

Registration number: 09923137

Ansaldo Energia IP UK Limited

Annual Report and Financial Statements

for the Period from 18 December 2015 to 31 December 2016

DTL Auditors Ltd  
5th Floor, North Side  
7/10 Chandos Street  
London  
W1G 9DQ

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# **Ansaldo Energia IP UK Limited**

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# **Ansaldo Energia IP UK Limited**

## **Company Information**

### **Directors**

Mr Stefano Gianatti

Mr Christopher Ian Bill

Ms Daniela Gentile

### **Company secretary**

Lea Secretaries Limited

### **Registered office**

5th Floor, North Side

7/10 Chandos Street

London

W1G 9DQ

### **Auditors**

DTL Auditors Ltd

5th Floor, North Side

7/10 Chandos Street

London

W1G 9DQ

## **Ansaldo Energia IP UK Limited**

### **Strategic Report for the Period from 18 December 2015 to 31 December 2016**

The directors present their strategic report for the period from 18 December 2015 to 31 December 2016.

#### **Principal activity**

The principal activity of the company is that of collecting royalties from intellectual property rights.

#### **Fair review of the business**

Ansaldo Energia IP UK Limited (AEIPUK) sole business is the ownership, licensing and management of intellectual property right. AEIPUK has licensed all the intellectual property rights it owns to Ansaldo Energia Switzerland AG.(AES)

#### **Principal risks and uncertainties**

AEIPUK will not create, incur, guarantee, assume or suffer to exist any indebtedness or other liabilities, whether direct or contingent, funded or unfunded other than the incurrence of operating expenses in the ordinary course of business.

Under the existing license to AES, any operating expense related to prosecution and maintenance of the IP rights shall be reimbursed by AES to AEIPUK, hence no substantial risk can be foreseen at the moment.

The company received a letter of support from its ultimate parent company assuring it will continue to support AEIPUK for at least 12 months.

Approved by the Board on 5/12/17 and signed on its behalf by:



.....  
Mr Christopher Ian Bill  
Director

## **Ansaldo Energia IP UK Limited**

### **Directors' Report for the Period from 18 December 2015 to 31 December 2016**

The directors present their report and the financial statements for the period from 18 December 2015 to 31 December 2016.

#### **Incorporation**

The company was incorporated on 18 December 2015.

#### **Directors of the company**

The directors who held office during the period were as follows:

Mr Stefano Gianatti (appointed 18 December 2015)

Mr Christopher Ian Bill (appointed 18 December 2015)

Ms Daniela Gentile (appointed 18 December 2015)

#### **Objectives and policies**

AEIPUK will not liquidate or dissolve or merge with or into or consolidate with into or convey, transfer, lease or otherwise dispose of all or substantially all of his assets to, or acquire all or substantially all of the assets or capital stock or other ownership interest of or enter into any joint venture or partnership agreement with any person.

AEIPUK will not, other than in respect of its net income after tax from receipt of the license fees, declare or make any dividend payment or other distribution of assets, property, cash, rights, obligations or securities.

#### **Price risk, credit risk, liquidity risk and cash flow risk**

The company trades only with recognised, creditworthy third parties. Customers who wish to trade on credit terms are generally subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts has not been significant. Provision is made for doubtful debts where necessary. The company manages liquidity risk by maintaining adequate reserves and banking facilities and by continuously monitoring forecast and actual cash flows.

#### **Disclosure of information to the auditors**

Each director has taken 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. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 5/12/17 and signed on its behalf by:



Mr Christopher Ian Bill  
Director

## **Ansaldo Energia IP UK Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual 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 apply them consistently;
- make judgements and accounting 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 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'. 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.

## **Ansaldo Energia IP UK Limited**

### **Independent Auditor's Report to the Members of Ansaldo Energia IP UK Limited**

We have audited the financial statements of Ansaldo Energia IP UK Limited for the period from 18 December 2015 to 31 December 2016, set out on pages 7 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'.

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 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. 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 to the financial statements.

#### **Scope of the audit of the financial statements**

An audit 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.

