

Registration number: 02220030

Ross Ceramics Limited

Unaudited Annual Report and Financial Statements

for the Year Ended 31 December 2025

Ross Ceramics Limited

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Ross Ceramics Limited

Company Information

Directors Jonathan Handford
Ben Kirby

Registered office Moor Lane
Derby
Derbyshire
DE24 8BJ

Registration number 02220030

Ross Ceramics Limited

Strategic Report for the year ended 31 December 2025

The Directors present their Strategic Report on Ross Ceramics Limited (the Company) together with the Directors' Report and the unaudited Financial Statements for the year ended 31 December 2025.

Principal activities

The Company has no principal activities having sold its trade and assets to another company within the Rolls-Royce Holdings plc group (the Group), Rolls-Royce plc on 29 September 2024 and there has been no active trade within the Company afterwards. The directors intend to liquidate the company in future.

Business review

The Company sold its trade and assets to Rolls-Royce plc on 29 September 2024, and since this date there has been no revenue from continuing operations. The Company recognised a profit for the year of £164,000 (2024: £81,000), of which £152,000 (2024: £81,000) relates to interest the Company continues to earn on its cash balances and foreign currency gains. During the year, the company recognised no profit from discontinued operations (2024: £488,000).

Net assets decreased by £2,509,000 during the year, reflecting the dividend of £2,673,000 declared and paid to the Company's immediate parent undertaking, Vinters Engineering Limited (2024: £nil), offset by the profit for the year of £164,000.

The Directors intend to liquidate the Company in future and, therefore, the accounts have been prepared on a basis other than going concern.

Key Performance Indicators

The company currently has no formal KPIs in place.

Principal risks and uncertainties

The Group has an established and structured approach to risk management which is detailed in the Rolls-Royce Holdings plc 2025 Annual Report, which is publicly available from the address in note 14. The Company acts in accordance with this policy to manage and mitigate the risks. The Directors have not identified any key risks for the Company.

Section 172(1) statement

The Directors of the Company have acted, in good faith, in a way they consider most likely to promote the success of the Company for the benefit of its member, having regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

In doing so, the Directors are guided by the Rolls Royce behaviours: put safety first, do the right thing, keep it simple and make a difference. These behaviours underpin the Company's decision making and stakeholder engagement.

The Company is a wholly owned subsidiary of the Group and operates within the Group's strategy, governance framework and policies. The Directors consider the Company's role within the Group and the interests of its immediate parent undertaking when making decisions, supporting a consistent and straightforward approach to keep it simple.

In discharging their duties, the Directors have regard to the long-term consequences of decisions, the Company's financial and operational position, and alignment with the wider Group strategy and objectives. Decisions are made using information provided through established governance and reporting processes, enabling the Directors to do the right thing while supporting the resilience and long-term success of the Company and the wider Group.

The Company's key stakeholders primarily comprise its immediate parent undertaking and other Group entities.

Strategic Report
for the year ended 31 December 2025 (continued)

No political donations were made by the Company during the year.

The Company is a subsidiary of the Rolls-Royce Holdings plc Group and therefore the non-financial and sustainability information disclosures required in relation to both Rolls-Royce Holdings plc and the Company have been included in the Rolls-Royce Holdings plc Annual Report on page 38.

The Company adopts the policies and frameworks set by the Group which include the sustainability measures set out in the Rolls-Royce Holdings plc Annual Report on pages 38 to 47 and the Climate Review. The Company is aligned to the objectives of the Group. The Directors fully recognise their responsibility to have regard to the impact of the Company's operations on the community and environment.

The Company is a wholly owned subsidiary of the Group and therefore the SECR disclosures required in relation to both Rolls-Royce Holdings plc and the Company have been included in the Rolls-Royce Holdings plc Annual Report on page 204. The Rolls-Royce Holdings plc Annual Report has been prepared for the same financial year as the Company.

Approved by the board and signed on its behalf on _____ by: _____

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Directors' Report for the year ended 31 December 2025

The Directors present their Directors' Report on the Company together with the Strategic Report and unaudited Financial Statements for the year ended 31 December 2025.

Directors

The Directors who held office during the year and up to the date of signing the Annual Report and Financial Statements were as follows:

Jonathan Handford
Ben Kirby

Qualifying third-party indemnity provisions

The Company has made qualifying third-party indemnity provisions for the benefit of its Directors which were in place during the year and remain in force at the date of the approval of the Annual Report and Financial Statements.

