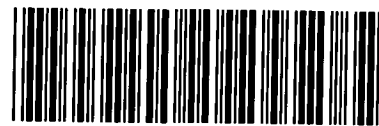


Registered No. 960067

Allegheny Technologies Limited
Reports and Financial Statements
31 December 2017

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COMPANIES HOUSE

Allegheny Technologies Limited

Registered No: 960067

Company Information

Directors

PM Broeker

ES Davis

PJ DeCourcy

Secretary

ES Davis

MWLAW Services Limited

Second Floor 11 Pilgrim Street

London EC4V 6RN

Auditors

Ernst & Young LLP

Bridgewater Place

Water Lane

Leeds LS11 5QR

Bankers

Bank of America NA

5 Canada Square

London E14 5AQ

Solicitors

K & L Gates LLP

One New Change

London EC4M 9AF

Registered Office

Granby Avenue

Garretts Green

Birmingham B33 0SP

Incorporated in England

Strategic Report

The directors present their strategic report and the financial statements for the year ended 31 December 2017 which forms part of the annual report for the company.

Review of the business

The principle activities of the company during the year continued to be that of both stockists of titanium and other advanced technology metals, and provider of cutting and milling services.

The company's key financial and other performance indicators were as follows:

	2017	2016	% change
Turnover after discount	16,242	15,321	6.0 %
Gross Margin	3,011	2,863	5.2 %
Profit after tax	406	795	-48.9 %
Employment cost as a % of turnover	10.37 %	10.12 %	2.5 %
Net Asset value	21,496	20,990	2.4 %

There was a slight improvement in turnover due to increased sales in the aerospace and marine pollution control markets.

Principle risks and uncertainties

The more significant risks identified by the company, which are considered common to other similar business in the sector, are judged to be the maintenance of selling prices and material margins in the face of increasing competition from overseas.

Management controls are designed to manage rather than eliminate risk but there are no immediate risks that are thought likely to have a significant impact on the present or long-term value of the company.

The directors believe that the company will be able to generate positive cash flows for the foreseeable future. As a result, the going concern basis of accounting has been adopted. Overall, liquidity is supported by the group where required.

Approved by the Board and signed on its behalf by:

P.M. Broeker



Date 12.11.2018

Directors' Report

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

Results and dividends

The profit for the year, after taxation, amounted to £506,000 (2016 - profit of £795,000). The directors do not recommend a final dividend (2016 - £nil).

Future developments

We have a number of business development campaigns in the Aerospace (Airframe & Aero Engine) and pollution control market sectors that we hope to realise between 2018 and 2021 in order to achieve anticipated growth.

Directors

PM Broeker
ES Davis
PJ DeCourcy

Going concern

On the basis of their assessment of the company's financial position, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. The factors likely to affect the company's future development, its financial position, and its exposures to risk are described in the Strategic Report on page 2. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. No material uncertainties that cast doubt about the ability of the company to continue as a going concern have been identified by the directors.

Disabled employees

Applications for employment of disabled persons are always fully considered, taking into account the aptitude and abilities of the applicant concerned. Where employees become disabled, the company endeavours to continue to employ such people provided there are duties which they can perform. It is the policy of company that training, career development and promotion of disabled employees should, as far as possible, be identical to that of other employees.

Employee involvement

Employees are informed regularly about aspects of the business and its progress which the company considers are relevant, involving communications through management channels or in writing as appropriate. The company involves employees in matters of concern to their jobs and work situation, and endeavours to maintain a sense of identity with the company's aims and objectives. The effectiveness of employee communication is regularly reviewed by the directors, and improvements are implemented as required.

Directors' Report (Continued)

Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirm that:

- to the best of each directors' knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

Directors' indemnity

Subject to the provisions of the Companies Act 2006, but without prejudice or limitation to any indemnity to which a director may otherwise be entitled, every director of the company shall be indemnified to the fullest extent permissible at law out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company. The company is covered by Directors and Officers insurance against such liabilities.

