

Carlisle Holding Limited

Registered No : 03968931

**Annual report and financial statements
for the year ended 31 December 2017**

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Carlisle Holding Limited

Annual report

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Carlisle Holding Limited

Directors and advisors

Directors

Steven J. Ford
Michael L. Roberson
Titus B. Ball

Secretary

Battens Secretarial Services Ltd

Registered office

Mansion House
Princes Street
Yeovil
Somerset
BA20 1EP

Registered auditor

Deloitte LLP
5 Callaghan Square
Cardiff
CF10 5BT

Solicitors

Battens Solicitors
Mansion House
Princes Street
Yeovil
Somerset
BA20 1EP

Bankers

JP Morgan Chase Bank N.A.
25 Bank Street
Canary Wharf
London
E14 5JP

**Strategic report
for the year ended 31 December 2017**

The director, in preparing this strategic report, has complied with s414C of the Companies Act 2006.

Principal activity

The principal activity of Carlisle Holding Limited is investing in various companies. The principal activities of these companies includes the manufacture of braking systems for off-highway and industrial equipment, specialty friction products as well as brake actuation systems for on-highway towed vehicles. They are also engaged in the design and manufacture of specialty cables for a variety of applications in aerospace, underfloor heating market and other OEM costumers. The companies are also active in the construction market, providing EPDM Roofing and cladding solutions.

The key performance indicators during the year were as follows:

Key Performance Indicators year ended 31 December 2017	2017 £'000	2016 £'000
Operating loss	(94)	(515)
Profit/(Loss) on ordinary activities before taxation	5,236	(106)
Total equity shareholders' funds	14,271	20,254

The results for the year are in line with expectations.

Principal risks and uncertainties

The directors continually review, evaluate and mitigate, the risks that the company is facing. The principal risks and uncertainties facing the company are changes in interest rates, impairment of its investments and changes in the exchange rate between pound sterling and US dollar.

Financial risk management

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policy set by the board of directors is implemented by the company's finance department.

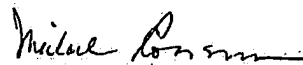
Credit risk

The company is not exposed to any significant credit risk.

Liquidity, interest rate cash flow risk

All the company's debt is intercompany and the interest rate risk, liquidity risk and the interest rate cash flow risk is managed by the board of Carlisle Companies Inc.

By order of the Board


Michael L. Roberson, Director

Date: September 27, 2018

Carlisle Holding Limited

Directors' report for the year ended 31 December 2017

The directors present their annual report and the audited financial statements for the year ended 31 December 2017.

Review of developments and future prospects

On January 31st, 2017 Carlisle Holdings Ltd. acquired Arbo Holdings Ltd. and its fully owned subsidiaries Adshead Ratcliffe & Co Ltd. and Adshead Ratcliffe International Ltd.

Arbo is a leading provider of sealants, coatings and membrane systems used by architects and contractors for waterproofing and sealing buildings and other structures. Arbo is based in Belper, England, where the company manufactures a range of sealants, coatings and other building envelope products to the UK and European construction markets for waterproofing and air and vapor barrier applications. The business will operate as a unit within Carlisle Construction Materials Ltd.

On December 31st, 2017 the fully owned subsidiary Raydex/ CDT Limited ceased its operational activities. Based on the expected cash-flows analysis management expects an impairment loss of £468k which was accounted for in the 2016 financial statements. Currently we are in the process of unwinding Raydex/ CDT Limited and no additional impairments are expected.

Results and dividends

On November 17, 2017 an interim dividend of £5,306k was received from the company's fully owned subsidiary Carlisle Brake Products (UK) Limited. On the same date an interim dividend of £11,219k was paid to the Shareholder Carlisle International B.V.

On November 12, 2017 a Board decision was made to reduce the ordinary share capital of £18,721,501 consisting of 18,121,501 ordinary shares of £1.00 each by £18,721,500 by cancelling and extinguishing 18,721,500 ordinary shares of £1.00 each and that the amount by which the share capital is reduced be credited to a distributable reserve of the Company.

