Continental AG are available to the public and may be obtained from Vahrenwalder Strasse 9, D-30165, Hanover, Germany.