

Newell Brands UK Limited
formerly Newell Rubbermaid UK Limited
Annual Report and Financial Statements
for the year ended 31 December 2020

Registered number : 00104102



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Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Directors and advisers

Directors

RB Dave
JS Thandi

Independent Auditor

Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
The Colmore Building
20 Colmore Circus
Birmingham
West Midlands
B4 6AT

Solicitors

The Law Debenture Corporate Services Limited
2 New Bailey Square, 6 Stanley Street
Salford M3 5GS
United Kingdom

Registered Office

Halifax Avenue
Fradley Park
Lichfield
Staffordshire
WS13 8SS

Registered Number

00104102

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Directors' report

The directors present their annual report on the affairs of the company, together with the financial statements and independent auditor's report for the year ended 31 December 2020.

Principal activities

The principal activity is the sale and related functions of Newell Brands products in the UK and Ireland on behalf of the European Principal Company. These brands relate to writing instruments and accessories, office products of an electrical nature, high volume consumer products including children's car seats and buggies, household products, beauty and style products and deodorisers and purification products.

Company name change

On the 1st of November 2021 the company changed its name from Newell Rubbermaid UK Limited to Newell Brands UK Limited.

Matters covered in the Strategic Report

The business review, future developments, principal risks and uncertainties and key performance indicators are included in the Strategic Report.

The strategic report further addresses the directors' compliance requirements in terms of Section 172 of the Companies Act 2006.

Results and dividends

The profit for the year amounted to £2,088,000 (2019: £5,165,000). The directors do not recommend payment of a dividend.

Directors

The directors who served during the period, and subsequently, are as follows:

RB Dave
JS Thandi

Employment of disabled persons

The policy of the company is to give full consideration to employment applications from disabled persons who have the necessary attributes and abilities to perform the duties of the job. The company seeks to develop the skills and the talents of disabled persons by providing appropriate training. Where an employee becomes disabled whilst employed, arrangements are made wherever practicable to maintain employment by identifying a suitable job and providing any necessary retraining.

Directors' liabilities

Newell Brands Inc. has indemnified the directors of the company 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 was in force during the year.

Employee consultation

It is the company's policy to involve employees at all levels in the organisation and to inform them of its financial position and activities through briefing meetings, which are held at regular intervals.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)

31 December 2020

Directors' report (continued)

Going concern

The ultimate parent company, Newell Brands Inc., has agreed to provide financial support until 31 December 2022 to enable the company to continue its business operations as a going concern for the foreseeable future.

The director believes that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

The Corporate Accounting team for Newell Brands assesses, on a quarterly basis, whether the going concern assumption remains appropriate. Key considerations in their analysis include, but are not necessarily limited to, the following:

1) Negative trends—for example, recurring operating losses, working capital deficiencies, negative cash flows from operating activities, adverse key financial ratios

2) Other indications of possible financial difficulties—for example, default on loan or similar agreements, arrearages in dividends, denial of usual trade credit from suppliers, restructuring of debt, noncompliance with statutory capital requirements, need to seek new sources or methods of financing or to dispose of substantial assets

3) Internal matters—for example, work stoppages or other labor difficulties, substantial dependence on the success of a particular project, uneconomic long-term commitments, need to significantly revise operations

4) External matters that have occurred—for example, legal proceedings, legislation, or similar matters that might jeopardize an entity's ability to operate; loss of a key franchise, license, or patent; loss of a principal customer or supplier; uninsured or underinsured catastrophe such as a drought, earthquake, or flood.

In addition, Treasury and BP&A departments prepare quarterly forecasts (up to December 31, 2022) of cash and operations and leverage ratios which are presented to the BOD Finance Committee, which take into account future financing needs, expected EBITDA for the business, and other key operating factors which would trigger going concern issues. We do those calculations regularly and also present it to the BOD in the Finance Committee. The finance teams of the Company also perform multiple analytical review procedures, which include an analysis of debt commitments and operating cash flows, with available financial information up to the date the financial statements are available to be issued each quarter. The Corporate Accounting team, in connection with the preparation of the publicly filed documents, completes a disclosure checklist, whereby any need for the disclosure of a going concern issue is recognized and referenced to proper disclosure, if required.

Based on the above, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Stakeholder Engagement Statement

We recognize that excellence in stakeholder engagement helps deliver value and ensures we do so in a socially and environmentally responsible manner. We determine our key stakeholders by assessing the impact that different groups have, or might have, on our performance, as well as the impact that the company has on their well-being. The company is committed to enhancing engagement with all our stakeholders.