Directors

On December 11th, 2017, two new directors were appointed. As of that date Carlisle Holding Ltd. has 3 board members; Steven J. Ford, Michael L. Roberson and Titus B. Ball.

Directors' liabilities

The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the director's report.

Charitable donations

During the year the company made no charitable donations.

Going concern

After making appropriate enquiries, at the time of approving the financial statements, the directors share a reasonable expectation that the company has adequate resources to continue in business for the foreseeable future. For this reason, the going concern basis has been adopted in the preparation of the financial statements.


Auditor

Each of the persons who is a director at the date of approval of this report confirms that:
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On May 15 2017 the Carlisle Companies Inc. Audit Committee of the Board of Directors with the assistance of management,

performed an evaluation of firms to determine the Company's independent registered public accounting firm for the 2017 fiscal year. As a result of this process, 2017, the Audit Committee approved the appointment of Deloitte as Carlisle's independent registered public accounting firm for Carlisle's fiscal year ending December 31, 2017 and the dismissal of Ernst & Young LLP ("EY") from that role, each effective as of May 16, 2017.

By order of the Board



Michael L. Roberson, Director

Date: September 27, 2018

Carlisle Holding Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the director 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 director is required to:

- select suitable accounting policies and then 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 director is 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.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditor's report
for the year ended 31 December 2017**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLISLE HOLDING LIMITED

Opinion

In our opinion the financial statements of Carlisle Holding Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLISLE HOLDING LIMITED (CONTINUED)

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.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 strategic report or 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.

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.



Andrew Woodhead (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Cardiff, UK

Date: 28 September 2018

Carlisle Holding Limited

**Profit and Loss Account
for the year ended 31 December 2017**

	Notes	2017 £'000	2016 £'000
Administrative expenses	3	(94)	(47)
Impairment of investment	7	-	(468)
Operating loss		(94)	(515)
Dividend Income from subsidiary companies		5,306	-
Interest receivable and similar charges	5	24	409
Profit/(loss) on ordinary activities before taxation		5,236	(106)
Tax on profit/(loss) on ordinary activities	6	-	-
Profit/(loss) for the year		5,236	(106)

All of the above results relate to the continuing operations of the company.

The notes on pages 11 to 18 form part of these financial statements.

**Statement of comprehensive Income
For the year ended 31 December 2017**

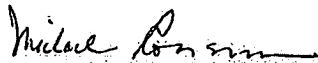
There has been no comprehensive income in the current or prior year other than the profit/(loss) for that financial year and, accordingly, no separate statement of comprehensive income has been presented.

Carlisle Holding Limited

Balance sheet
as 31 December 2017

	Notes	2017 £'000	2016 £'000
Fixed assets			
Investments	7	29,401	20,286
Current assets			
Debtors	8	-	3,486
Total current assets			3,486
Creditors: amounts falling due within one year	9	(9,630)	(18)
Net current (liabilities)/assets		(9,630)	3,468
Total assets less current liabilities		19,771	23,754
Creditors: amounts falling due after more than one year	10	(5,500)	(3,500)
Net assets		14,271	20,254
Capital and reserves			
Called up share capital	11	1	18,722
Capital contribution reserve		10,057	10,057
Profit and loss account		4,213	(8,525)
Equity shareholders' funds		14,271	20,254

The financial statements of Carlisle Holding Limited were approved by the board of directors on September 27, 2018 and are signed on its behalf by:



Michael L. Roberson, Director

The notes on pages 11 to 18 form part of these financial statements.

