

Company no: 05902611

# Annual Report BOC Investments No. 7

# 2015

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## BOC Investments No.7 Limited

### Annual report and financial statements for the year ended 31 December 2015

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## Directors' Report

The directors present their report and the audited financial statements of the company for the year ended 31 December 2015.

### Principal activities

The company is a member of the Linde Group and its ultimate parent company is Linde AG.

The company does not trade but has acted throughout the year under review and the preceding year as a finance company for the Linde Group.

### Business review

Net interest payable for the year was £1,000 (31 December 2014: £1,952,000 receivable).

The results for the year are contained in the accompanying profit and loss account on page 5 and show a loss after tax for the financial period of £1,000 (31 December 2014 profit after tax : £891,000).

### Dividend

No interim dividends were paid during the year (2014: £279,304,319). The directors do not recommend the payment of a final dividend for the year ended 31 December 2015 (2014: £nil).

### Directors

The directors who held office during and after the year under review were:

Mr A C Brackfield

Mr D K T Devers

Mrs S A Williams

Mr N Palmer

appointed as alternate director to D.Devers 21 January 2016

resigned 15 April 2016

The directors are not subject to retirement by rotation.

### Political contributions

The company made no political donations and did not incur any political expenditure during the year.


### Disclosure of information to auditor

The directors holding office at the date of approval of this Directors' Report confirm that so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all steps that ought to have been taken as directors 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 LLP will therefore continue in office.

By order of the Board

  
S K Kelly  
Secretary

31 October 2016

The Priestley Centre, 10 Priestley Road, Surrey Research Park, Guildford, Surrey, GU2 7XY, England

**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 laws 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 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.



KPMG LLP  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOC INVESTMENTS NO.7**

We have audited the financial statements of BOC Investments No.7 for the year ended 31 December 2015 set out on pages 5 to 13. 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOC INVESTMENTS NO.7 (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; and
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Adrian Stone (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

4 November 2016

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

in £ thousands	Note	2015	2014
Administrative expenses		-	1
Interest receivable and similar income	[5]	-	1,954
Interest payable and similar charges	[5]	(1)	(2)
<b>(Loss) / Profit on ordinary activities before taxation</b>		<b>(1)</b>	<b>1,953</b>
Tax on profit on ordinary activities	[6]	-	(1,062)
<b>(Loss / Profit ) for the financial year</b>		<b>(1)</b>	<b>891</b>

The accompanying notes form an integral part of the financial statements.

The company has no recognised gains or losses in the year other than those included in the income and expenditure account above and therefore no separate statement of other comprehensive income has been prepared.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

**Balance sheet as at 31 December 2015**

in £ thousands	Note	31.12.2015	31.12.2014
<b>Current assets</b>			
Debtors: amounts falling due within one year	[7]	292	294
Creditors: amounts falling due within one year	[8]	(293)	(294)
<b>Net current (liabilities)/assets</b>		<b>(1)</b>	<b>-</b>
<b>Net (liabilities)/assets</b>		<b>(1)</b>	<b>-</b>
<b>Capital and reserves</b>			
Called up share capital	[10]	-	-
Profit and loss account		(1)	-
<b>Shareholder's deficit</b>		<b>(1)</b>	<b>-</b>

The accompanying notes form an integral part of the financial statements.

The financial statements on pages 5 to 13 were approved by the board of directors on 2016 and were signed on its behalf by:

31

October

  
Mr D K T Devers  
Director



in £ thousands	Called up share capital	Profit and loss account	Total equity
Balance at 1 January 2015	-	-	-
Profit or loss	-	(1)	(1)
Total comprehensive income for the period	-	(1)	(1)
Balance at 31 December 2015	-	(1)	(1)

in £ thousands	Called up share capital	Profit and loss account	Total equity
Balance at 1 January 2014	221,073	57,340	278,413
Profit or loss	-	891	891
Total comprehensive income for the period	-	891	891
Share capital reduction	(221,073)	221,073	-
Dividends	-	(279,304)	(279,304)
	(221,073)	(58,231)	(279,304)
Balance at 31 December 2014	-	-	-

The accompanying notes form an integral part of the financial statements.

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## [1] Accounting policies

BOC Investments No.7 Limited is a company incorporated and domiciled in the UK.

The Company is exempt by virtue 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"). The amendments to FRS 101 (2013/14 Cycle) issued in July 2014 and effective immediately have been applied.

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 the 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. The Company has made no measurement adjustments for FRS 101.