Results and dividends

Profit after taxation for the year ended 31 December 2025 amounted to £164,000 (2024: £569,000). During the year, the Company declared and paid an interim dividend of £2,673,000 (2024: £nil) to its immediate parent undertaking, Vinters Engineering Limited.

Future developments

The Company sold the trade and assets to another Group company, Rolls-Royce plc in September 2024 and there has been no active trade within the Company afterwards. The Directors intend to liquidate the Company in future.

Going concern

The Financial Statements have been prepared on a basis other than going concern as the Company has ceased to trade and the Directors intend to liquidate the company in future. On 29 September 2024, the Company sold its trade and assets to Rolls-Royce plc, another Group entity, leaving no active trade within the entity.

After considering the above, the Directors consider it appropriate to prepare the Company's Financial Statements on a basis other than going concern.

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 regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Ross Ceramics Limited

Directors' Report

Statement of Directors' Responsibilities in respect of the Financial Statements (continued)

The Directors 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 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.

Approved by the board and signed on its behalf on _____ by: _____

Jonathan Handford
Director

Ross Ceramics Limited

Income Statement for the year ended 31 December 2025

	Note	2025 £ 000	2024 £ 000
Other income		12	–
Finance income	5	152	81
Finance costs	6	–	–
Profit before taxation from continuing operations		164	81
Income tax expense	7	–	–
Profit for the year from continuing operations		164	81
Profit for the year from discontinuing operations	10	–	488
Profit for the year		164	569

Statement of Comprehensive Income for the year ended 31 December 2025

	2025 £ 000	2024 £ 000
Profit for the year	164	569
Total comprehensive income for the year	164	569

The notes on pages 9 to 16 form an integral part of these Financial Statements.

Ross Ceramics Limited

Statement of Financial Position as at 31 December 2025 (Registration number: 02220030)

	Note	2025 £ 000	2024 £ 000
Current assets			
Trade and other receivables	8	5,234	5,190
Cash and cash equivalents		<u>–</u>	<u>2,561</u>
		5,234	7,751
Current liabilities			
Trade and other payables	9	<u>–</u>	<u>(8)</u>
		<u>–</u>	<u>(8)</u>
Net current assets		5,234	7,743
Total assets less current liabilities		5,234	7,743
Net assets		5,234	77,43
Equity			
Called up share capital	11	150	150
Other reserves		1,917	1,917
Retained earnings		<u>3,167</u>	<u>5,676</u>
Total equity		5,234	7,743

For the year ending 31 December 2025 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 (the Act) relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The Financial Statements were approved and authorised for issue by the Directors and signed on its behalf on by:

Jonathan Handford
Director

The notes on pages 9 to 16 form an integral part of these Financial Statements.

Ross Ceramics Limited

Statement of Changes in Equity for the year ended 31 December 2025

	Called up share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total Equity £ 000
At 1 January 2025	150	1,917	5,676	7,743
Total comprehensive income	–	–	164	164
Dividend paid	–	–	(2,673)	(2,673)
Share-based payments - direct to equity	–	–	–	–
At 31 December 2025	150	1,917	3,167	5,234

	Called up share capital £ 000	Other reserves £ 000	Retained earnings £ 000	Total Equity £ 000
At 1 January 2024	150	1,790	5,107	7,047
Total comprehensive income	–	–	569	569
Share-based payments - direct to equity	–	127	–	–
At 31 December 2024	150	1,917	5,676	7,743

The notes on pages 9 to 16 form an integral part of these Financial Statements.

Ross Ceramics Limited

Notes to the Financial Statements for the year ended 31 December 2025

1 General information

The Company is a private company, limited by shares and incorporated, registered and domiciled in England, United Kingdom. The address of its registered office is Moor Lane, Derby, Derbyshire, DE24 8BJ.

The Company has no principal activities having sold its trade and assets to another Group company, Rolls-Royce plc on 29 September 2024 and there has been no active trade within the Company afterwards. The directors intend to liquidate the company in future.

2 Material accounting policies

The material accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements. These accounting policies have been applied consistently throughout the year under audit and have been updated for any additional policies needed to reflect the non-going concern basis if relevant.

Basis of preparation

The Financial Statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The Financial Statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006.