Our stakeholders

The directors consider that the following groups are the Company's key stakeholders. The directors seek to understand the respective interests of such stakeholder groups so that these may be properly considered in their decisions.

Employees

The directors recognise that employees are fundamental and core to our business and delivery of our strategic ambitions. The strength of our business is built on the hard work and dedication of all employees. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

Our employees rely on us to provide stable employment and opportunities to realize their potential in a working environment where they can be their best.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Directors' report (continued)

Customers

We focus on providing high-quality service, which means ensuring seamless, uninterrupted and timely delivery of our products. We are constantly improving our product quality and we strive to personalize our approach with each and every one of our customers. We develop new customer services when working with consumers and build direct relationships with them.

Our customers are the reason we exist. They have near limitless choice, so it is essential to our future that we can consistently and continuously design and offer attractive, stylish products of high quality to new and existing customers at an accessible price. In doing so, we will build our brand value and loyalty.

Shareholder

We seek to ensure sustainable growth for the company and increase its long-term value for the benefit of our shareholder. We always respect the shareholder's rights and provide full access to the required company data.

Our shareholder relies on us to protect and manage their investments in a responsible and sustainable way that generates value for them.

Suppliers and business partners

In our supplier and business partner relations, we aim to create and develop long-term and constructive partnerships. Our cooperation is based on the observance of business ethics and the fulfilment of contractual obligations, as well as responsible supply chain management. We also include health, safety, social and environmental issues in our arrangements with contractors. We maintain a continuous dialogue with our suppliers through our procurement management process. Our suppliers rely on us to generate revenue and employment for them.

Regulators

We seek to enjoy a constructive and cooperative relationship with the bodies that authorize and regulate our business activities. This helps us maintain a reputation for high standards of business conduct. The company's interaction with the regulating bodies is based on strict adherence to all applicable laws and requirements. They expect us to comply with applicable laws and regulations.

Streamlined Energy and Carbon Report (SECR)

UK energy use and associated greenhouse gas emissions

Current UK based annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated GHG emissions are for those assets within the UK only as defined by the operational control approach. This includes a share of warehouse and office space in Lichfield, office space in London and company vehicles. No other subsidiary companies are included.

Reporting period

The annual reporting period is 1 January to 31 December each year and the energy and carbon emissions are aligned to this period.

Future developments

The company will continue to operate in the UK and Ireland on behalf of the European Principal Company selling all products related to the group.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2020 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations as these relate to the majority of the reporting period. The report has been reviewed independently by Briar (Briar Consulting Engineers Limited).

Electricity and gas consumption were based on a mix of accounting records and benchmarks, while mileage was used to calculate energy and emissions from fleet vehicles and grey fleet. Gross calorific values were used except for mileage energy calculations as per Government GHG Conversion Factors.

The emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of company activities (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2020
Mandatory requirements:	
Gas	50,203
Purchased electricity	28,187
Transport fuel	212,451
Total energy (mandatory)	290,841

Breakdown of emissions associated with the reported energy use (tCO₂e)

Emission source	2020
Mandatory requirements:	
<u>Scope 1</u>	
Gas	9.2
Transport - Company owned vehicles	50.4
<u>Scope 2</u>	
Purchased electricity (location-based)	6.6
<u>Scope 3</u>	
Transport – Business travel in employee-owned vehicles	0
Total gross emissions (mandatory)	66.2
<u>Intensity ratios (mandatory emissions only)</u>	
Tonnes of CO ₂ e per million-pound turnover	
Intensity Ratio	0.779

The intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per total million-pound (£m) turnover. The turnover relates to UK operations only to align with the energy and emission reporting boundary. This financial metric is considered the most relevant to the Company's energy consuming activities and provides a good comparison of performance over time and across different organisations and sectors.

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Energy efficiency action during current financial year

The management of resources and the need to embed sustainability is an important issue for the Company and the following actions related to reducing energy use were implemented within the current reporting period.

Energy consumption was expected to be significantly below typical this year due to the impact of COVID-19. This will further decrease in future years following the closure of our UK retail stores. As a result of health precautions business travel has been reduced and we have seen the greater use of video conferencing for staff. Whilst the emission savings resulting from this change has not been quantified, this practice has resulted in behaviour changes that are expected to continue for the foreseeable future.

Outside of the COVID-19 response, energy efficiency actions this year have included:

- Engagement with staff to remind them of good practice, ensuring that equipment is switched off when not in use
- Planned and preventative maintenance of HVAC and other key plant to ensure optimal efficiency of plant

Statement of Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors are 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.

Section 172 considerations are addressed in the Strategic Report, pages 8 to 11, of the financial statements.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 485 of the Companies Act 2006.

