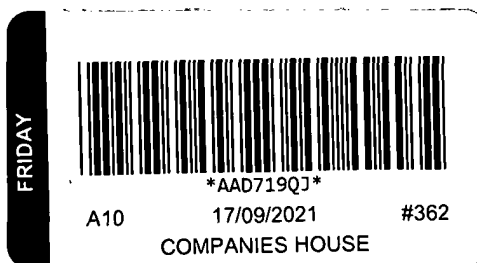


**Directors' Report and
Audited Financial Statements for the Year Ended 31 December 2020
for
Morgan Trans Limited**



Morgan Trans Limited

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for the Year Ended 31 December 2020**

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Morgan Trans Limited

**Directors' Report
for the Year Ended 31 December 2020**

The Directors present their annual report with the audited financial statements of Morgan Trans Limited ('the Company') for the year ended 31 December 2020.

The Company is a member of the Morgan Advanced Materials plc group (Morgan Group), which, from March 2016, managed its operations on a global business unit basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

DIVIDENDS

An interim dividend totalling *£nil* (2019: *£nil*) in respect of the year ended 31 December 2020 was paid during the year. The Directors do not recommend the payment of a final dividend (2019: *£nil*).

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The Directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

P A Boulton
S H Mackie

Other changes in directors holding office are as follows:

C R Collins - resigned 18 September 2020
A Bechhold - appointed 20 May 2021

STRATEGIC REPORT

The Directors have not prepared a Strategic report, taking a small companies exemption as permitted by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.


DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who held the 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 they have taken all the steps that they ought to have 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 will therefore continue in office.

ON BEHALF OF THE BOARD:



.....
S H Mackie - Director

Date: 15 September 2021

Morgan Trans Limited

**Statement of Directors' Responsibilities
for the Year Ended 31 December 2020**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 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. As explained in note 2 to the financial statements, the Directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Independent Auditor's Report to the Members of
Morgan Trans Limited**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Morgan Trans Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31st December 2020 and of its loss 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.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with *International Standards on Auditing (UK) (ISAs (UK))* and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to note 2 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

**Independent Auditor's Report to the Members of
Morgan Trans Limited**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included export controls, anti-bribery and corruption legislation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

**Independent Auditor's Report to the Members of
Morgan Trans Limited**

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant regulatory authorities.

Report on other legal and regulatory requirements

Opinions on other matters 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

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.

Jane Makrakis FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory auditor
Reading, United Kingdom

Date:

Morgan Trans Limited

**Statement of Comprehensive
Income**

for the Year Ended 31 December 2020

	Notes	31.12.20 £'000	31.12.19 £'000
TURNOVER		<u>-</u>	<u>-</u>
OPERATING PROFIT		-	-
Interest payable and similar expenses	5	<u>(6)</u>	<u>(7)</u>
LOSS BEFORE TAXATION	6	(6)	(7)
Tax on loss	7	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		(6)	(7)
OTHER COMPREHENSIVE EXPENSE		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		<u>(6)</u>	<u>(7)</u>

All of the above figures relate wholly to continuing operations.

Morgan Trans Limited (Registered number: 02557161)

Balance Sheet
31 December 2020

	Notes	£'000	31.12.20 £'000	£'000	31.12.19 £'000
CREDITORS					
Amounts falling due within one year	8		<u>272</u>		<u>266</u>
NET CURRENT LIABILITIES			<u>(272)</u>		<u>(266)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(272)</u>		<u>(266)</u>
CAPITAL AND RESERVES					
Called up share capital	9		-		-
Retained earnings			<u>(272)</u>		<u>(266)</u>
SHAREHOLDERS' DEFICIT			<u>(272)</u>		<u>(266)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 15 September 2021 and were signed on its behalf by:



.....
S H Mackie - Director

Morgan Trans Limited

**Statement of Changes in Equity
for the Year Ended 31 December 2020**

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2019	-	(259)	(259)
Changes in equity			
Total comprehensive expense	-	(7)	(7)
Balance at 31 December 2019	-	(266)	(266)
Changes in equity			
Total comprehensive expense	-	(6)	(6)
Balance at 31 December 2020	-	(272)	(272)

The notes form part of these financial statements

Morgan Trans Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1. STATUTORY INFORMATION

The Company is a private limited company incorporated, registered and domiciled in England and Wales in the UK. The address of its registered office is York House, Sheet Street, Windsor, United Kingdom, SL4 1DD.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
the requirements of paragraph 58 of IFRS 16;
- 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;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Management do not assess any of the applied judgements, estimates and assumptions as having a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial instruments and financial liabilities are recognised in the Company balance sheet when the Company becomes party to the contractual provisions of the instrument.

Classification of financial instruments issued by the Company

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's 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.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other creditors.

Trade and other creditors

Trade and other creditors are recognised initially at transaction price. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. The Directors consider that the carrying amount of trade payables approximates to their fair value.

Taxation

Tax on the profit or loss for the year comprises of current 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.

Foreign currency translation

(a) Functional and presentation currency

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' (£), which is also the Company's functional currency.

(b) Transactions and balances

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. Foreign exchange differences arising on translation are recognised in the income statement. 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.

Finance income and expense

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested and gains and losses on hedging instruments that are recognised in the income statement. Interest income is recognised in the income statement as it accrues, using the effective interest method.

Non-going concern basis of preparation

As the Directors intend to liquidate the Company, the Directors do not consider that it is appropriate to prepare the financial statements on a going concern basis. This decision has no impact on the financial statements of the Company.

Morgan Trans Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

3. EMPLOYEES AND DIRECTORS

The Company has no employees (2019: none).

The Directors performed no qualifying services for the Company in respect of the current or preceding periods and therefore received no emoluments.

4. AUDITOR'S REMUNERATION

In the year ended 31 December 2020, an amount of £2,000 receivable by the auditor and its associates in respect of audit services has been paid by another group company (2019: £2,000).

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.20	31.12.19
	£'000	£'000
Interest payable to Group undertakings	6	7
	<u>6</u>	<u>7</u>

6. LOSS BEFORE TAXATION

The loss before taxation is state after charging:

	31.12.20	31.12.19
	£'000	£'000
Interest payable to Group undertakings	6	7
	<u>6</u>	<u>7</u>

7. TAXATION

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.20	31.12.19
	£'000	£'000
Loss before income tax	<u>(6)</u>	<u>(7)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(1)	(1)
Effects of:		
Expenses not deductible for tax purposes	1	-
Transfer pricing adjustments	<u>-</u>	<u>1</u>
Tax expense	<u>-</u>	<u>-</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£'000	£'000
Amounts owed to Group undertakings	<u>272</u>	<u>266</u>

Morgan Trans Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.12.20	31.12.19
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

10. ULTIMATE PARENT COMPANY

The Directors regard Morgan Advanced Materials plc, incorporated in England and Wales, as being the Company's ultimate parent undertaking. The smallest and largest group in which the results of the Company are consolidated is that headed by Morgan Advanced Materials plc. The Consolidated accounts of Morgan Advanced Materials plc are available to the public and may be obtained from its registered office situated at York House, Sheet Street, Windsor, United Kingdom, SL4 1DD.

11. EVENTS AFTER THE REPORTING PERIOD

There were no reportable subsequent events following the balance sheet date.