COMPANY NUMBER 00893081

SHERWIN-WILLIAMS PROTECTIVE & MARINE COATINGS

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Sherwin –Williams Protective & Marine Coatings

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Sherwin –Williams Protective & Marine Coatings

COMPANY INFORMATION

Mr J Miklich
Mr M Palmer
Mr I Walker
Mr J Donchess
Mr D Karnstein

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Auditors

Deloitte LLP
Statutory Auditor
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Bankers

J P Morgan
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Bournemouth
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Solicitors

Eversheds LLP
115 Colmore Row
Birmingham
B3 3AL

Sherwin-Williams Protective & Marine Coatings

Strategic report

Principal activity

Sherwin-Williams Protective & Marine Coatings' (the "company") principal activity comprises of the manufacture, marketing and selling of protective and marine coatings, offering a complete line of high performance coatings technologies to combat erosion.

Business review

During the year, the company has continued to manufacture specialist industrial and fire protection coatings, including intumescent paint. The company is one of the UK's leading manufacturers in this area and provides its products to a wide range of customers operating within the steel, marine, oil, gas, chemical, and transport markets. The risks inherent within this sphere of activity are the continuation of raw material availability and price pressures.

The performance in the year was broadly in line with the expectations of the directors.

Net Assets have increased to £23,717,909 (2019: £18,792,168) due to an increase in the surplus value of the net pension asset to £12,624,000 (2019: £10,612,000) and the profit for the year of £3,400,353 (2019: profit of £6,178,332). Profit was down compared to last year due to a slight decrease in sales, mainly driven by the impacts of Covid-19 in Q2 2020.

During the year, we have continued to redevelop our site in Bolton improving the production capabilities and expanding the research and development capacity. This is an on-going project which will ensure our facility continues to comply with current environmental legislation, can meet increased demands and provide an efficient and cost-effective production facility for the future. The directors have recognised the need to minimise the environmental and social impact of the business in the atmosphere and surrounding area.

The directors consider that the level of sales, the on-going investment in the company's site and the continued investment in research and development indicate that the state of the business is satisfactory. The strength of the balance sheet provides a firm basis for plans to continue successful trading into the foreseeable future.

Key performance indicators

The company measures its performance on a number of key performance indicators, including;

- revenue 2020: £66,961,996 (2019: £71,560,516);
- controlling costs;
- accurate monthly accounts closed by day 2 of month end;
- balance sheet accounts reconciled by end of the following month;
- statutory accounts filed on time and no penalties incurred;
- tax returns filed on time and no penalties incurred and;
- clean audit reports, both internal and external as evidenced by no material misstatements or audit qualifications.

Principal risks and uncertainties

The company's principal financial instruments comprised trade debtors, trade creditors and loans from group companies. The main purpose of these is to hold funds for, and record, the company's operations. Due to the nature of the financial instruments there is no exposure to price risk. As the company currently has adequate funds and facilities available to meet its operating requirements, there is also little liquidity risk. Any excess funds are deposited on term deposits with the aim of spreading the maturity of these across varying time periods. Deposits are placed with suitably assessed and approved financial institutions.

Trade debtors are managed in respect of credit and cash flow risk by controls over the credit offered to customers and the regular monitoring of amounts outstanding against both time and value limits. Trade creditor's liquidity risk is managed by ensuring that there are sufficient funds available to meet amounts due. In respect of the liquidity risk attached to finance lease agreements, the company manages this risk by ensuring there are sufficient funds to meet the fixed monthly repayments.

The exchange rate risk inherent in international trading is managed by offsetting foreign currency incomes against foreign currency outgoings where possible.

Sherwin-Williams Protective & Marine Coatings

Future developments

The directors expect the general level of activity for the Protective and Marine business to remain consistent with current year.

Future expected performance is a result of continued robust demand in the domestic market, as well as uncertain geopolitical, regulatory and economic conditions in the export segment.

The Directors have been informed that, as part of a wider programme to simplify the Sherwin-William Group's (The group of companies that make up The Sherwin Williams Company) UK legal structure, it is the intention that, within the 12 months following the signing of these financial statements, the business including the assets and liabilities of Sherwin-Williams Protective & Marine Coatings will be transferred to another Sherwin-Williams Group Company (Sherwin-Williams UK Ltd) and the Sherwin-Williams Protective & Marine Coatings legal entity will be liquidated. This change is being done purely to reduce administrative costs and to improve efficiency, and the Directors are confident that it will have no impact on the existing business's commitment to providing a highly innovative and competitive service. It is planned that this will occur in Oct 2021.