On behalf of the Board



RB Dave

Director

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Newell Brands UK Limited
Registered number : 00104102

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)

31 December 2020

Strategic report

The directors present their Strategic report on the Company for the year ended 31 December 2020.

Business review and future developments

The company is a private limited company and is incorporated and domiciled in England. The address of its registered office is Halifax Avenue, Fradley Park, Lichfield, Staffordshire WS13 8SS.

During the year to 31 December 2020 turnover was £85 million (2019: £85 million). The company's operating profit position was £2 million for the year compared to £5 million in 2019. The profitability of the company is mostly determined by the commissionaire agreements that exist with the European Principal Company.

Management is evaluating the impact of the ongoing COVID-19 virus on the industry. They have concluded that while it is reasonably possible that the virus could have a negative effect on the Company's results of operations, however due to the nature of the business, the company has not experienced a negative effect on its results during the National Lockdown period. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Key performance indicators

The key performance indicators that management use to monitor business performance are turnover and operating margin.

Future developments

The company will continue to operate in the UK and Ireland on behalf of the European Principal Company selling all products related to the group.

Principal risks and uncertainties

The directors do not consider there to be any principal risk or uncertainty within the company.

Financial risk management objectives and policies

The company's principal financial instruments comprise inter-company borrowings. The main purpose of these financial instruments is to raise finance for the company's operations. The company has other financial instruments such as trade creditors, which arise directly from its operations. The company does not enter into derivative transactions.

It is, and has been throughout the period under review, the company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the company's financial instruments are interest rate risk and foreign currency risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Currency risk

The company is exposed to translation and transaction foreign exchange risk. In relation to translation risk, as far as possible the assets held in the foreign currency are matched to an appropriate level of borrowings in the same currency. Transaction exposures, including those associated with forecast transactions, are hedged when known at a group level by Newell Europe Sarl, principally using forward currency contracts. Whilst the aim is to achieve an economic hedge the group does not adopt an accounting policy of hedge accounting.

The sales are priced in Sterling but invoiced in the currencies of the customers involved. The group policy is to address all currency exposures on any balance not expected to mature within 30 days through the use of forward currency contracts.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Strategic report (continued)

Financial risk management objectives and policies (continued)

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets prudently and profitably. Flexibility is achieved by group borrowings.

Credit risk

The company's principal financial assets are cash, loan receivables and trade debtors. The credit risk associated with the cash is limited as the counterparties have high credit ratings assigned by international credit rating agencies. The principal credit risk arises therefore from its trade debtors.

In order to manage credit risk from its trade debtors the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Section 172(1) Statement

The Directors acknowledge that the business can only grow and prosper over the long-term if it understands and respects the views and needs of the company's investors, customers, employees, suppliers and other stakeholders to whom we are accountable, as well as the environment we operate within. The company depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The company seeks to put its customers' best interests first, invests in its employees, supports the communities in which it operates and strives to generate sustainable profits for shareholders.

The Directors of the company have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006. The Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to the employees of the company.

Section 172 considerations are embedded in decision making at Board level and throughout the Group. Issues, factors and stakeholders which the Directors have considered when discharging their duty under section 172(1) are detailed below:

Response to COVID-19

With significant uncertainty created by the COVID-19 pandemic the Directors oversaw the company's response with the aim of ensuring we emerge from the crisis well positioned for long-term success, whilst supporting our employees and their safety and continuing to deliver for our customers.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Strategic report (continued)

Section 172(1) Statement (continued)

Consideration	Outcome/Impact
Employees	
Considered the health, safety and wellbeing of all employees. In particular, for those still required to be on-site to support customer delivery, the Directors deliberated the safety measures to protect their wellbeing. For those able to work from home the Directors considered the infrastructure to support this and their working efficiency. Given the increase in homeworking consideration was also given to the increased risk of cyberattacks and data breaches and how to mitigate this. A range of scenarios whereby the company experiences subdued demand or inability to deliver for a period of time were considered, with consideration given to how the company could manage the workforce to match this, whilst protecting our employees' interests and engagement and retaining their expertise within the business for the long-term.	The Directors were satisfied that sufficient measures were in place to protect the health, safety and wellbeing of our people and continue to monitor the situation.
Customers	
Considered continuity plans and our ability to continue delivering for our customers in the event of a significant proportion of the workforce being unable to work due to sickness. The Directors also considered near-term demand and how customers' priorities might change over a longer period of time.	The Directors were satisfied with the continuity plans in place to ensure the continued delivery of mission-critical work. Particular attention was given to how we will respond to changing customer priorities over a longer time horizon.
Shareholders	
Considered the current liquidity and financial position of the business and various scenarios whereby cash flow deteriorates.	The directors concluded that the company was in a strong financial position but given the considerable uncertainty it was prudent to reduce discretionary cash outflows where possible, to ensure that the company emerges well positioned to deliver long-term sustainable growth for its shareholder.