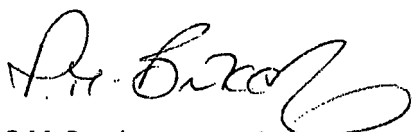
Disclosure of information to the auditors

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 steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



P.M. Broeker

12.11.2018

Date:

Statement of directors' responsibilities in respect of the financial statements

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

Company Law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 responsible steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

to the members of Allegheny Technologies Limited

Opinion

We have audited the financial statements of Allegheny Technologies Limited for the year ended 31 December 2017 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 19, including a summary of significant accounting policies. 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 to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 below. 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 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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.

Independent auditors' report (continued)
to the members of Allegheny Technologies 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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Independent auditors' report (continued)
to the members of Allegheny Technologies Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement (set out on page 5), 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Ernst & Young LLP

Peter Buckler (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds

12th November 2018

Income Statement
for the year ended 31 December 2017

		2017	2016
	Notes	£000	£000
Turnover	2	16,242	15,321
Cost of sales		<u>13,232</u>	<u>12,458</u>
Gross Profit		3,010	2,863
Distribution costs		1,606	1,548
Administrative expenses		<u>921</u>	<u>514</u>
Operating Profit	3	<u>483</u>	<u>801</u>
Interest receivable and similar income	6	7	11
Other interest receivable		-	-
Profit on ordinary activities before taxation		490	812
Tax – Current Year	7	<u>(16)</u>	<u>17</u>
Profit for the financial year		<u>506</u>	<u>795</u>
All amounts relate to continuing activities			

Statement of Comprehensive Income
For the year ended 31 December 2017

	2017	2016
	£000	£000
Profit for the financial year	<u>506</u>	<u>795</u>
Total profit recognised since the last annual report	<u>506</u>	<u>795</u>

Statement of Changes in Equity

For the year ended December 2017


	Share capital	Share premium account	Profit and loss account	Total Shareholders' funds
	£000	£000	£000	£000
At 1 January 2016	1,813	9,800	8,582	20,195
Profit for the year	-	-	795	795
At 1 January 2017	1,813	9,800	9,377	20,990
Profit for the year	-	-	506	506
At 31 December 2017	<u>1,813</u>	<u>9,800</u>	<u>9,883</u>	<u>21,496</u>

Statement of Financial Position

At 31 December 2017

		2017	2016
	Notes	£000	£000
Fixed assets			
Tangible assets	9	1,198	958
Investments	10	<u>8,151</u>	<u>8,151</u>
		<u>9,349</u>	<u>9,109</u>
Current assets			
Stocks	11	7,850	7,582
Debtors	12	5,898	6,547
Cash at bank and in hand		-	-
		<u>13,748</u>	<u>14,129</u>
Creditors : amounts falling due within one year	13	<u>1,601</u>	<u>2,248</u>
Net current assets		<u>12,147</u>	<u>11,881</u>
Net assets		<u>21,496</u>	<u>20,990</u>
Capital and reserves			
Called up share capital	14	1,813	1,813
Share premium account	15	9,800	9,800
Profit and loss account		<u>9,883</u>	<u>9,377</u>
Shareholders' funds		<u>21,496</u>	<u>20,990</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


P.M. Broeker

Date: 12.11.2018

Notes to the financial statements

At 31 December 2017

1. Accounting policies

Statement of Compliance

Allegheny Technologies Limited is a limited liability company incorporated in England and registered at Granby Avenue, Garretts Green, Birmingham B33 0SP. The financial statements have been prepared in compliance with FRS102 for the year ended 31 December 2017.

Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £000. The directors have taken advantage of the disclosure exemptions in respect of the requirements of section 7 Statement of Cash Flows, and section 33 Related Party and Key Personnel Disclosures (paragraph 33.6 and 33.7) in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement and consolidated financial statements. Please refer to note 19 for details on the consolidated financial statements and where they can be obtained. The shareholders have been notified in writing about the use of disclosure exemptions taken and no objections have been received.

Transitional relief – Investments in subsidiaries

The company has elected to treat the carrying of investments in subsidiaries under previous UK GAAP at the date of transition as deemed cost on transition to FRS102.

Group accounts

The company is exempt by virtue of section 104 of the Companies Act 2006 from the requirement to prepare group accounts. The financial statements present information about the company as an individual undertaking and not about its group.

Fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Tangible fixed assets

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Leasehold Property	-	40 years
Plant and machinery	-	10 years
Fixtures and fittings	-	10 years
Office equipment	-	4 years
Software	-	3 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements (Continued)

At 31 December 2017

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes as follows:

Work in progress and finished goods – cost of direct materials and labour plus attributable overheads based on normal level of activity.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion.

Current taxation

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

Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exemptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Notes to the financial statements (Continued)

At 31 December 2017

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with rules of the scheme.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on disposal of the goods.

Interest income

Revenue is recognised as interest accrues issuing the effective interest method.

2. Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax.

An analysis of turnover by geographical market is given below:

	2017	2016
	£000	£000
United Kingdom	8,291	8,918
Rest of Europe	5,645	4,151
Rest of the World	2,306	2,252
	<u>16,242</u>	<u>15,321</u>

Turnover is attributable to the following continuing activities, the stocking of titanium and other advanced technology metals, and value added cutting and machining operations.

3. Operating Profit

This is stated after charging:

	2017	2016
	£000	£000
Auditors' remuneration	<u>24</u>	<u>21</u>
Depreciation of owned fixed assets	<u>126</u>	<u>130</u>
Operating lease rentals – plant and machinery	108	76
land and buildings	<u>24</u>	<u>24</u>
	<u>132</u>	<u>100</u>

Notes to the financial statements (Continued)**At 31 December 2017****4. Directors' remuneration**

No remuneration was received by any director during the year (2016 – nil) and no directors were accruing benefits under a company pension scheme (2016 – nil).

PM Broeker's remuneration is paid by Allegheny Technologies GmbH.

PJ DeCourcy and ES Davis's remuneration were paid by Allegheny Technologies Inc.

5. Staff Costs

	2017	2016
	£000	£000
Wages and salaries	1,430	1,364
Social security costs	168	144
Other pension costs	87	41
	<u>1,685</u>	<u>1,549</u>

The monthly average number of employees during the year was as follows:

	No.	No.
Distribution	29	25
Administration	4	5
Management	6	7
	<u>39</u>	<u>37</u>

6. Interest receivable and similar income

	2017	2016
	£000	£000
Bank interest receivable	7	11
	<u>7</u>	<u>11</u>

Notes to the financial statements (Continued)**At 31 December 2017****7. Tax****(a) Tax on profit / (loss) on ordinary activities**

The tax charge is made up as follows :

	2017 £000	2016 £000
Current tax :		
UK Corporation Tax	-	-
Tax underprovided in previous years	-	-
Total current tax	-	-
Deferred tax :		
Origination and reversal of timing differences	(18)	69
Tax under provided in previous years	-	(50)
Effect of changes in tax rates	2	(2)
Tax on profit / (loss) on ordinary activities	(16)	17

(b) Factors affecting current tax charge

The tax assessed for the year differs from the standard rate of corporation tax on the UK of 19.25% (2016 – 20.00%). The differences are explained below :

	2017 £000	2016 £000
Profit on ordinary activities before taxation	490	812
Tax on ordinary activities	94	162
Effect on Group Relief / Other Relief	(117)	(97)
Expenses not deductible for tax purposes	5	4
Effect of changes in tax rates	2	(2)
Adjustments from previous periods	-	(50)
Total tax for the year (note 7(a))	(16)	17

Notes to the financial statements (Continued)**At 31 December 2017****7. Tax (continued)****(c) Deferred tax**

The deferred tax included in the balance sheet is as follows :

	2017	2016
	£000	£000
Capital allowances in advance of depreciation	96	80
Other timing differences	<u>1</u>	<u>1</u>
Deferred taxation	<u>97</u>	<u>81</u>
		£000
At 1 January 2017 (note 12)		(81)
Deferred tax charge in the year (note 7(a))		<u>(16)</u>
At 31 December 2017 (note 12)		<u>(97)</u>

(d) Factors affecting future tax charges

The standard rate of corporation tax in the United Kingdom for the year is 19.25% (2016 – 20.00%). The Finance Act 2015, which was substantively enacted on 26 October 2015, included provisions to reduce the main rate of corporation tax to 19% with effect from 1 April 2017. In addition the Finance Act 2016, which was substantively enacted in September 2016, included provisions for a further reduction to the main rate of corporation tax to 17% from 1 April 2020. Deferred tax has therefore been provided at 17%.