Section 172 (1) Statement

The Directors fulfil their duty by ensuring that there is a strong governance structure and process running through all aspects of the Group's operations. The Group's strategy and business model are underpinned by the employees and all members of the Board undertake regular site visits to deliver key engagement and development programmes. The Group engages with its key stakeholders in a variety of ways, explained in more detail in the Strategic Report (page 2) and the Directors' responsibilities statement on page 6. Strategic decisions, such as the legal entity rationalisation project, which is mentioned in the business review on page 2, are made to improve efficiency throughout the business and reduce administration costs. The Board is kept informed of all relevant issues by means of a number of written reports against agreed KPIs.

The Directors have been informed that, as part of a wider programme to simplify the Sherwin-William Group's (The group of companies that make up The Sherwin-Williams Company) UK legal structure, it is the intention that, within the 12 months following the signing of these financial statements, the business including the assets and liabilities of Sherwin-Williams Protective & Marine Coatings will be transferred to another Sherwin-Williams Group Company and the Sherwin-Williams Protective & Marine Coatings legal entity will be liquidated. This change is being done purely to reduce administrative costs and to improve efficiency, and the Directors are confident that it will have no impact on the existing business's commitment to providing a highly innovative and competitive service.

The Board of Directors of Sherwin-Williams Protective & Marine Coatings Ltd consider that they, both individually and collectively, have acted in a way that 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 S172(1)(a-f) of the Act) in the decisions they have taken during the year ended 31 December 2020.

In making this statement the Directors considered the longer term consideration of stakeholders and the environment and have taken into account the following:
a) the likely consequences of any decisions in the long term;
b) the interests of the company's employees;
c) the need to foster the company's business relationships with suppliers, customers and others;
d) the impact of the company's operations on the community and the environment;
e) the desirability of the company maintaining a reputation for high standards of business conduct; and
f) the need to act fairly as between members of the company.

Approved by the Board of Directors
and signed on behalf of the Board

J Miklich
Director
08 July 2021

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 2020.

The company is a wholly owned subsidiary of The Sherwin-Williams Company which is a surface coatings business based in North America.

Future developments

An indication of future developments is given in the strategic report on page 2 and forms part of this report by cross-reference.

Events after the balance sheet

The company is not aware of any post balance sheet events.

Research and development

The company incurred expenditure on research and development appropriate to its trading activities (2020: £2,056,121, 2019: £2,770,421). The ongoing research and development is aimed at improving processes and expanding product ranges for the business.

Existence of branches outside the UK

The company has no branches, as defined in section 1046(3) of the Companies Act 2006, outside the UK.

Going concern

The company operates in a low growth market environment which is set to continue in 2021. The company continues to manage its risk by developing innovation in its product range, and maintaining a very strong brand presence through advertising and promotional literature spend. The company is financially sound and continues to have a strong customer retention from its customer base who place a value on continuity of supply.

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Directors' Report on pages 5 to 6. The company participates in the group's centralised treasury arrangements and shares banking arrangements with its parent and fellow subsidiaries.

The company has a reported profit of £3m in 2020. The company's net asset position at 31 December 2020 is £24m. Annual and rolling company profit forecasts are collated on a business unit level as oppose to each individual statutory entity level.

The 2021 forecast anticipates further volume growth and improved performance for the entity reflecting the company's and Sherwin's EMEAI (Europe, the Middle East, Africa & India) strategy to grow business. The directors of the company have also taken measures to mitigate the financial risks associated with the impacts of the Covid-19. Some of the actions which the business undertook during the year have included, a freeze on headcount hire, reduction in capital spending, programmes to reduce the inventory levels (which had previously increased in preparation for Brexit), taking advantage of government programmes such as the Furlough scheme and deferred VAT payments.

The company is part of The Sherwin-Williams Company, a company incorporated in the United States of America. The company is a listed fortune 500 company and provides comfort in respect of the provision of financial support to Sherwin-Williams Protective and Marine Coatings Limited to assist in meeting liabilities as and when they fall due to the extent that money is not otherwise available to meet such liabilities.