Directors' statement of compliance with duty to promote the success of the company

A director of a Company must act in the way he or she considers, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, and in doing so have regard, (amongst other matters), to:

- likely consequences of any decisions in the long-term; interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others; the impact of the Company's operations on the community and environment;
- desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the Company.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Strategic report (continued)

Directors' statement of compliance with duty to promote the success of the company (continued)

In discharging their Section 172 duties the directors of the Company considers that they have had regard in material respects to the factors set out above.

The key stakeholders of the Company are the employees, customers, shareholders, suppliers & regulators.

The Company delegates authority for day-to-day management to senior leaders, who set, approve and oversee the running of the Company. The Company had no significant commercial business during the year, and as such the full range of Section 172 factors and stakeholder considerations have not been applied. Board meetings are held periodically where the directors consider Company activities, and make decisions. As part of the Group, the Company follows Group policies and procedures, including those relating to standards of business conduct, the environment, the community, and its interactions with key stakeholders. However, the Company, whilst being part of the Group, makes autonomous Board decisions on each transaction's own merits after due consideration of the long-term success of the Company, Section 172 factors, where relevant, and the stakeholders impacted.

During the course of 2020 no significant decisions were made by the Company.

On behalf of the Board



RB Dave

Director

13 December 2021

Newell Brands UK Limited
Registered number : 00104102

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Independent auditor's report to the members of Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)

Opinion

We have audited the financial statements of Newell Brands UK Limited (the 'company') for the year ended 31 December 2020, which comprise statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, 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 in 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 state of the company's affairs as at 31 December 2020 and of its loss 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. 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Independent auditor's report (continued)

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

Matter on which we are required to report under the Companies Act 2006

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 the directors' report.

Matters on which we are required to report by exception

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.

Responsibilities of directors for the financial statements

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.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Independent auditor's report (continued)

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to many laws and regulations, where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and Companies Act 2006);
- We understood how the Company is complying with legal and regulatory frameworks by making enquiries of management. We corroborated our enquiries through our review of board minutes and certain other audit procedures;
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with employees from different parts of the business to understand where it is considered there was a susceptibility of fraud. We considered the controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how senior management monitors those controls. Our audit procedures involved journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business. In addition, we completed audit procedures to conclude on the compliance of disclosures in the Report and Financial Statements with applicable financial reporting requirements. These audit procedures were designed to provide reasonable assurance that the financial statements were free of fraud or error;
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team including consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the company operates
 - understanding of the legal and regulatory requirements specific to the company and the applicable statutory provisions;
- We did not identify any matters relating to non-compliance with laws and regulations or relating to fraud; and
- In assessing the potential risks of misstatement, we obtained understanding of the company's control environment, operations, classes of transactions, account balances, expected financial statement disclosures and business risks.

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.



David White
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
Date: 13/12/2021

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Statement of Comprehensive Income for the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Turnover	3	85,023	85,002
Cost of sales		(77,740)	(73,561)
Gross profit		7,283	11,441
Exceptional income	4	-	88
Exceptional expense	4	(14)	(134)
Administrative expenses	4	(5,118)	(6,621)
Operating profit		2,151	4,774
Interest receivable and similar income	7	22	749
Profit on ordinary activities before taxation		2,173	5,523
Tax on profit on ordinary activities	8	(85)	(358)
Profit for the financial year		2,088	5,165
Actuarial loss in respect of defined benefit schemes	17	(160)	(1,172)
Total comprehensive profit for the year		1,928	3,993

All activities of the company are classed as continuing.

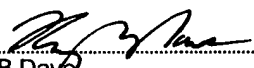
The accompanying Accounting Policies on pages 18 to 21 and Notes to Financial Statements on pages 22 to 29 form an integral part of these financial statements.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Statement of Financial Position as at 31 December 2020

	Note	12/31/2020 £'000	12/31/2019 £'000
Fixed assets			
Intangible fixed assets	9	-	-
Tangible fixed assets	10	2	2
		2	2
Current assets			
Debtors: amounts falling due within one year	11	45,937	38,602
Inventory		670	-
Cash at bank and in hand		-	-
		46,607	38,602
Creditors: amounts falling due within one year	12	(13,081)	(7,003)
Net Current Assets		33,526	31,599
Total assets less current liabilities		33,528	31,601
Pension liability	17	-	-
Net liabilities		33,528	31,600
Capital and reserves			
Called up Share Capital	13	375	375
Capital reserves	14	18,700	18,700
Other reserves	14	15	15
Profit and loss account	14	14,438	12,510
Shareholders' fund		33,528	31,600

