

SAPA ALUMINIUM EXTRUSION LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2015**

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SAPA ALUMINIUM EXTRUSION LIMITED

COMPANY INFORMATION

Directors	A Courturier S Meeuwissen True
Company Secretary	S Meeuwissen True
Registered office	Unit 1 Saw Pit Lane Tibshelf Alfreton Derbyshire DE55 5NH
Auditors	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX

SAPA ALUMINIUM EXTRUSION LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present the Strategic report and financial statements for the year ended 31 December 2015.

During the year the company transitioned from previously extant UK GAAP to FRS101 – Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard. The company's parent undertaking Sapa Products, which is part of the Sapa AS Group, was notified of and did not object to the use of the EU-IFRS disclosure exemptions. Details of the recognition or measurement differences arising on the adoption of FRS 101 are included in note 14 to these financial statements.

Principal activities and review of the business

On 1 September 2013 Orkla ASA and Norsk Hydro A.S.A formed a new joint venture company called Sapa AS. The aluminium extrusion businesses of both Orkla ASA and Hydro ASA were transferred into this company. For the UK this meant there were now two extrusion companies owned by Sapa AS.

In order to simplify the UK company structure and make it easier for our customers to do business with us, the two UK extrusion legal entities merged into one company on 1 June 2014. The merger involved the transfer of assets and liabilities from Sapa Aluminium Extrusion Limited (formerly Sapa Profiles UK Limited) to Sapa Profiles UK Limited (formerly Sapa Aluminium Extrusion Limited). The transaction was funded by way of a share subscription from its immediate parent, Sapa Aluminium Holdings UK Limited, for the total value of the net assets purchased, £45,879,825. A condition of the acquisition was that the company would continue to trade under the name of Sapa Profiles UK Limited, and a name change swap between the companies was effected from 3 June 2014.

No further trading activity has taken place in Sapa Aluminium Extrusion Limited following the transfer of assets on 1 June 2014 and the company has been dormant with effect from 1 June 2014.

On behalf of the board



S Meeuwissen True
Director

Date 21/12/2016

SAPA ALUMINIUM EXTRUSION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their report and financial statements for the year ended 31 December 2015.

Principal activities

The principal activity is that of a dormant company as trade and assets were transferred to Sapa Profiles UK Limited on 1 June 2014. The company has not traded since and is not expected to trade in future periods.

Results and dividends

The Company's profit for the financial year was £nil (2014: £2,206,000). The directors do not recommend the payment of a dividend (2014 final dividend £nil). An interim dividend of £45,897,824 was paid in the previous financial year.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Couturier
S Meeuwissen True
J Tate

Appointed 1 October 2016
Resigned 30 September 2016

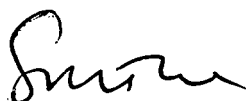
Auditors

Ernst & Young LLP have been re-appointed as auditor for the ensuing year in accordance with Section 485 of the Companies Act 2006.

Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board



S Meeuwissen True
Director

Date... 21/12/2016

SAPA ALUMINIUM EXTRUSION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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) including Financial Reporting Standard 101: Reduced Disclosure Framework ("FRS 101").

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;
- notify the Company's shareholders in writing about the use of disclosure exemptions of FRS 101 used in the preparation of the financial statements;
- state whether applicable UK Accounting Standards, including FRS 101, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAPA ALUMINIUM EXTRUSION LIMITED

We have audited the financial statements of Sapa Aluminium Extrusion Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and the Statement of Changes in Equity and the related notes 1 to 14. 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 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 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 Ethical Standards for Auditors.

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 Report and Financial Statements 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 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 result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAPA ALUMINIUM EXTRUSION LIMITED (continued)

Opinion on other matter 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.

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.

Ernst & Young LLP

Ken Griffin (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol
Date:

22 December 2016

SAPA ALUMINIUM EXTRUSION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 £'000	2014 £'000
Revenue	4	-	48,620
Cost of sales		-	(39,026)
Gross profit		<u>-</u>	<u>9,594</u>
Distribution costs		-	(1,349)
Administrative expenses		-	(5,397)
Operating profit on ordinary activities before interest and income tax	5	<u>-</u>	<u>2,848</u>
Finance costs	7	-	(2)
Profit on ordinary activities before income tax		<u>-</u>	<u>2,846</u>
Income tax expense on ordinary activities	8	-	(640)
Profit for the financial year		<u>-</u>	<u>2,206</u>
Other comprehensive income for the year, net of tax		-	-
Profit and total comprehensive income for the year		<u><u>-</u></u>	<u><u>2,206</u></u>