The parent company, The Sherwin-Williams Company, will continue to support the company in the foreseeable future. The directors have assessed the ability of The Sherwin-Williams Company to provide the level of support that might be required given the level of uncertainty associated with trading and cash forecasts and see no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of Sherwin-Williams Protective and Marine Coatings Limited to continue to meet its liabilities as and when they fall due.

Sherwin-Williams Protective & Marine Coatings

The Directors have been informed that, as part of a wider programme to simplify the Sherwin-William Group's (The group of companies that make up the Sherwin-Williams Company) UK legal structure, it the intention that, within the 12 months following the signing of these financial statements, the business including the assets and liabilities of Sherwin-Williams Protective & Marine Coatings will be transferred to another Sherwin-Williams Group Company and the Sherwin-Williams Protective & Marine Coatings legal entity will be liquidated. This change is being done purely to reduce administrative costs and to improve efficiency, and the Directors are confident that it will have no impact on the existing business's commitment to providing a highly innovative and competitive service.

In assessing the appropriateness of the application of the going concern basis, the directors considered their intentions to transfer the trade and assets of the company to another Sherwin-Williams UK entity in order to liquidate the company and therefore, these financial statements have been prepared on a basis other than going concern. There have been no material adjustments arising from the use of a basis other than going concern.

Results and dividends
The profit for the year, after taxation, amounted to £3,400,353 (2019: profit after tax of £6,178,332). There have been no dividends paid or proposed in the year (2019: £nil).
The surplus on the pension scheme asset of £2,016,000 (2019: £4,093,000 increase) and the recognition of the actuarial gain for the year of £2,012,000 (2019: gain of £4,093,000) in the statement of comprehensive income has meant the level of retained profit in 2020 has increased by £4,925,741 (2019: increase of £9,010,344).

Financial risk management objectives and policies
The company's financial risk management objectives and policies, including exposure to market risk, credit risk and liquidity risk are set out below.

The company has implemented a co-ordinated set of risk management and control systems, including strategic planning and management reporting, to help monitor and manage its exposure to risk. Risks which the company faces include price and product competition, integration of acquired businesses, performance risks under long term fixed price contracts, loss of supply of product components, changes in the regulatory and legal environment, and credit and interest rate risks.

Loss of supplier product is managed by procurement and credit and interest rate risks are managed by Treasury. To address the risks the company undertakes measures such as annual strategic plans for all product lines including SWOT analysis, full competitor analysis, along with constant monitoring of the regulatory environment reacting to any changes.

Principal risks and uncertainties are set out in the strategic report on pages 2&3.

Directors

The directors, who served during the year and subsequently except as noted, were as follows:

Mr I Walker
Mr M Palmer
Mr J J Miklich
Mr J M Donchess
Mr D H Karnstein

Employment of disabled persons

It is the policy of the company to give full and fair consideration to the employment of disabled persons, their training and career development with every effort made to retain and assist employees who become disabled in the course of their employment.

Employee consultation

Arrangements exist to inform and consult with employees' representatives on matters of concern to employees. The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting performance of the Company. This is achieved through formal and informal meetings.

Business Relationships
See s172 statement in Strategic Report (page 3).

Directors' report (continued)

Energy and carbon reporting

Description	UOM	Total
Energy Consumed (Electric & Fuel)	kWh	5,955,989
Scope 1 Emissions (CO2e)	Metric Tons	541.9
Scope 2 Emissions (CO2e)	Metric Tons	688.6
Scope 3 Emissions (CO2e)	Metric Tons	18.7
Total C02e Emissions	Metric Tons	1,249.2
Production Metric	Metric Tons	27,758
CO2e Intensity	Metric Tons of CO2 per Tons of production	0.045

The Environmental Reporting Guidelines: including Streamlined Energy and Carbon Reporting and Greenhouse Gas Reporting (BEIS; 2019) were utilised to generate this disclosure. The Climate Leaders guidance documents provide the quantification methods used for calculating GHG emissions from identified sources. Energy consumption data has been sourced from invoice data. Fleet and travel data has been sourced from leasing and travel agents respectively. Emission factors for the calculations were extracted from US EPA Climate Leaders Emission Factor Hub, International Energy Agency (IEA) Emission Factor database (2020 update) and Green House Gas Reporting; Conversion Factors (BEIS; 2020).