Carlisle Holding Limited

Statement of changes in Equity
at 31 December 2017

	Called up share capital £'000	Capital contribution £'000	Profit and loss account £'000	Total £'000
At 1 January 2016	18,722	10,057	(8,419)	20,423
Loss for the financial year	-	-	(106)	(106)
Total comprehensive income			(106)	(106)
At 31 December 2016	18,722	10,057	(8,525)	20,254
Capital reduction	(18,721)	-	18,721	-
Dividends paid	-	-	(11,219)	(11,219)
Profit for the year	-	-	5,236	5,236
Total comprehensive income	(18,721)	-	12,738	(5,983)
At 31 December 2017	1	10,057	4,213	14,271

Carlisle Holding Limited

Notes to the financial statements for the year ended 31 December 2017

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

a. General information and basis of accounting

Carlisle Holding Limited is a company incorporated in England under the Companies Act, 2006. The nature of the Company's operations and its principal activities are set out in the strategic report and the director's report on pages 2 to 3.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Carlisle Holding Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

Carlisle Holding Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to share based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel. The parent of the group in whose consolidated financial statements Carlisle Holding Limited is consolidated is Carlisle Companies Incorporated. Copies of the financial statements of Carlisle Companies Incorporated can be obtained from Carlisle Companies Incorporated, website www.carlisle.com

b. Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. The Director's report further describes the financial position of the Company; its cash flows, liquidity position and borrowing facilities; the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The company holds net current liabilities, if necessary additional can be provided by the company's ultimate parent, Carlisle Companies Inc. Which was sufficient facilities to offer this support

The directors share a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Carlisle Holding Limited

**Notes to the financial statements
for the year ended 31 December 2017 (continued)**

1. Statement of significant accounting policies (continued)

(I) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.
- (b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.
- (d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(II) Investments

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

In the Company balance sheet, investments (including investments in associates) are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value only of the shares issued. Any premium is ignored.

Carlisle Holding Limited

**Notes to the financial statements
for the year ended 31 December 2017 (continued)**

1. Statement of significant accounting policies (continued)

(iii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

(iv) Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

d. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Carlisle Holding Limited

**Notes to the financial statements
for the year ended 31 December 2017 (continued)**

1. Statement of significant accounting policies (continued)

e. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Carlisle Holding Limited

Notes to the financial statements
for the year ended 31 December 2017 (continued)

1. Statement of significant accounting policies (continued)

f. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Other exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on transactions entered into to hedge certain foreign currency risks (see above); and
- exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the director is required 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. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no critical accounting judgements, estimates and/or assumptions revisions made in and for the year ended 31 December 2017.

3. Administrative expenses

Administrative expenses represent various miscellaneous expenses and include audit fees payable to the company's auditors of £10,500 (2016 : £7,500).

4. Director's remuneration

The director received no remuneration from the company and his remuneration is paid and charged to other Carlisle companies.

5. Interest receivable/(payable) and similar charges

The interest receivable/(payable) and similar charges to group companies represent interest settlements directly to Carlisle Holdings BV as interest on the effective loan from cash pool balance for the year 2016 and 2017 as well the interest on the long-term intercompany loan with Carlisle Fluid Technologies UK Limited.

	2017	2016
	£'000	£'000
Interest (payable)/receivable on Intercompany Cash-Pool	(54)	22
Interest (payable) on Intercompany Loan	(154)	(104)
Profit on exchange	272	491
Similar charges	(40)	-
	<u>24</u>	<u>409</u>

Carlisle Holding Limited

**Notes to the financial statements
for the year ended 31 December 2017 (continued)**

6. Tax on profit/(loss) on ordinary activities

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 19.25% (2016: 20.25%).

The tax on profit/(loss) on ordinary activities for the period differs from the standard rate for the reasons set out in the following reconciliation:

	2017 £'000	2016 £'000
Profit/(loss) on ordinary activities before income tax	5,236	(106)
Tax on profit/(loss) on ordinary activities at standard rate	1,008	(21)
Expenses not deductible for tax purposes	(1,005)	94
Gains/ rollover relief etc	82	6
Deferred Tax not provided on losses	(85)	(79)
UK Total tax charge for the year	-	-

Factors that may affect future tax charges

The company has unrelieved tax losses brought forward from earlier years. It is considered unlikely that the losses will be recovered from future profits within twelve months of the balance sheet date. As a result the company has chosen not to include a deferred tax asset of £319k in its accounts at 31 December 2017.