SAPA ALUMINIUM EXTRUSION LIMITED

Company Registration No. 06249949

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2015

	Notes	2015 £'000	2014 £'000
Current assets		-	-
Debtors		-	-
Net assets		-	-
Capital and reserves			
Called up share capital	11	-	-
Capital reserve		-	-
Profit and loss account		-	-
Shareholders' funds		-	-

The notes on pages 10 to 21 are an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 19 December 2016 and are signed on its behalf by:



S Meeuwissen True
Director

SAPA ALUMINIUM EXTRUSION LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Called Up share capital	Capital reserve	Profit and loss account	Total
	£'000	£'000	£'000	£'000
Balance as at 1 January 2014	1	30,999	12,674	43,674
Profit for the financial year	-	-	2,206	2,206
Total comprehensive income for the year	-	-	2,206	2,206
Reduction in share capital	(1)	-	1	-
Transfer of capital reserve	-	(30,999)	30,099	-
Dividend paid	-	-	(45,880)	(45,880)
Balance as at 31 December 2014	-	-	-	-
Profit for the financial year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance as at 31 December 2015	-	-	-	-

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. General information

The financial statements of Sapa Aluminium Extrusion Limited (the "Company") for the year ended 31 December 2015 were authorised for issue by the board of directors on 19 December 2016 and the Statement of Financial Position was signed on the board's behalf by S Meeuwissen True. The principal activity is that of a dormant company as trade and assets were transferred to Sapa Profiles UK Limited on 1 June 2014. The company has not traded since and is not expected to trade in future periods.

The Company is a private company limited by shares and it is incorporated and domiciled in England and Wales. The address of its registered office is Unit 1 Saw Pit Lane, Tibshelf, Alfreton, Derbyshire, DE55 5NH. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The financial statements are prepared under the historical cost convention.

The company transitioned from previously extant UK Generally Accepted Accounting Standards to FRS 101 for all periods presented. There were no material adjustments on transition to note. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2015.

The company's financial statements are presented in sterling and all values rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

Reduced disclosures

The company has taken advantage of the following disclosure exemptions under FRS 101.

- (a) The requirement of IFRS 7 Financial Instruments: Disclosures
- (b) The requirement of paragraph 91-99 of IFRS 13 Fair Value Measurement
- (c) The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: Paragraph 79 (a)(iv) of IAS 1;
- (d) The requirements of paragraph 10 (d), 10 (f), 39 (c) and 134 – 136 of IAS 1 Presentation of Financial Statements
- (e) The requirements of IAS 7 Statement of Cash Flows. The company is exempt from preparing cash flow statement as a group cash flow statement is prepared by its parent company, Sapa AS.
- (f) The requirements of paragraph 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting estimates and errors
- (g) The requirement of paragraph 17 of IAS 24 Related Party Disclosures
- (h) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member, and
- (i) The requirement of paragraphs 134(d) – 134(f) and 135(c) – 135(e) of IAS 36 Impairment of Assets

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Going concern

In assessing the appropriateness of the application of the going concern basis, the directors have considered the trading performance of the company, the available cash and the support of the parent undertaking. The directors are of the view that it is appropriate to apply the going concern basis.

Summary of significant accounting policies

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

Foreign and functional currencies

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), rounded to the nearest £1,000 unless otherwise stated, which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. All other foreign exchange gains and losses are presented in the income statement within 'Administrative expenses.'

Intangible assets - goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The choice of measurement of non-controlling interest, either at fair value or at the proportionate share of the acquiree's identifiable net assets, is determined on a transaction by transaction basis. Acquisition costs incurred are expensed and included in administrative expenses.

The UK Companies Act requires goodwill to be reduced by provisions for depreciation on a systematic basis over a period chosen by the directors, it's useful economic life. However under *IFRS 3 Business Combinations* goodwill is not amortised. Consequently, the company does not amortise goodwill, but reviewed it for impairment on an annual basis or whenever there are indicators of impairment. The company is therefore invoking a 'true and fair view over ride' to overcome the prohibition on the non-amortisation of goodwill in the Companies Act. The company is not able to reliably estimate the impact on the financial statements of the true and fair over ride on the basis that the useful life of goodwill cannot be predicted with a satisfactory level of reliability, nor can the pattern in which goodwill diminishes be known.

Goodwill is initially measured at cost being the excess of the aggregate of the acquisition-date fair value of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable amounts of the assets acquired and the liabilities assumed in exchange for the business combination. After initial recognition goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units (or groups of cash generating units) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which goodwill is allocated share represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and not be larger than an operating segment before aggregation.