Disclosure of relevant information to the auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditors

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

J Miklich
Director

08 July 2021

Sherwin-Williams Protective & Marine Coatings

Directors' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 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.

Independent auditor's report to the members of Sherwin-Williams Protective & Marine Coatings

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of Sherwin-Williams Protective & Marine Coatings (the 'company'):
- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:
- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 22.

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

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

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

Emphasis of matter – financial statements prepared on a basis other than going concern
We draw attention to note 1 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of going concern. Our opinion is not modified in respect of this matter.

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislaton; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included health and safety and data protection laws.

We discussed among the audit engagement team including relevant internal specialists such as pension specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address it are described below:

- Valuation of Labour and Overheads absorbed into Stock: a recalculation was performed over the value of labour and overheads absorbed into stock at year-end and an assessment performed over rate of absorption.

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

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Sherwin-Williams Protective & Marine Coatings

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Hughes BSc (Hons), ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
1 City Square
Leeds, United Kingdon
Date: 9 July 2021

Sherwin-Williams Protective & Marine Coatings

Profit and loss account
For the year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	3	66,961,996	71,560,516
Operating expenses:			
Changes in stock of finished goods and in work in progress		913,619	(297,499)
Raw materials and consumables		(38,642,146)	(42,061,031)
Staff costs	8	(14,206,304)	(13,307,715)
Depreciation		(897,807)	(874,168)
Other operating charges		(8,797,469)	(8,703,099)
Other income	4	266,091	-
		(61,364,016)	(65,243,512)
Operating profit	7	5,597,980	6,317,004
Interest receivable and similar income	6	193,000	189,000
Interest payable and similar expenses	5	(107,258)	(294,759)
Profit on ordinary activities before taxation		5,683,722	6,211,245
Taxation on loss on ordinary activities	10	(2,283,369)	(32,913)
Profit for the financial year		3,400,353	6,178,332

None of the company's activities were acquired or discontinued during the above two financial years.

The accompanying notes are an integral part of this profit and loss account.

Statement of comprehensive income

	2020 £	2019 £
Profit for the financial year	3,400,353	6,178,332
Actuarial gains relating to pension scheme (note 19)	2,016,000	4,093,000
Deferred tax	(357,807)	-
Total comprehensive income	5,058,546	10,271,332

Balance sheet
As at 31 December 2020

	Note	2020 £	2019 £
Non current assets			
Tangible assets	11	5,334,470	5,913,055
Pension scheme asset	19	12,624,000	10,612,000
		17,958,470	16,525,055
Current assets			
Stocks	12	6,829,122	8,747,649
Debtors – amounts falling due within one year	14	25,858,664	22,443,221
		32,687,786	31,190,870
Creditors: amounts falling due within one year	15	(24,822,136)	(28,923,757)
Net current assets		7,865,650	2,267,113
Total assets less current liabilities		25,824,120	18,792,168
Provision for Liabilities	16	(2,106,211)	-
Net assets		23,717,909	18,792,168
Capital and reserves			
Called up share capital	17	93,520	93,520
Capital redemption reserve		43,230	43,230
Share premium account		117,713	117,713
Profit and loss account		23,463,446	18,537,705
Shareholders' funds		23,717,909	18,792,168

These financial statements were approved by the directors and authorised for issue on 08 July 2021 and are signed on their behalf by:

J Miklich
Director

Company Registration Number: 00893081

The accompanying notes are an integral part of this Balance Sheet.

Statement of changes in equity
31 December 2020

	Called up Share Capital (note 17) £	Capital Redemption Account £	Share Premium Account £	Profit and Loss Account £	Total £
At 1 January 2019	93,520	43,230	117,713	9,527,361	9,781,824
Profit for the financial year	-	-	-	6,178,332	6,178,332
Other comprehensive income	-	-	-	4,093,000	4,093,000
Total comprehensive income	-	-	-	10,271,332	10,271,332
Movements in equity associated with share based payments	-	-	-	(1,260,988)	(1,260,988)
At 1 January 2020	93,520	43,230	117,713	18,537,705	18,792,168
Profit for the financial year	-	-		3,400,353	3,400,353
Other comprehensive income	-	-		1,658,193	1,658,193
Total comprehensive income	-	-	-	5,058,546	5,058,546
Movements in equity associated with share based payments	-	-	-	(132,805)	(132,805)
At 31 December 2020	93,520	43,230	117,713	23,463,446	23,717,909

Notes to the financial statements

1. Accounting policies

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

a. General information and basis of accounting

Sherwin-Williams Protective & Marine Coatings is a private company incorporated in the United Kingdom (England) and limited by shares under the Companies Act 2006. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared in accordance with applicable accounting standards under FRS102 and the historical cost convention.