8. Dividends

No dividends were paid during the year.

Notes to the financial statements (Continued)**At 31 December 2017****9. Tangible fixed assets**

	Leasehold property £000	Plant and machinery £000	Fixtures and fittings £000	Software £000	Total £000
Cost:					
At 1 January 2017	968	1,375	490	39	2,872
Additions	-	349	19	-	368
Disposals	-	(88)	-	-	(88)
At 31 December 2017	<u>968</u>	<u>1,636</u>	<u>509</u>	<u>39</u>	<u>3,152</u>
Depreciation:					
At 1 January 2017	583	887	405	39	1,914
Provided during the year	24	75	25	-	124
Disposals	-	(84)	-	-	(84)
At 31 December 2017	<u>607</u>	<u>878</u>	<u>430</u>	<u>39</u>	<u>1,954</u>
Net book value:					
At 31 December 2017	<u>361</u>	<u>758</u>	<u>79</u>	<u>-</u>	<u>1,198</u>
At 1 January 2017	<u>385</u>	<u>488</u>	<u>85</u>	<u>-</u>	<u>958</u>

10. Investments

Shares in group
companies
£000

Cost: At 1 January 2017 and at 31 December 2017 8,151

The investment represents the original amount invested in issued share capital and capital reserves of Allegheny Technologies GmbH, a company incorporated in Germany on 1 February 1996. The principle business activity of Allegheny Technologies GmbH is that of stockists of titanium and other advanced technology materials. The net assets of the company for the year ended 31 December 2017 were £16,016,000 (2016 - £14,488,000) and the profit for the year was £642,000 (2016 - £183,000).

11. Stocks

	2017 £000	2016 £000
Finished goods	<u>7,850</u>	<u>7,582</u>

Notes to the financial statements (Continued)

At 31 December 2017

12. Debtors

	2017	2016
	£000	£000
Trade debtors	2,471	3,614
Amounts owed by parent undertaking	145	168
Amounts owed by other group undertakings	2,812	2,302
Amounts owed by subsidiary undertakings	255	232
Prepayments and accrued income	118	150
Deferred tax	97	81
	<u>5,898</u>	<u>6,547</u>

13. Creditors: amounts falling due within one year

	2017	2016
	£000	£000
Trade creditors	215	337
Amounts owed to parent undertaking	159	159
Amounts owed to other group undertakings	882	1,304
Amounts owed to subsidiary undertakings	38	69
Other taxation and social security	83	(4)
Accruals and deferred income	224	383
	<u>1,601</u>	<u>2,248</u>

14. Issued Share Capital

		2017		2016
	No.	£000	No.	£000
Allotted, called up and fully paid				
Ordinary shares of £1 each	1,813,048	<u>1,813</u>	1,813,048	<u>1,813</u>

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

Notes to the financial statements (Continued)

At 31 December 2017

15. Reserves**Share Premium**

This reserve records the amount above the normal value received for shares sold.

16. Commitments under operating leases

At 31 December 2017 the company had annual commitments under non-cancellable leases as set out below:

	2017		2016	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
Operating lease which expire:				
Within one year	24	96	24	28
In two to five years	95	203	71	48
In over five years	190	-	190	-
	<u>309</u>	<u>299</u>	<u>285</u>	<u>76</u>

17. Guarantees and financial commitments

The company is party to a specific guarantee with the customs and excise for £600,000 over deferred payments of duties and levies.

18. Related party transactions

The company is a wholly owned subsidiary and has taken the exemption from reporting these transactions in FRS102.

19. Ultimate parent undertaking and controlling party

In the director's opinion the ultimate parent undertaking, controlling party and parent undertaking of the largest group of undertakings for which the group financial statements are drawn of which the group is a member is Allegheny Technologies Incorporated, incorporated in USA, and the parent undertaking of the smallest such European group is TDY Holdings Limited, registered in England and Wales. Copies of the financial statements of TDY Holdings Limited and Allegheny Technologies Incorporated are available from President Way Works, President Way, Sheffield, S4 7UR.