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Intangible assets – goodwill (continued)

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of intangible assets

At each year end, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Tangible assets

All tangible assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost amounts to their residual values over their estimated useful lives, as follows:

Freehold property	2.5% - 4% per annum
Plant and equipment	8.33% - 50% per annum

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Tangible assets (continued)

Office and equipment and fittings	15%-50% per annum
Motor vehicles	25% - 50% per annum

Freehold land is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Administrative expenses' in the income statement.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is recognised on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is released or the deferred income tax liabilities is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Pensions

The Company operated a defined contribution pension scheme for employees. Contributions were paid as fixed contributions into a separate entity. The Company had no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Company has no further payment obligations once the contributions have been paid. The contributions were recognised as employee benefit expense when they are due. Prepaid contributions were recognised as an asset to the extent that a cash refund or a reduction in the future payments was available.

Revenue recognition

Revenue represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. The turnover and profit shown in the comparative financial year is derived from the extruding, anodising and fabricating of aluminium. Revenue is recognised on despatch of goods or supply of services to the customer, which is the point at which the risks and rewards transfer.

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Leases

Leases in which substantially all of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to makes judgements, estimates and assumptions concerning the future which impact the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The accounting estimates resulting from these judgements and assumptions seldom equal the actual results but are based on historical experiences and future expectations.

The principal activity is that of a dormant company as trade and assets were transferred to Sapa Profiles UK Limited on 1 June 2014. The company has not traded since and is not expected to trade in future periods. Accordingly the directors do not consider there to be any key accounting judgements or key sources of estimation uncertainty.

3. Financial instruments

The Company has no financial assets or financial liabilities measured at fair value through profit or loss.

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

4. Revenue

Revenue is derived from the principal activities of the Company; revenue attributable to each of the Company's geographical markets is as follows:

	2015 £'000	2014 £'000
United Kingdom	-	46,647
Other EU countries	-	1,969
Rest of the World	-	4
	<u>-</u>	<u>48,620</u>

The revenue information above is based on the location of the customer.

Analysis of revenue by category:

	2015 £'000	2014 £'000
Sale of goods	-	48,620
	<u>-</u>	<u>48,620</u>

5. Operating profit

	2015 £'000	2014 £'000
Operating profit is stated after charging:		
Wages and salaries	-	4,349
Social security costs	-	431
Other pension costs	-	269
Staff costs	<u>-</u>	<u>5,049</u>
Depreciation of tangible fixed assets – owned assets	-	680
Impairment of goodwill	-	209
Exchange losses/(gains)	-	315
Redundancy costs	-	317
Operating lease charges	-	174
Audit fees payable to the Company's auditor	<u>-</u>	<u>50</u>

Audit fees for the year ended 31 December 2015 of £4,950 are borne by Sapa Profiles UK Limited.

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

6. Employees and Directors	2015 Number	2014 Number
The average monthly number of persons (including Directors) employed by the Company during the year was:		
Production	-	258
Office and administration	-	64
	<u>-</u>	<u>322</u>
	<u><u>-</u></u>	<u><u>322</u></u>
Directors' remuneration	2015 £'000	2014 £'000
Aggregate emoluments	-	73
	<u>-</u>	<u>73</u>
	<u><u>-</u></u>	<u><u>73</u></u>

The remuneration above relates to a single director remunerated by the Company. No retirement benefits accrued to a director during 2015 (during 2014 retirement benefits accrued to one director)

7. Finance income and expense	2015 £'000	2014 £'000
Finance expense: Bank interest payable	-	2
	<u>-</u>	<u>2</u>
	<u><u>-</u></u>	<u><u>2</u></u>

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

8. Income tax	2015 £'000	2014 £'000
Current tax:		
Group relief payable	-	640
Total current tax	-	640
Deferred tax:		
Origination and reversal of timing difference	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	-	640
Factors affecting tax charge for the year		
The tax assessed for the year is lower (2015: lower) than the effective rate of corporation tax as explained below:		
	2015 £'000	2014 £'000
Profit on ordinary activities before tax	-	2,846
Profit on ordinary activities multiplied by the effective rate of corporation tax 20% (2015: 22.2%)	-	632
Effects of:		
Non-deductible expenses	-	8
Tax charge	-	640

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

9. Deferred tax

Deferred tax asset	2015 £'000	2014 £'000
At 1 January	-	1,675
Transfer of trade and assets	-	(1,675)
At 31 December	-	-

10. Retirement benefit schemes

Defined contribution scheme

The Company operated a defined contribution pension scheme. The assets of the scheme were held separately from those of the Company in an independently administered fund. The cost charge represents contributions payable by the Company to the fund. At the balance sheet date contributions of £nil (2014: £nil) were outstanding.