The functional currency of Sherwin-Williams Protective & Marine Coatings is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Sherwin-Williams Protective & Marine Coatings meets the definition of a qualifying entity under FRS102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel. Sherwin-Williams Protective & Marine Coatings Limited is consolidated in the financial statements of its ultimate parent, The Sherwin-Williams Company, which may be obtained from the address in note 20.

b. Going concern

The Directors have been informed that, as part of a wider programme to simplify the Sherwin-William Group's (The group of companies that make up The Sherwin-Williams Company) UK legal structure, it is the intention that, within the 12 months following the signing of these financial statements, the business including the assets and liabilities of Sherwin-Williams Protective & Marine Coatings will be transferred to another Sherwin-Williams Group Company and the Sherwin-Williams Protective & Marine Coatings legal entity will be liquidated. This change is being done purely to reduce administrative costs and to improve efficiency, and the Directors are confident that it will have no impact on the existing business's commitment to providing a highly innovative and competitive service.

In assessing the appropriateness of the application of the going concern basis, the directors considered their intentions to transfer the trade and assets of the company to another Sherwin-Williams UK entity in order to liquidate the company and therefore, these financial statements have been prepared on a basis other than going concern. There have been no material adjustments arising from the use of a basis other than going concern.

c. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on cost in equal monthly instalments over the estimated useful lives of the assets. Freehold land and assets under the course of construction are not depreciated. The rates of depreciation for other assets are as follows:

Freehold Buildings	Vary from 2% to 10% per annum straight line
Plant and Machinery	Vary from 10% to 20% per annum straight line

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

d. Fixed asset investments

Fixed asset investments are stated at cost less any provision for impairment.

Notes to the financial statements (continued)

1. Accounting policies (continued)

e. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

f. Taxation

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

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

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

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

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

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

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

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

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

g. Turnover

Turnover represents the value of goods sold and services provided, after deduction of trade discounts rebates and value added tax. Sales revenue is recognised in the financial statements when goods are despatched.

1. Accounting policies (continued)

h. Employee benefits

For defined benefit schemes the amounts charged to operating profit are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to profit or loss and included within finance costs. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

i. Foreign currency

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

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

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

- exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

j. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Notes to the financial statements (continued)

1. Accounting policies (continued)

k. Share-based payment
The company grants to certain employees rights to equity instruments of The Sherwin-Williams Company, its parent company. The required disclosures are therefore included in The Sherwin-Williams Company consolidated financial statements.
The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of equity instruments that will eventually vest. At each balance sheet date, the company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

l. Financial Instruments
Financial assets and financial liabilities are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

m. Research and development expenditure
Research and development expenditures are expensed in the year they are incurred and not capitalised. Management cannot, with an acceptable level of certainty, give an expected period of economic benefit and products are constantly refined and re-tested to ensure that they remain competitive. Additionally, projects and the research and development phases often overlap making it difficult to value specific development projects.

n. Government grants
Government grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to the grant and the grant will be received.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the company's accounting policies

The directors consider there to be no critical judgements. The following are key estimations.

Pensions

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds upon which the discount rate is based. Sensitivities are also considered, such as changes to the discount rate or inflation.

The mortality rate is based on publicly available mortality tables for the specific country. See note 18 for further information.