In these Financial Statements the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- The following paragraphs of IAS 1, *Presentation of Financial Statements*:
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 134 to 136 (disclosures in respect of capital management); and
 - 111 (statement of cash flows information).
- IAS 7, *Statement of cash flows*;
- Paragraphs 45(b) and 46 to 52 of IFRS 2, *Share-based payment* (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined);

New standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, no new standards or IFRIC interpretations that are effective for the year ended 31 December 2025 that have a material impact on the Company's Financial Statements.

Going concern

The Financial Statements have been prepared on a basis other than going concern as there is no trading for the company and the Directors intend to liquidate the company within 12 months of the date of approval of these Financial Statements. On 29 September 2024, Ross Ceramics Limited sold its trade and assets to Rolls-Royce plc, another Group entity, leaving no active trade within the entity.

After considering the above, the Directors consider it appropriate to prepare the Company's Financial Statements on a basis other than going concern.

**Notes to the Financial Statements
for the year ended 31 December 2025 (continued)**

2 Material accounting policies (continued)

Foreign currency transactions and balances

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.

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the Company at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date the fair value was determined. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange differences arising on translation are recorded in net financing in the Income Statement.

Finance income and costs

Interest receivable/payable is credited/charged to the Income Statement using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand. The company does not hold any short-term deposits or other cash equivalents at the reporting date.

Called up share capital

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

Rounding of amounts

All amounts in the Financial Statements have been rounded to the nearest thousand Pound Sterling unless otherwise stated.

Ross Ceramics Limited

Notes to the Financial Statements for the year ended 31 December 2025 (continued)

3 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2025 £ 000	2024 £ 000
Wages and salaries	—	5,364
Social security costs	—	549
Share-based payment expenses	—	127
Other pension costs	—	470
	<u>—</u>	<u>6,510</u>

The monthly average number of persons, including Directors, employed by the Company during the year was as follows:

	2025 No.	2024 No.
Administrative staff	—	32
Operational staff	—	186
	<u>—</u>	<u>218</u>

On 29 September 2024, Ross Ceramics Ltd sold its trade and assets to another Group company, Rolls Royce plc. The contracts of employment of the Employees transferred automatically to Rolls-Royce plc and took effect as if originally made between Rolls-Royce plc and the employees. Therefore, all the staff costs and monthly average number of staff in the table for the prior year are related to discontinued operations.

4 Directors' remuneration

All Directors fees or emoluments were paid by Rolls-Royce plc and the amount attributable to the qualifying services provided by the Directors of the Company cannot be reliably estimated. No charge has been made in the current or prior year for the service of Directors.

5 Finance income

	2025 £ 000	2024 £ 000
Foreign exchange gain	51	—
Other interest receivable	101	81
	<u>152</u>	<u>81</u>

Ross Ceramics Limited

Notes to the Financial Statements for the year ended 31 December 2025 (continued)

6 Finance costs

	2025 £ 000	2024 £ 000
Foreign exchange loss	–	45
Interest charge on lease liabilities	–	36
	<u>–</u>	<u>81</u>

The £81 million finance costs recognised in the prior year were wholly attributable to discontinued operations. The current year incurred no finance costs.

7 Income tax expense

The tax assessed for the year is lower than (2024 audited: lower than) the standard rate of corporation tax in the UK of 25.0% (2024 : 25.0%).

The differences are reconciled below:

	2025 £ 000	2024 £ 000
Profit before taxation	<u>164</u>	<u>569</u>
Corporation tax at standard rate of 25% (2024: 25.0%).	41	142
Expenses not deductible / (Income non-taxable)	–	15
Group relief not paid for	<u>(41)</u>	<u>(157)</u>
Total tax charge	<u>–</u>	<u>–</u>

The Company is within the scope of the OECD Pillar Two (Global Minimum Tax) model rules, which came into effect from 1 January 2024. For the period to 31 December 2025, the Company has no related current tax exposure and has continued to apply the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

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Notes to the Financial Statements for the year ended 31 December 2025 (continued)

8 Trade and other receivables

	2025 £ 000	2024 £ 000
Trade receivables	—	4
Amounts due from group undertakings	5,234	5,186
	<u>5,234</u>	<u>5,190</u>

On 29 September 2024, the Company sold its trade and assets to Rolls-Royce plc, including some of its trade receivables, see note 18 for further details. The consideration to be received from Rolls-Royce plc is included within the amounts due from group undertakings at the reporting date.