The financial statements on pages 15 to 29 were approved by the director:


 RB Day
 Director
 13 December 2021

Newell Brands UK Limited
 Registered number : 00104102

The accompanying Accounting Policies on pages 18 to 21 and Notes to Financial Statements on pages 22 to 29 form an integral part of these financial statements.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Statement of Changes in Equity for the year ended 31 December 2020

	Called up share capital £'000	Capital reserves £'000	Other reserves £'000	Profit and loss account £'000	Total Equity £'000
Balance as at 01 January 2020	375	18,700	15	12,510	31,600
Comprehensive income for the year					
Profit for the financial year	-	-	-	2,088	2,088
Other comprehensive income for the year					
Actuarial loss in respect of defined benefit schemes	-	-	-	(160)	(160)
Total comprehensive income for the year	-	-	-	1,928	1,928
Balance as at 31 December 2020	375	18,700	15	14,438	33,528
Balance as at 01 January 2019	375	18,700	15	8,517	27,607
Comprehensive income for the year					
Profit for the financial year	-	-	-	5,165	5,165
Other comprehensive loss for the year					
Actuarial loss in respect of defined benefit schemes	-	-	-	(1,172)	(1,172)
Total comprehensive income for the year	-	-	-	3,993	3,993
Balance as at 31 December 2019	375	18,700	15	12,510	31,600

The accompanying Accounting Policies on pages 18 to 21 and Notes to Financial Statements on pages 22 to 29 form an integral part of these financial statements.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

1. Accounting policies

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

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102'), and the Companies Act 2006.

The financial statements are presented in Sterling (£).

FRS 102 - Reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Newell Brands Inc. as at 31 December 2020 and these financial statements may be obtained from Investor Relations, Newell Brands Inc., 6655 Peachtree Dunwoody Road Atlanta, GA 30328 United States.

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

Newell Rubbermaid UK Limited is a qualifying entity as its results are consolidated into the financial statements of Newell Brands Inc which are publicly available.

Consolidated financial statements

The Company is a wholly owned subsidiary of Newell Brands Inc, a company incorporated in the United States of America. It is included in the consolidated financial statements of Newell Brands Inc which are publicly available. Therefore, the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the Company's separate financial statements.

Going concern

The ultimate parent company, Newell Brands Inc., has agreed to provide financial support until 31 December 2022 to enable the company to continue its business operations as a going concern for the foreseeable future.

The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future and be able to meet its liabilities as they fall due. Accordingly, the financial statements have been prepared on the going concern basis.

Please refer to the Directors' report for the full assessment.

Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)

31 December 2020

Accounting policies (continued)

Tangible fixed assets (continued)

Depreciation is charged from the time the asset is ready for use, so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. The estimated useful lives are as follows:

Leasehold building improvements	10 to 20 years
Plant and machinery	3 to 10 years
IT equipment	2 to 5 years
Fixtures and fittings	3 to 10 years
Construction in progress	-

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Inventories

Inventories are stated at the lower of historical cost and estimated selling price less costs to complete and sell. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are recognised as an expense in the period in which the related revenue is recognized.

Cost is determined on the first-in, first-out (FIFO) method. Cost includes the purchase price (less trade discounts, rebates and similar items), including taxes and duties and transport and handling directly attributable to bringing the inventory to its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the statement of comprehensive income. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the statement of comprehensive income.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Pensions

The company operates a defined benefit pension scheme covering a large number of employees, which requires contributions to be made to a separately administered fund.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)

31 December 2020

Accounting policies (continued)

Pensions (continued)

The net liabilities or the recoverable assets of the pension schemes are included in the statement of financial position, current service costs and net financial returns in the profit or loss account and actuarial gains and losses in other comprehensive income. Under FRS 102 the surplus recognised in the Statement of Financial Position cannot exceed the amount which could be recovered either through reduced contributions in the future or by an agreed refund of the surplus. Further information on the pension schemes is provided in note 17.

The company also operates a defined contribution plan for its employees.

Contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds. Once the contributions have been paid the company has no further payments obligations.

Current and deferred taxation

Tax is recognised in profit or loss, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable net of discounts and value added taxes. Turnover comprises only revenue from the sale of goods.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the goods are dispatched to the customer.

Interest income is recognised using the effective interest rate method.

Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is sterling (GBP).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Accounting policies (continued)

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

Key accounting estimates and assumptions

The only material area of estimation relates to the assumptions used in the valuation and recognition of the defined benefit pension assets and liabilities, the details of which are included in note 17.

Judgement is involved on the part of the directors in considering the recognition of deferred tax assets in respect of taxable losses. Deferred tax assets are not recognised on the basis that the timing of their future recovery is uncertain.

Judgement is also involved on the part of the directors in considering the recognition of pension assets in respect of pension surpluses. Pension assets are not recognised on the basis that the valuations are not performed on a wind-up basis, therefore not reflective of fair value at the balance sheet date.

Additionally, there is a pension surplus on an actuarial basis (see note 17) which is not recognised. The directors have applied judgement in forming the conclusion that recovery is not reasonably certain in line with FRS 102 based on a review of the Scheme Rules and discussions with the Trustee.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements

3 Turnover

The analysis of turnover by geographical market is given below:

	2020 £'000	2019 £'000
United Kingdom	72,707	80,752
Republic of Ireland	2,869	4,250
Other	9,447	
	85,023	85,002

All turnover arose from the company's principal activity.

4 Operating profit

This is stated after charging/(crediting):

	2020 £'000	2019 £'000
Auditor's remuneration - audit services	10	23
Depreciation of owned fixed assets (note 10)	-	37
Operating lease rentals - vehicles	18	71
Exceptional income	-	88
Exceptional expense	(14)	(134)
Net gain/ (loss) on foreign currency translation	(230)	24

In 2020 and 2019, exceptional expense relates to severance costs.

5 Staff costs

The average monthly number of employees (including executive directors) was:

	2020 No.	2019 No.
Sales and distribution	38	38
Administration	2	2
	40	40

Their aggregate remuneration comprised:

	2020 £'000	2019 £'000
Wages and salaries	2,573	2,551
Social security costs	376	338
Other pension costs (note 17)	155	152
	3,103	3,041

Pension costs is comprised of contributions made to defined contribution sections of the Newell Rubbermaid UK pension scheme of £147,000 (2019: £153,000) plus costs associated with the defined benefit sections of the same scheme. For more details on the defined benefit scheme refer to note 17.

6 Directors' emoluments

	2020 £'000	2019 £'000
Emoluments	189	106
Pension contributions	7	6
	195	112

The emoluments of the highest paid director were £189,000 (2019: £106,000). The highest paid director is a member of a defined contribution scheme, under which the total company pension contribution for the year was £7,000 (2019: £6,000).

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements (continued)

6 Directors' emoluments (continued)

The number of directors who accrued benefits under company pension schemes was as follows:

	2020	2019
	No.	No.
Member of defined benefit pension schemes	1	1
Member of defined contribution pension schemes	1	1

The remuneration above is representative of one of the directors who served during the prior year. The directors are also directors of certain other companies within the group. It is not practical to determine the proportion of their emoluments that are attributable to their services as directors of this company.

7 Interest receivable and similar income

	2020	2019
	£'000	£'000
Interest receivable from group undertakings	22	98
Net finance income in respect of defined benefit pension scheme (note 17)	-	651
	22	749

8 Tax on profit on ordinary activities

a) Analysis of tax charge in the year

There was no tax charge or credit in either year.

b) Factors affecting the tax charge

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change, had it been substantively enacted by the balance sheet date, would be to increase the tax expense for the period by £27,458.

The tax assessed on the profit on ordinary activities for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are reconciled below:

	2020	2019
	£'000	£'000
Profit on ordinary activities before taxation	2,173	5,523
Tax thereon at 19% (2019: 19%)	413	1,049
Effects of:		
Disallowed expenses and non taxable income	47	(9)
Tax losses utilised	-	(565)
Deferred tax not recognised	(123)	(117)
Prior year tax charged in the current year	(252)	-
Total tax charge for the year	85	358

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements (continued)

9 Intangible fixed assets

	Total
	<u>£'000</u>
Cost	
At 01 January 2020	5,024
At 31 December 2020	<u>5,024</u>
Amortisation	
At 01 January 2020	5,024
At 31 December 2020	<u>5,024</u>
Net Book Value	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>-</u>

10 Tangible fixed assets

	Land & leasehold improvements £'000	IT equipment £'000	Fixtures & fittings £'000	Total £'000
Cost				
At 01 January 2020	4	-	471	475
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2020	<u>4</u>	<u>-</u>	<u>471</u>	<u>475</u>
Depreciation				
At 01 January 2020	2	-	471	473
Provided during the year	-	-	-	-
Depreciation on disposals	-	-	-	-
At 31 December 2020	<u>2</u>	<u>-</u>	<u>471</u>	<u>473</u>
Net Book Value				
At 31 December 2020	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>
At 31 December 2019	2	-	-	2

The book amount of long leasehold land, which is not depreciated, at 31 December 2020 is £Nil (2019: £Nil).