Notes to the financial statements (continued)

3. Turnover

An analysis of the company's turnover (relating entirely to its principal activity) by geographical market is set out below:

		2020 £	2019 £
With third parties	- Great Britain	42,404,756	49,003,777
	- Other	14,513,601	14,442,734
With fellow subsidiaries -			
	- USA	1,485,663	308,981
	- Europe	3,098,291	3,614,257
	- Rest of World	5,459,685	4,190,767
		66,961,996	71,560,516

4. Other income

	2020 £	2019 £
Government furlough payments	266,091	-

5. Interest payable and similar expenses

	2020 £	2019 £
Interest payable to group companies	107,258	294,759

6. Interest receivable and similar income

	2020 £	2019 £
Interest income in respect of defined benefit pension scheme	193,000	189,000
	193,000	189,000

7. Profit on ordinary activities before taxation

Operating profit is after charging/ (crediting):	2020 £	2019 £
Depreciation of tangible fixed assets (see note 11)	897,807	874,168
Operating lease rentals	637,538	410,000
Research and development costs	2,056,121	2,770,421
Foreign exchange loss	497,512	28,147
Impairment of stock	767,743	1,600,390

The analysis of auditor's remuneration is as follows:

	2020 £	2019 £
Fees payable to company's auditor for the audit of the company's financial statements	61,406	56,577
Tax compliance services	10,135	14,200

8. Staff costs

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

Average number of persons employed	2020 Number	2019 Number
Production	174	162
Sales and distribution	60	66
Administration	26	36
	260	264

Their aggregate remuneration comprised:	£	£
Wages and salaries	11,957,079	11,068,923
Social security costs	1,177,819	1,272,561
Pension costs	1,071,406	966,231
	14,206,304	13,307,715

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	386,495	329,015

The number of directors who:

	Number	Number
Are members of the defined benefit pension scheme	1	1

Remuneration of the highest paid director:		
Emoluments	250,166	231,720
Company contributions to money purchase schemes	-	-
	250,166	231,720

The number of directors that are remunerated through this company is two. All other directors are remunerated through other group companies as their costs are incidental and so it is not practical to recharge their costs to the company.

Notes to the financial statements (continued)

10. Tax on profit on ordinary activities

The tax charge comprises:

	2020	2019
	£	£
Current tax on profit on ordinary activities		
UK corporation tax	648,039	-
	-	-
Adjustments in respect of prior years		
UK corporation tax	119,543	-
Foreign tax	-	-
Total current tax	767,582	-
Deferred tax		
Origination and reversal of timing differences	174,272	30,400
Deferred tax now recognised	844,434	-
Adjustment in respect of prior year	497,081	2,513
Total deferred tax (see note 16)	1,515,787	32,913
Total tax on profit on ordinary activities	2,283,369	32,913

In the 2021 UK Budget on 3 March 2021, the UK Government announced that the headline rate of UK corporation will increase to 25% from 1 April 2023. This change is expected to form part of the Finance Bill 2021. For FRS 102 purposes, following the substantive enactment of the Finance Bill, the new rate should be used to measure deferred taxes to the extent that temporary differences will reverse after 1 April 2023. A UK corporation tax rate of 19% has been used to calculate deferred tax balances for the year ended 31 December 2020 as this is the rate enacted at the balance sheet date.

There is no expiry date on timing differences, unused tax losses or tax credits.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2020	2019
	£	£
Profit on ordinary activities before tax	5,683,722	6,211,245
Tax on profit/(loss) on ordinary activities at standard UK corporation tax rate of 19 per cent (2019: 19 per cent)	1,079,907	1,213,050
Effects of:		
- Expenses not deductible for tax purposes	59,850	63,986
- Differences in taxation rates	119,544	-
- Adjustment in respect of prior years	497,081	-
- Group relief	(317,447)	(1,378,210)
- Items not recognised in deferred tax	-	101,174
- Deferred tax now recognised	844,434	-
- Items written off	-	32,913
Total tax charge for period	2,283,369	32,913

Notes to the financial statements (continued)

11. Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Assets in course of construction £	Total £
Cost				
At 1 January 2020	3,628,814	13,652,236	-	17,281,050
Additions	23,835	67,339	228,048	319,222
At 31 December 2020	3,652,649	13,719,575	228,048	17,600,272
Accumulated depreciation				
At 1 January 2020	1,843,279	9,524,716	-	11,367,995
Charge for the year	154,654	743,153	-	897,807
At 31 December 2020	1,997,933	10,267,869	-	12,265,802
Net book value				
At 31 December 2020	1,654,716	3,451,706	228,048	5,334,470
At 31 December 2019	1,785,535	4,127,520	-	5,913,055

12. Stocks

	2020 £	2019 £
Raw materials and consumables	3,087,839	4,092,748
Work in progress	135,058	234,917
Finished goods and goods for resale	3,606,225	4,419,984
	6,829,122	8,747,649

The replacement cost of stocks is not materially different from the amounts included in the balance sheet.