#### **Opinion on the 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 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Ansaldo Energia IP UK Limited**

### **Independent Auditor's Report to the Members of Ansaldo Energia IP UK Limited**

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

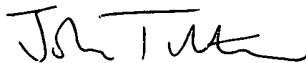
- the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

#### **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.



.....  
John Tiltman (Senior Statutory Auditor)  
For and on behalf of DTL Auditors Ltd, Statutory Auditor

5th Floor, North Side  
7/10 Chandos Street  
London  
W1G 9DQ

Date: 5/12/12



## Ansaldo Energia IP UK Limited

### Profit and Loss Account for the Period from 18 December 2015 to 31 December 2016

	Note	Total 31 December 2016 €
Turnover	3	17,952,240
Cost of sales		<u>(17,260,747)</u>
Gross profit		691,493
Administrative expenses		<u>(11,607)</u>
Operating profit	4	<u>679,886</u>
Interest payable and similar expenses	5	<u>(246,815)</u>
		<u>(246,815)</u>
Profit before tax		433,071
Taxation	7	<u>(87,004)</u>
Profit for the financial period		<u>346,067</u>

The above results were derived from continuing operations.

There was no other comprehensive income for the period.

The notes on pages 12 to 17 form an integral part of these financial statements.

**Ansaldo Energia IP UK Limited**

**Statement of Comprehensive Income for the Period from 18 December 2015 to 31  
December 2016**

	Note	2016 €
Profit for the period		<u>346,067</u>
Total comprehensive income for the period		<u>346,067</u>

**Ansaldo Energia IP UK Limited**  
**(Registration number: 09923137 )**  
**Balance Sheet as at 31 December 2016**

	Note	2016 €
<b>Current assets</b>		
Debtors: amounts falling due after one year	9	17,952,240
Cash at bank and in hand		<u>44,753</u>
		17,996,993
<b>Creditors: Amounts falling due within one year</b>	11	<u>(3,524,247)</u>
<b>Total assets less current liabilities</b>		14,472,746
<b>Creditors: Amounts falling due after more than one year</b>	11	<u>(14,076,679)</u>
<b>Net assets</b>		<u>396,067</u>
<b>Capital and reserves</b>		
Called up share capital	12	50,000
Profit and loss account		<u>346,067</u>
<b>Total equity</b>		<u>396,067</u>

Approved and authorised by the Board on ..... and signed on its behalf by:

  
 .....

Mr Christopher Ian Bill  
 Director

**Ansaldo Energia IP UK Limited**

**Statement of Changes in Equity for the Period from 18 December 2015 to 31 December 2016**

	<b>Share capital</b>	<b>Profit and loss</b>	<b>Total</b>
	<b>€</b>	<b>account</b>	<b>€</b>
	<b>€</b>	<b>€</b>	<b>€</b>
Profit for the period	-	346,067	346,067
Total comprehensive income	-	346,067	346,067
New share capital subscribed	50,000	-	50,000
At 31 December 2016	50,000	346,067	396,067

The notes on pages 12 to 17 form an integral part of these financial statements.

## Ansaldo Energia IP UK Limited

### Statement of Cash Flows for the Period from 18 December 2015 to 31 December 2016

	Note	2016 €
<b>Cash flows from operating activities</b>		
Profit for the period		346,067
Adjustments to cash flows from non-cash items		
Depreciation and amortisation	4	13,829,864
Finance costs	5	246,815
Income tax expense	7	87,004
Foreign exchange (gains) / losses		(213)
		<u>14,509,537</u>
Working capital adjustments		
Increase in amounts due by group undertakings	9	(17,952,240)
Increase in amounts due to group undertakings	11	2,695,028
Increase in trade and other creditors	11	742,215
		<u>742,215</u>
Net cash flow from operating activities		<u>(5,460)</u>
<b>Cash flows from investing activities</b>		
Acquisition of intangible assets	8	(13,829,864)
<b>Cash flows from financing activities</b>		
Interest paid	5	(246,815)
Proceeds from issue of ordinary shares, net of issue costs		50,000
Proceeds from other borrowing draw downs		14,076,679
		<u>14,076,679</u>
Net cash flows from financing activities		<u>13,879,864</u>
Net increase in cash and cash equivalents		44,540
Cash and cash equivalents at 18 December		-
Effect of exchange rate fluctuations on cash held		213
		<u>213</u>
Cash and cash equivalents at 31 December		<u>44,753</u>

The notes on pages 12 to 17 form an integral part of these financial statements.