11 Debtors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade debtors	16,746	23,950
Amounts owed by group undertakings	29,041	12,902
Prepayments and accrued income	150	1,750
	<u>45,937</u>	<u>38,602</u>

Amounts due to group undertakings are unsecured, do not attract any interest and are repayable on demand.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements (continued)

12 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	210	377
Amounts owed to group undertakings	7,038	4,852
Other taxes and social security costs	160	909
Accruals and deferred income	5,673	865
	13,081	7,003

Amounts include loans totalling £3,535,000 (2019: £3,535,000) which are repayable on demand. Interest is payable at a rate of 0.375% per annum. All other amounts do not attract interest. All loans are unsecured.

Amounts owed to group undertakings include an amount payable to Newell Rubbermaid UK Services Limited of £349,919 in terms of 2020 group relief (2019: £358,598).

13 Called up Share Capital

	2020 £'000	2019 £'000
<u>Allotted, called-up and fully-paid</u>		
1,500,000 nos. ordinary share (2019: 1,500,000) of £0.25 each	375	375

14 Reserves

Profit and loss

The profit and loss account represents accumulated comprehensive income of the year and prior periods less any dividends paid.

Capital redemption reserve

Capital contribution comprises a capital contribution from the shareholder in order to retain liquidity and solvency.

Other reserves

Other reserves - funds reserved for specific use.

15 Financial Instruments

	2020 £'000	2019 £'000
<u>Financial assets</u>		
Financial assets that are debt instruments measured at amortised cost	45,787	36,852
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost	12,920	6,093

Financial assets measured at amortised cost comprise amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings and accruals.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements (continued)

16 Financial commitments

a) Capital commitments

There were no amounts contracted but not provided for 31 December 2020 or 31 December 2019

b) Lease commitments

Future minimum commitments under non-cancellable operating leases are as follows:

	2020 Other £'000	2019 Other £'000
<u>Expiry date :</u>		
- within 1 year	53	50
- between 2 and 5 years	-	14
Total	53	64

17 Pension commitments

The company, along with fellow group undertakings Newell Rubbermaid UK Limited and Newell Rubbermaid UK Services Limited, operates the defined benefit sections of the Newell Rubbermaid UK Pension Scheme. This provides benefits based on a pensionable salary. The assets of the scheme are administered by Trustee and are entirely separate from the company's finances. With effect from 26 October 2001, the scheme was closed to new members and with effect from 31 March 2018, the scheme was closed to future accrual. The company accounts for its share of the assets and liabilities of the scheme within these financial statements.

The contributions made by the employer over the year are disclosed within this note and future contributions will be in line with the schedule agreed by the scheme Trustee.

The last funding valuation of the Combined Newell Record Section of the Scheme was carried out by a qualified actuary as at 8 July 2020. The results of the latest funding valuation at 8 July 2020 have been adjusted to the balance sheet date taking account of experience over the period since 8 July 2020, changes in market conditions and differences in financial and demographic assumptions.

The last funding valuation of the Combined Parker Sanford Section of the Scheme was carried out by a qualified actuary as at 8 July 2020. The results of the latest funding valuation at 8 July 2020 have been adjusted to the balance sheet date taking account of experience over the period since 8 July 2020, changes in market conditions and differences in financial and demographic assumptions.

The company also makes contributions to the defined contribution sections of the Newell Rubbermaid UK pension scheme. In the year, these amounted to £147,000 (2019 : £153,000) and these were charged to profit or loss.

Reconciliation of the present value of the defined benefit obligation

	2020 £'000	2019 £'000
Present value of defined benefit obligation at the beginning of the year	66,303	64,829
Service cost	-	-
Interest cost	1,240	1,668
Members' contributions	-	-
Actuarial (gain)/loss on scheme liabilities	5,362	3,961
Benefits paid	(4,231)	(4,155)
Curtailments and settlements	114	-
Past service cost	-	-
Present value of defined benefit obligation at the end of the year	68,788	66,303

Analysis of the defined benefit obligation

	2020 £'000	2019 £'000
Present value of unfunded defined benefit obligation	-	-
Present value of funded defined benefit obligation	68,788	66,303

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements (continued)