13. Investments

	£
Cost	
At 1 January 2020	170,917
Additions	-
At 31 December 2020	170,917
Provision for Impairment	
At 1 January 2020	(170,917)
Impairment charge	-
At 31 December 2020	(170,917)
Net book value	
At 1 January 2020 and 31 December 2020	-

On 26th January 2018, Sherwin-Williams Protective & Marine Coatings purchased 100% of the issued share capital of Phoenix Fire Protection (Asia) Limited with registered office address East Asia Chambers, P.O. Box 901, Road Town, Tortola, British Virgin Islands and Phoenix Fire Technologies (UK) Limited with registered office address Wye Lodge, 66 High Street, Old Stevenage, Hertfordshire, SG1 3EA for consideration of £170,917. The company is engaged in trading in intumescent coatings.

14. Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	13,981,309	14,151,494
Prepayments and accrued income	233,312	312,200
Corporation tax to be repaid	122,924	381,293
Amounts owed by Holding company	558,574	-
Amounts owed by group companies	10,962,545	7,598,234
	25,858,664	22,443,221

Amounts owed by group companies and holding company are unsecured, held at amortised cost and are repayable on demand.

15. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	11,116,368	8,941,349
Other taxes and social security	1,373,305	353,252
Accruals	4,711,839	6,465,079
Amount owed to Holding company	304,809	6,166,810
Amount owed to group companies	7,315,815	6,997,267
	24,822,136	28,923,757

Amounts owed to group companies and holding company are unsecured, interest free and are repayable on demand.

16. Deferred taxation

	Recognised		Unrecognised	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax provided (2020: 19% 2019: 17%)				
Accelerated capital allowances	(241,752)	-	-	200,139
Liability re Pension scheme asset	(2,398,560)	-	-	(1,804,040)
Asset attributable to taxable losses	-	-	-	49,378
Other short term timing differences	534,101	-	-	710,089
	(2,106,211)	-	-	(844,434)

Notes to the financial statements (continued)

17. Called up share capital

	2020	2019
	£	£
Called-up, allotted, and fully paid		
62,500 10% preference shares of 1p	625	625
84,450 6% second preference shares of £1	84,450	84,450
84,450 10% third preference shares of 5p	4,222	4,222
84,450 New ordinary shares of 5p	4,223	4,223
	93,520	93,520

Rights attaining to share capital:

(1) 10% Preference shares
These shares carry full voting rights and on a winding-up, surplus assets are to be distributed to an amount equal to the capital paid up in priority to all other classes of shares in issue. Dividends to be paid on these shares from distributable profits must be from profits only of that year.

(2) 6% Second Preference shares
These shares carry no voting rights except upon a resolution for modifying rights currently attached to them. On a winding-up surplus assets are to be distributed to an amount equal to the capital paid up after distribution to Preference shareholders but in priority to Third Preference shareholders and Ordinary shareholders. Dividends to be paid on these shares from distributable profits must be from profits only of that year after paying dividends to Preference shareholders but in priority to Third Preference and Ordinary shareholders.

(3) 10% Third Preference shares
These shares carry no voting rights except upon a resolution for modifying rights currently attached to them. On a winding-up surplus assets are to be distributed to an amount equal to the capital paid up after distribution to Preference and Second Preference shareholders but in priority to Ordinary shareholders. Dividends to be paid on these shares from distributable profits must be from profits only of that year after paying dividends to Preference and Second Preference shareholders but in priority to Ordinary shares.

(4) Ordinary shares
These shares carry no voting rights except upon a resolution for modifying rights currently attached to them. On a winding-up surplus assets are to be distributed, only after repayment of the capital paid up on the Preference, Second Preference and Third Preference shares, to the Ordinary shareholders in proportion to the capital paid up. Dividends to be paid on these shares from distributable profits are after paying dividends to Preference, Second Preference and Third Preference shareholders.

The capital redemption reserve is a non-distributable reserve which arose from the purchase of company shares back from shareholders.

The Share Premium account represents the difference between the oar value of the shares issued, and the issue price.