Announcements have been made by the Chancellor of the Exchequer of proposed changes to corporation tax rates which will have an effect on future tax charges of the company. Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and 17% (effective from 1 April 2020) were substantively enacted in October 2016 and September 2017 respectively. This will reduce the company's future current tax charge accordingly.

As the changes have been substantively enacted at the balance sheet date their effects are included in the closing potential deferred tax assets and liabilities.

Carlisle Holding Limited

Notes to the financial statements
for the year ended 31 December 2017 (continued)

7. Investments held as fixed assets

Shares in subsidiary undertakings	2017 £'000	2016 £'000
Cost		
At the beginning of the year	20,286	20,754
Investments in subsidiaries	9,115	-
Impairment charge	-	(468)
At the end of the year	29,401	20,286

Subsidiary	Nature of business	Class of share held	Proportion held
Carlisle Brake Products (UK) Limited Omega 500 Unit, Mamhilad Technology Park Pontypool, Torfaen UK NP4 0JJ	Manufacture of braking systems for off-highway and industrial equipment specialty friction products as well as brake actuation systems for on-highway towed vehicles.	Ordinary	100%
Raydex/ CDT Limited Stockton Street, Littleborough, Lancashire OL15 8YJ	Design and manufacture of special cables for a variety of applications in aerospace, underfloor heating market and other OEM customers.	Ordinary	100%
Carlisle Construction Materials Limited Ground Floor, Lancaster House Fountain Court, Concorde Way Millennium Business Park NG19 7DW Mansfield Nottinghamshire	Distribute and sell EPDM roofing and cladding solutions for the construction market.	Ordinary	100%
ARBO Holdings Limited Derby Road, Belper DE56 1W Derbyshire	Provider of sealants, coatings and membrane systems used by architects and contractors for waterproofing and sealing buildings and other structures.	Ordinary	100%
Adshead Ratcliffe & Co Ltd Derby Road, Belper DE56 1W Derbyshire	Provider of sealants, coatings and membrane systems used by architects and contractors for waterproofing and sealing buildings and other structures.	Ordinary	100%

8. Debtors: amounts falling due within one year

	2017 £'000	2016 £'000
Amounts owed by fellow group companies	-	3,486
	-	3,486

Carlisle Holding Limited participates in the Carlisle European cash pool in which all European subsidiary companies contribute excess cash balances or draw current loan positions from the cash pool with Carlisle Holdings B.V. in the Netherlands. The contributing or loan balances are interest bearing at a rate respectively 1M LIBOR + 25 BPS and 1M LIBOR+ 1.25 BPS.

Carlisle Holding Limited

**Notes to the financial statements
for the year ended 31 December 2017 (continued)**

9. Creditors: amounts falling due within one year

	2017 £'000	2016 £'000
Amounts owed to fellow subsidiary companies	(9,521)	-
Trade creditors	(7)	(1)
Accruals	(102)	(17)
	<u>(9,630)</u>	<u>(18)</u>

10. Creditors: amount falling due after more than one year

	2017 £'000	2016 £'000
Deferred consideration	(2,000)	-
Long term inter-company loan with 3.75% annual interest	(3,500)	(3,500)
	<u>(5,500)</u>	<u>(3,500)</u>

Total amounts falling due after more than one year

11. Share capital

Allotted called up and fully paid

	2017 £'000	2016 £'000
	1	18,722

On November 12, 2017 a Board decision was made to reduce the ordinary share capital of £18,721,501 consisting of 18,721,501 ordinary shares of £1.00 each by £18,721,500 by cancelling and extinguishing 18,721,500 ordinary shares of £1.00 each and that the amount by which the share capital is reduced be credited to a distributable reserve of the Company.

12. Ultimate parent company undertaking

The company's immediate parent undertaking is Carlisle International B.V. of the Netherlands.

The ultimate parent company is Carlisle Companies Incorporated, which is incorporated in the USA. This company heads the largest and smallest group in which the company's results are consolidated. Copies of the financial statements of Carlisle Companies Incorporated may be obtained at www.carlisle.com.

13. Subsequent Events

No subsequent events have occurred.