	2015 £'000	2014 £'000
Contributions payable by the Company for the year	-	269

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

11. Share capital & reserves	2015 £'000	2014 £'000
Allotted, issued and fully paid		
1 (2014: 1) ordinary share of £1	-	-
	<hr/>	<hr/>

On 22 May 2014, the company reduced its share capital by the cancellation of 999 Ordinary Shares of £1 each.

Ordinary share capital

The ordinary shares carry a right to vote, to receive a dividend and, on winding up, capital distribution. They do not confer any rights on redemption.

Capital reserve

The capital reserve represents the nominal value of shares repurchased and still held at the end of the reporting period

Profit and loss account

Cumulative profit and loss net of distributions to owners.

12. Commitments under operating leases

At 31 December 2015 and at 31 December 2014, the Company had no non-cancellable operating leases.

13. Controlling parties

The Company's immediate parent company is Sapa AB, a company incorporated in Sweden. Sapa AS, a company incorporated in Sweden, are the ultimate parent undertaking and controlling party. Sapa AS is the smallest and largest group that prepares group financial statements including the results of the company.

Copies of Sapa AS's group financial statements may be obtained from Corporate Communications, Sapa AB, Box 5505, SE-114 85 Stockholm, Sweden. Sapa AS is jointly controlled by Orkla ASA and Norsk Hydro ASA, both being companies incorporated in Norway.

SAPA ALUMINIUM EXTRUSION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

14. Reconciliation on adoption of FRS 101

	At 1 January 2014			At 31 December 2014		
	As previously stated £'000	Effect of transition £'000	FRS 101 £'000	As previously stated £'000	Effect of transition £'000	FRS 101 £'000
FIXED ASSETS						
Intangible assets	6,722	-	6,722	-	-	-
Tangible assets	19,477	-	19,477	-	-	-
	<u>26,199</u>	<u>-</u>	<u>26,199</u>	<u>-</u>	<u>-</u>	<u>-</u>
CURRENT ASSETS						
Stocks	7,672	-	7,672	-	-	-
Debtors	20,387	-	20,387	-	-	-
Cash at bank and in hand	9,488	-	9,488	-	-	-
	<u>37,547</u>	<u>-</u>	<u>37,547</u>	<u>-</u>	<u>-</u>	<u>-</u>
CURRENT LIABILITIES						
Creditors due within one year	(20,072)	-	(20,072)	-	-	-
	<u>17,475</u>	<u>-</u>	<u>17,475</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS						
	<u>43,674</u>	<u>-</u>	<u>43,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS LESS CURRENT LIABILITIES						
	<u>43,674</u>	<u>-</u>	<u>43,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
Provisions for liabilities	-	-	-	-	-	-
NET ASSETS	<u>43,674</u>	<u>-</u>	<u>43,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
CAPITAL AND RESERVES						
Called up share capital	1	-	1	-	-	-
Capital reserve	30,999	-	30,999	-	-	-
Profit and loss account	12,674	-	12,674	-	-	-
SHAREHOLDERS' FUNDS	<u>43,674</u>	<u>-</u>	<u>43,674</u>	<u>-</u>	<u>-</u>	<u>-</u>

SAPA ALUMINIUM EXTRUION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

14. Reconciliation on adoption of FRS 101 (continued)

	For the year ended 31 December 2014 (as previously stated)	Effect of transition £'000	For the year ended 31 December 2014 as presented under FRS 101 £'000
	£'000		
Revenue	48,620	-	48,620
Cost of sales	(39,026)	-	(39,026)
Gross profit	<u>9,594</u>		<u>9,594</u>
Distribution costs	(1,349)	-	(1,349)
Administrative expenses	(5,397)	-	(5,397)
Profit on ordinary activities before interest and taxation	<u>2,848</u>		<u>2,848</u>
Finance costs	(2)	-	(2)
Profit on ordinary activities before taxation	<u>2,846</u>	-	<u>2,846</u>
Income tax expense on ordinary activities	(640)	-	(640)
Profit for the year and total comprehensive income	<u>2,206</u>	-	<u>2,206</u>

All assets and liabilities of the business were transferred to Sapa Profiles UK Limited on 1 June 2014.

The transition to FRS 101 has resulted in the following adjustments:

- Goodwill balances at the transition date of £6,722,000 were presented after amortisation of £3,300,000. Under FRS 101 Goodwill is not amortised, but is subjected to annual impairment review. Management have reviewed the balance sheet at transition date and have concluded that net book value of £6,722,000 is an appropriate reflection of the goodwill less impairment at this time. Accordingly, no transition adjustment has been made.
- Amortisation charges of £209,000 against Goodwill in the period from 1 January 2014 to 1 June 2014 are deemed by management to have comparable impact to the results of an impairment review conducted at 1 June 2014. Accordingly, no transition adjustment has been made.