The profit & loss reserve represents cumulative profits or losses, net of dividends and other adjustments.

18. Financial commitments

	2020	2019
	£	£
Capital commitments		
Contracted for but not provided	227,190	448,802

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
- within one year	425,388	483,110
- between one and five years	918,390	1,285,592
	1,343,778	1,768,702

19. Employee benefits

Defined contribution schemes

The Group operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the period ended 31 December 2020 was £722,748 (2019: £641,003).

Defined benefit schemes

The Scheme is a funded scheme of the defined benefit type, providing retirement benefits based on members career averaged earnings. The Scheme has assets held in a separately administered fund managed by a Board of Trustees.

The company and the Trustee have agreed a funding plan to ensure the Scheme is sufficiently funded to meet current and future obligations. A formal schedule of contributions was drawn up on 5 April 2019 whereby the company will pay 8.85% of salary up to the upper accrual point and 11.1% of salary above the upper accrual point, to cover accrual of benefits for future service.

The latest funding valuation for the scheme was completed as at 5 April 2019 and the valuation below has been based on this assessment. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

	Valuation at	
	2020	2019
Key assumptions used:		
Discount rate	1.4%	1.9%
Future pension increases – Post April 2006 accrual	2.1%	2.1%
Future pension increases – April 1997 to April 2006	2.85%	3%
Salary increase	4.05%	4.05%
Inflation – RPI	2.95%	3.15%
Inflation – CPI	2.5%	2.25%
Mortality assumptions:		

Investigations have been carried out within the past three years into the mortality experience of the Group's defined benefit schemes. These investigations concluded that the current mortality assumptions include

19. Employee benefits (continued)

sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	Valuation at 2020 years	Valuation at 2019 years
Retiring today:		
Males	87	87
Females	88	88
Retiring in 20 years:		
Males	88	88
Females	90	90

Amounts recognised in the profit and loss account in respect of these defined benefit schemes are as follows:

	2020 £'000	2019 £'000
Current service cost	503	478
Net interest income	(193)	(189)
Total cost relating to defined benefit scheme	310	289

The amount included in the balance sheet arising from the company's obligations in respect of its defined benefit retirement benefit schemes is as follows:

	2020 £'000	2019 £'000
Present value of defined benefit obligations	(46,708)	(42,895)
Fair value of scheme assets	59,332	53,507
Net pension asset	12,624	10,612

Movements in the present value of defined benefit obligations were as follows:

	2020 £'000	2019 £'000
At 1 January	42,895	39,753
Service cost	503	478
Interest cost	759	1,091
Contributions by scheme participants	174	186
Actuarial gains and losses in respect of assumptions	3,695	4,049
Actuarial gains and losses in respect of experience	358	(1,359)
Net benefits paid out	(1,676)	(1,303)
At 31 December	46,708	42,895

Notes to the financial statements (continued)

19. Employee benefits (continued)

Movements in the fair value of scheme assets were as follows:

	2020 £'000	2019 £'000
At 1 January	53,507	46,271
Interest income on scheme assets	952	1,280
Actuarial gains and losses	6,069	6,783
Contributions from the employer	306	290
Contributions from scheme participants	174	186
Benefits paid	(1,676)	(1,303)
At 31 December	59,332	53,507

The analysis of the scheme assets at the balance sheet date was as follows:

	Fair value of assets	
	2020 £'000	2019 £'000
Equity instruments	26,558	24,420
Gilts	16,252	14,381
Corporate bonds	16,256	14,443
Other assets	266	263
	59,332	53,507

20. Related party transactions

The company is a wholly owned subsidiary within the group, and utilises the exemption contained in FRS 102 section 33 2.2, "Related Party Disclosures", not to disclose any transactions with entities that are part of the group.

21. Ultimate parent company and controlling party

The immediate parent company is Sherwin-Williams UK Holding Limited, Avenue One, Station Lane, Witney, OX28 4XR. The ultimate parent company and controlling party is The Sherwin-Williams Company, a company incorporated in the United States of America. The address from which financial statements of the group can be obtained is The Sherwin- Williams Company, 101 Prospect Avenue, N.W, Cleveland, Ohio, 44115-1075. The Sherwin-Williams Company heads the largest and smallest group for which consolidated financial statements are prepared and of which the company is a member.