Reconciliation of the fair value of scheme assets

	2020	2019
	£'000	£'000
Fair value of scheme assets at the beginning of the year	94,281	89,094
Expected return on pension scheme assets	1,768	2,319
Actuarial (loss)/gain on scheme assets	91	6,502
Contributions by the company	43	1,464
Contributions by members	-	-
Benefits paid	(4,231)	(4,155)
Expenses paid	(617)	(943)
Settlements	-	-
Fair value of scheme assets at the end of the year	91,335	94,281

Amounts to be recognised in the statement of financial position

	2020	2019
	£'000	£'000
Present value of funded obligation	68,788	66,303
Fair value of scheme assets	(91,335)	(94,281)
	(22,547)	(27,978)
Surplus not recognised on the statement of financial position	(22,547)	(27,978)
Surplus recognised on the statement of financial position	-	-

Amounts to be recognised in the profit and loss account

	2020	2019
	£'000	£'000
Current service cost	-	-
Total administrative expense recognised in profit and loss	617	943
Net interest on net defined benefit asset	(528)	(651)
Past service cost	-	-
(Gains)/Losses on curtailment/settlements	114	-
Total expense	203	292

Total amount recognised in other comprehensive income

	2020	2019
	£'000	£'000
Increase/ (decrease) in irrecoverable surplus	(5,431)	3,713
Actuarial loss/ (gain)	5,271	(2,541)
Actuarial (gain)/ loss recognised in other comprehensive income	(160)	1,172

Scheme assets at year end

		2020		2019
	%	£'000	%	£'000
Equities	0.71%	646	0.01%	9
Gifts and bonds	85%	77,506	79%	74,403
Property	0%	-	0%	-
Alternative	0%	-	0%	-
Cash and cash instruments	3%	3,040	14%	13,091
Insurance	11%	10,144	7%	6,778
Total scheme assets		91,336		94,281

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements (continued)

17 Pension commitments (continued)

Amount of company related investments included in fair value of assets

There were no company related investments included in the fair value of assets in either year.

Actual return on assets

	2020	2019
	£'000	£'000
Actual return on scheme assets	1,859	8,821

Principal actuarial assumptions at the balance sheet date

	2020	2019
	%	%
Discount rate for liabilities	2.07%	2.86%
Discount rate for interest cost	1.91%	2.62%
Expected return on scheme assets at the end of the year	0.00%	0.00%
Rate of increase in salaries	0.00%	0.00%
Price inflation	2.88%	3.43%
Pension increases:		
GMP accrued before 6 April 1988	0.00%	0.00%
GMP accrued post 5 April 1988	0.00%	3.00%
Pension accrued (in excess of GMP) before 6 April 1997	2.03%	2.50%
Pension accrued on or after 6 April 1997	2.88%	3.43%
Mortality:		
110% of S2PXA, CMI 2018 Core Model, Sk = 7.5 and long term future improvements of {1.25%} BY		

The assumed life expectancy on retirement at age 65 is:

	2020	2019
Retiring today		86.3
Male		
Female		88.3
Retiring in 20 years		88.1
Male		
Female		90.2

Estimated contributions

The employer's estimate of contributions to be paid to the scheme by the company next year is £43,000.

18 Contingent liabilities

The company is part of a cross guarantee for Barclays Bank Plc between Fine Writing Pens of London Limited, Newell (1995), Newell Europe Sarl, Newell Luxembourg Finance Sarl, Newell Poland SA, Newell Brands Inc., Newell Rubbermaid UK Limited, Newell Rubbermaid UK Services Limited and Newell Rubbermaid Global Limited to a value of £3.5 million. No loss is expected to arise from this arrangement.

There are discovery assessments from HMRC in relation to the company's taxation returns for the years ended 31 December 2015 and 31 December 2016 open at the date of approval of these financial statements. The directors continue to work with their advisors in relation to these assessments and are of the opinion that the likelihood of outflow of economic benefits is not probable. However, it is considered appropriate to disclose a contingent liability in relation to these assessments.

Newell Brands UK Limited (formerly Newell Rubbermaid UK Limited)
31 December 2020

Notes to the financial statements (continued)

19 Ultimate parent company and controlling party

The immediate parent company is Polyhedron Holdings Limited, a company incorporated in England and Wales.

The ultimate parent company and controlling party of the largest and smallest group of undertakings for which group financial statements are drawn up and of which the company is a member is Newell Brands Inc, a company incorporated in the United States of America. Copies of the financial statements of Newell Brands Inc. can be obtained from Newell Brands Inc., 6655 Peachtree Street, Dunwoody, GA 30328, USA.

20 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 not to disclose transactions with other group companies where 100% of the company's voting rights are controlled within the group.

The directors are the only members of key management. Refer to note 6 for details on remuneration paid to key members of management.