The Company's ultimate parent undertaking, Linde AG, includes the Company in its consolidated financial statements. The consolidated financial statements of Linde AG are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Klosterhofstrasse 1, 80331 Munich, 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;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries of the Linde AG Group ;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Linde AG include the equivalent disclosures, the Company has also applied the exemptions under FRS 101 available in respect of the disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out in this note have been applied consistently in preparing the financial statements for the years ended 31 December 2015 and 31 December 2014 and in the preparation of an opening FRS 101 balance sheet at 1 January 2014 (the Company's date of transition).

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**[1] Accounting policies (*continued*)****1.1 Measurement convention**

The financial statements are prepared on the historical cost basis.

**1.2 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 company is dependent for its working capital on funds provided to it by BOC Australian Finance Limited. BOC Australian Finance Limited has indicated that for so long as the company remains part of the Linde Group, it will continue to provide loan finance, or to procure that satisfactory alternative funding is made available, to the company for at least twelve months from the date of approval of these financial statements. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

**1.3 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.

**1.4 Classification of financial instruments issued by the company**

Following the adoption of IAS 32, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

### 1.5 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

#### *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.

#### *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.

#### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

### 1.6 Intra-group financial instruments

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

### 1.7 Income

Interest income is recorded on an accruals basis.

Investment income is recognised when dividends are declared by the relevant board of directors.

### 1.8 Impairment excluding stocks, investment properties and deferred tax assets

#### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

### 1.9 Expenses

#### *Interest receivable and interest payable*

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

### 1.10 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.

### [2] Directors' emoluments

The emoluments of the directors are paid by the The BOC Group Limited or BOC Limited in their roles as managers and directors of The BOC Group Limited or BOC Limited.

### [3] Auditor's remuneration

The remuneration payable in relation to audit services of £1,200 (2014: £1,500) is borne by The BOC Group Limited and is included in the aggregated fees disclosed in those financial statements.

### [4] Employee costs

Employee costs		
in £ thousands	2015	2014
Wages and salaries	-	1
	-	1

Certain employees of The BOC Group Limited and Linde UK Holdings Limited provide services to the company on a day to day basis for which those companies make a charge, as set out in the table above.

**[5] Interest**

<b>Interest receivable and similar income</b>		
in £ thousands	2015	2014
Total interest income on financial assets	-	1,954
<b>Total interest receivable and similar income</b>	<b>-</b>	<b>1,954</b>

Interest receivable and similar income includes income from group undertakings of £nil (2014: £1,954).

<b>Interest payable and similar charges</b>		
in £ thousands	2015	2014
Total interest expense on financial liabilities	(1)	-
Other similar charges	-	(2)
<b>Total other interest payable and similar charges</b>	<b>(1)</b>	<b>(2)</b>

Of the above amount £1,000 (2014: £2,000) was payable to group undertakings.

**[6] Tax on profit on ordinary activities**

in £ thousands	2015	2014
<b>a) Analysis of charge in year</b>		
Current tax		
UK corporation tax on loss for the year	-	295
Adjustment in respect of previous years	-	767
	-	1,062
<b>b) Factors affecting tax for the year</b>		
The tax assessed for the year is different to the rate of corporation tax in the UK of 20.25% (2014: 21.5%). The differences are explained below.		
(Loss) / Profit on ordinary activities before taxation	(1)	1,953
(Loss) / Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 20.25% (2014: 21.5%)	-	420
Effects of:		
Adjustment to tax charge in respect of previous year	-	767
Group relief for nil consideration	-	(125)
<b>Current tax charge for the year (as above)</b>	<b>-</b>	<b>1,062</b>

**[7] Debtors**

in £ thousands	2015	2014
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	292	294
	<b>292</b>	<b>294</b>

**[8] Creditors**

in £ thousands	2015	2014
Amounts falling due within one year:		
Corporation tax	293	294
	<b>293</b>	<b>294</b>

**[9] Financial instruments**

Financial assets	2015	2014
in £ thousands	Carrying amount	Carrying amount
Loans and receivables		
Other loans and debtors	292	294
Total financial assets	<b>292</b>	<b>294</b>

**[10] Share capital**

in AUD\$ thousands	2015	2014
Allotted and fully paid		
125 Ordinary shares of 1 AUD\$ each	-	-
in £ thousands		
Allotted and fully paid		
125 Ordinary shares of 1 AUD\$ each	-	-

**[11] Ultimate parent undertaking**

The immediate parent undertaking is BOC Australian Finance Limited.

The ultimate parent undertaking and controlling party of the company is Linde AG, which is registered in Germany.

Linde AG is the smallest and largest group to consolidate these financial statements. Copies of Linde AG's consolidated financial statements can be obtained from that company at Klosterhofstrasse 1, 80331 Munich, Germany.