9 Trade and other payables

	2025 £ 000	2024 £ 000
Trade payables	—	2
Other payables	—	6
	<u>—</u>	<u>8</u>

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Notes to the Financial Statements for the year ended 31 December 2025 (continued)

10 Discontinued operations

On 29 September 2024, the Company sold its trade and related assets to its parent company, Rolls-Royce plc, as part of a Group restructuring. Following the disposal, Ross Ceramics Limited ceased all trading activities.

The results of the disposed business were presented as a discontinued operation in the Company's 2024 financial statements. In these financial statements, the comparative income statement presents only the results of continuing operations, in line with the Company's current-year presentation and the fact that there is no longer any discontinued activity. As a result, the prior-year comparative figures differ from those published in the 2024 financial statements.

In the current year, the Company has no ongoing trading activity, and costs are limited to administrative expenses and the settlement of residual balances. No further gains, losses or adjustments have in relation to the discontinued operation in 2025.

The breakdown of the results of the discontinued operation for FY 2024 is set out below:

	2024 £'000
Revenue	14,940
Cost of sales	(10,780)
Gross profit	4,160
Administrative expenses	(4,283)
Operating loss before disposal	(123)
Gain on disposal of business	692
Profit before interest and taxation	569
Finance costs	(81)
Profit before taxation	488
Taxation	–
Gain on disposal of discontinued operation	488

The components of the £692,000 gain recognised on the disposal of the discontinued operation are presented on page 15.

Ross Ceramics Limited

Notes to the Financial Statements for the year ended 31 December 2025 (continued)

10 Discontinued operations (continued)

	2024 £'000
Cash consideration received	7,800
Total consideration received	7,800
Assets and liabilities not transferred	(2,567)
Net consideration inflow on disposal of discontinued operation	5,233
Net assets disposed of:	
Property, Plant and Equipment	(5,668)
Right-of-use assets	(1,512)
Inventories	(2,107)
Trade and other receivables	(1,190)
Trade and other payables	6,600
Deferred tax assets	(664)
Pre-tax gain on disposal of discontinued operation	692
Related tax expense	–
Gain on disposal of discontinued operation	692

Assets and liabilities not transferred includes trade receivables of £1,486,000, cash in the bank of £1,397,000 and the VAT payables of £191,000.

11 Called up share capital

Allotted and fully paid

	2025		2024	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	150	150	150	150

Ordinary shares have the following rights, preferences and restrictions:

Any proxy appointed by a member will be entitled to vote on a show of hands or a poll, with each member entitled to one vote. The Company may declare dividends by ordinary resolution, but no dividend should exceed the amount recommended by the Directors.

Ross Ceramics Limited

Notes to the Financial Statements for the year ended 31 December 2025 (continued)

12 Contingent liabilities

Certain authorities are investigating members of the Company for matters relating to misconduct in relation to historical matters. The Company is responding appropriately. Action may be taken by further authorities against the Company or individuals. In addition, the Company could still be affected by actions from customers, customers' financiers and the Company's current and former investors, including certain potential claims in respect of the Company's historical ethics and compliance disclosures which have been notified to the Company. The Directors are not currently aware of any matters that are likely to lead to a material financial loss over and above the penalties imposed to date but cannot anticipate all the possible actions that may be taken or their potential consequence.

13 Related party transactions

On 29 September 2024, Ross Ceramics Ltd sold its trade and assets of £7,108,000 to Rolls-Royce plc for consideration of £7,800,000 resulting in a profit on disposal of £692,000. The disposal has been classified as a discontinued operation in line with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations.

During 2024, prior to the sale of trade and assets, the Company made sales of £230,000 to another Rolls-Royce Holdings plc group joint venture, Xian XR Aero Components Co. Limited. Amounts due from related parties at the 31 December 2024 were £134,000. The sales and purchase to the joint venture and the amounts due from and to the related parties mentioned above are related to discontinued operation.

There were no related party transactions in the current year relating to the continuing business.

14 Parent and ultimate parent undertaking

The Company's immediate parent is Vinters Engineering Limited.

The ultimate parent undertaking and controlling party is Rolls-Royce Holdings plc, which is the parent undertaking of the largest group to consolidate these Financial Statements. Rolls-Royce plc is the parent undertaking of the smallest group to consolidate these Financial Statements.

Both sets of Financial Statements are available upon request from Kings Place, 90 York Way, London, United Kingdom, N1 9FX.