## **Ansaldo Energia IP UK Limited**

### **Notes to the Financial Statements for the Period from 18 December 2015 to 31 December 2016**

#### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

5th Floor, North Side

7/10 Chandos Street

London

W1G 9DQ

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

##### **Judgements in applying accounting policies and key sources of estimation and uncertainty**

The preparation of financial statements in compliance with FRS102 requires the directors to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

##### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

## **Ansaldo Energia IP UK Limited**

### **Notes to the Financial Statements for the Period from 18 December 2015 to 31 December 2016**

#### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Intellectual property	In full in the year of acquisition

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

## **Ansaldo Energia IP UK Limited**

### **Notes to the Financial Statements for the Period from 18 December 2015 to 31 December 2016**

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **3 Revenue**

The analysis of the company's revenue for the period from continuing operations is as follows:

	<b>2016</b>
	<b>€</b>
Royalties received	<u>17,952,240</u>

#### **4 Operating profit**

Arrived at after charging/(crediting)

	<b>2016</b>
	<b>€</b>
Amortisation expense	13,829,864
Foreign exchange gains	<u>(213)</u>

#### **5 Interest payable and similar expenses**

	<b>2016</b>
	<b>€</b>
Interest expense on other finance liabilities	<u>246,815</u>

#### **6 Auditors' remuneration**

	<b>2016</b>
	<b>€</b>
Audit of the financial statements	<u>3,500</u>

#### **7 Taxation**

Tax charged/(credited) in the income statement

	<b>2016</b>
	<b>€</b>
<b>Current taxation</b>	
UK corporation tax	<u>87,004</u>



## Ansaldo Energia IP UK Limited

### Notes to the Financial Statements for the Period from 18 December 2015 to 31 December 2016

#### 8 Intangible assets

	Trademarks, patents and licenses €	Total €
<b>Cost or valuation</b>		
Additions acquired separately	13,829,864	13,829,864
At 31 December 2016	13,829,864	13,829,864
<b>Amortisation</b>		
Amortisation charge	13,829,864	13,829,864
At 31 December 2016	13,829,864	13,829,864
<b>Carrying amount</b>		
At 31 December 2016	-	-
The aggregate amount of research and development expenditure recognised as an expense during the period is €Nil.		

#### 9 Debtors

	Note	2016 €
Amounts owed by related parties	14	17,952,240
Total current trade and other debtors		17,952,240

##### Details of non-current trade and other debtors

€17,952,240 of accrued income is classified as non current. Accrued income represent amounts payable by group undertakings in three instalments by 31 December 2020.

#### 10 Cash and cash equivalents

	2016 €
Cash at bank	44,753

## Ansaldo Energia IP UK Limited

### Notes to the Financial Statements for the Period from 18 December 2015 to 31 December 2016

#### 11 Creditors

	Note	2016 €
<b>Due within one year</b>		
Amounts due to related parties	14	2,695,028
Accrued expenses		742,215
Income tax liability	7	<u>87,004</u>
		<u>3,524,247</u>
<b>Due after one year</b>		
Deferred consideration	13	<u>14,076,679</u>

#### 12 Share capital

##### Allotted, called up and fully paid shares

	No.	2016 €
Ordinary shares of €1 each	50,000	50,000

##### New shares allotted

During the period 50,000 Ordinary shares having an aggregate nominal value of €50,000 were allotted for an aggregate consideration of €50,000.

#### 13 Deferred consideration

	2016 €
<b>Non-current deferred consideration</b>	
Deferred consideration	<u>14,076,679</u>

The deferred consideration arose in relation to the acquisition of intellectual property during the year and is due in three equal instalments of €5 million dated 31 December 2018, 2019 and 2020.

#### 14 Related party transactions

##### Summary of transactions with fellow subsidiaries

A.S.EN. Ansaldo Sviluppo Energia Srl (Fellow subsidiary)

During the year the company purchased patents and licences registrations to the value of €2,695,028. At the balance sheet date the amount due to the subsidiary was €2,695,028.

Ansaldo Energia Switzerland Limited (Fellow subsidiary)

During the year the company provided IP Maintenance services to the fellow subsidiary to the value of €17,870,077. The resulting sale was recognised as part of the company's accrued income for the period.

## **Ansaldo Energia IP UK Limited**

### **Notes to the Financial Statements for the Period from 18 December 2015 to 31 December 2016**

#### **15 Parent and ultimate parent undertaking**

The company's immediate parent is Ansaldo Energia Holding Italia Srl, incorporated in Italy.

The ultimate parent is Ansaldo Energia S.p.A., incorporated in Italy.

#### **16 Other information**

AEIPUK gave during the year a first fixed charge over certain of its intellectual property in favour of General Electric Technology GmbH as security protection as stated in an intellectual property agreement. This includes the maintenance and protection of the relevant technology and the maintenance of separate corporate existence.

AEIPUK's immediate parent company, Ansaldo Energia Holdings Italia S.r.l. gave during the year a first fixed charge in favour of General Electric Technology GmbH over its investments in AEIPUK (including its shares) as security protection as stated in an intellectual property agreement. This includes the maintenance and protection of the relevant technology and the maintenance of separate corporate existence.