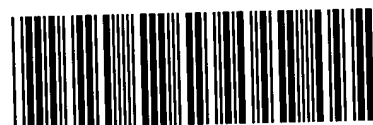


Siniat Limited

Report and Financial Statements

31 December 2015

THURSDAY



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COMPANIES HOUSE

Directors

C G Ellwood

N Ash

J E Maycock

J-P Hanin

R G Buxton

Secretary

C G Ellwood

Auditors

Ernst & Young LLP

The Paragon

Counterslip

Bristol BS1 6BX

Registered Office

Marsh Lane

Easton in Gordano

Bristol BS20 0NF

Bankers

Lloyds Bank PLC

25 Gresham Street

London

EC2V 7HN

Country of Incorporation and Domicile

United Kingdom

Strategic report

The directors present their strategic report for the year ended 31 December 2015.

Principal activities and review of the business

The principal activity of the company is the manufacture and supply of plasterboard and accessories. The company operates two manufacturing sites in Portbury, near Bristol and Ferrybridge near Leeds. The company supplies primarily builders merchants and specialist distributors in the UK and Ireland.

	2015 £000	2014 £000
Turnover	149,689	135,386
Operating profit	25,700	20,113
Profit after tax	20,347	16,087
Shareholders' funds	100,735	96,388

The UK construction market continued to recover in 2015 led by an increase in new house building. The company's sales increased by 10.56% compared to the previous year reaching £149.69m. Gross profit has increased from 35.6% in 2014 to 37.3% in 2015 mainly achieved through improved operating efficiencies. The operating profit has increased from £20.1m in 2014 to £25.7m in 2015.

Future developments

The company will continue to focus on growing the business by launching innovative products and systems that bring benefits to installers and end-users of buildings. Alongside this, the company focuses on maintaining manufacturing excellence. Following this strategy the company acquired 100% of the shares in EOS Facades Limited in April 2016. EOS Facades Limited is a leading supplier of steel framing systems.

Going concern

The financial statements are prepared on a going concern basis which the directors believe to be appropriate as the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future.

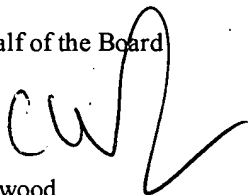
Principal risks and uncertainties

The company's activities expose it to financial risks including foreign exchange risk and energy price and supply risk. To reduce these risks the company enters into forward foreign currency contracts, and enters into forward purchase supply contracts for gas.

Loss of key customers is also a key risk to the business. The company manages this risk by developing and maintaining strong relationships with these customers.

The decision in the UK referendum to leave the EU has created uncertainty which will probably lead to a contraction in the construction industry in 2016 and 2017 as investment decisions are delayed. This could impact the company's sales going forward.

On behalf of the Board



C G Ellwood

Director

Date: 26.9.16

Directors' report

The directors present their report and financial statements for the year ended 31 December 2015.

Results and dividends

The profit for the year after taxation amounted to £20,347,000 (2014 – profit of £16,087,000). The directors paid an interim dividend of £16,000,000 and do not recommend the payment of any final dividend (2014 – £11,000,000).

Directors

The directors who served the company during the year were as follows:

C G Ellwood

N Ash

J E Maycock

R G Buxton

J-P Hanin (appointed 1st January 2015)

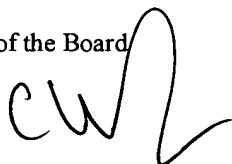
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

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

On behalf of the Board



C G Ellwood

Director

Date: 26.9.16

Statement of directors' responsibilities

The directors are responsible for preparing 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 law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

Independent auditors' report

to the members of Siniat Limited

We have audited the financial statements of Siniat Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report and Strategic report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Independent auditors' report (Continued)

to the members of Siniat Limited

Matters on which we are required to report by exception

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

Ernst & Young LLP

Ken Griffin (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

27 September 2016

Statement of Comprehensive Income

for the year ended 31 December 2015

	Notes	2015 £000	2014 £000
Turnover	3	149,689	135,386
Cost of sales		(93,782)	(87,236)
Gross Profit		55,907	48,150
Distribution costs		(22,206)	(20,665)
Administrative expenses		(8,001)	(7,359)
Other operating charges		-	(13)
Other operating income		-	-
Operating Profit	4	25,700	20,113
Interest receivable and similar income		210	107
Profit on ordinary activities before taxation		25,910	20,220
Tax	7	(5,563)	(4,133)
Profit for the financial year		20,347	16,087
Other Comprehensive income		-	-
Total comprehensive income for the year, net of tax		20,347	16,087

All amounts relate to continuing activities.

Registered No. 2163844

Statement of Financial Position

at 31 December 2015

	Notes	2015 £000	2014 £000
Fixed assets			
Tangible assets	9	65,188	67,266
Investments	10	2,808	3,386
		<u>67,996</u>	<u>70,652</u>
Current assets			
Stocks	11	15,748	13,950
Debtors	12	21,905	37,058
Cash at bank and in hand		65,821	28,483
		<u>103,474</u>	<u>79,491</u>
Creditors: amounts falling due within one year	13	<u>(69,627)</u>	<u>(52,126)</u>
Net current Assets		<u>33,847</u>	<u>27,365</u>
Total assets less current liabilities		<u>101,843</u>	<u>98,017</u>
Creditors: amounts falling due after more than one year			
Deferred tax liabilities	7	(1,058)	(245)
Provisions for liabilities	15	(50)	(1,384)
Net Assets		<u>100,735</u>	<u>96,388</u>
Capital and reserves			
Called up share capital	14	60,000	60,000
Profit and loss account		40,735	36,388
Shareholders' funds		<u>100,735</u>	<u>96,388</u>

The financial statements were approved by the board of directors and authorised for signature on their behalf by:



C G Ellwood

Director

Date 26.9.16

Statement of changes in equity

at 31 December 2015

	Share capital	Profit and loss account	Total equity
	£000	£000	£000
As at 1 January 2014	60,000	31,301	91,301
Profit for the year	-	16,087	16,087
Dividend payment	-	(11,000)	(11,000)
At 31 December 2014	60,000	36,388	96,388
Profit for the period	-	20,347	20,347
Dividend payment	-	(16,000)	(16,000)
At 31 December 2015	60,000	40,735	100,735

Notes to the financial statements

at 31 December 2015

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Siniat Limited (the "Company") for the year ended 31 December 2015 were authorised for issue by the board of directors on the date shown on the statement of financial position, which was signed on the board's behalf by C G Ellwood. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) under the historical cost convention and in accordance with applicable accounting standards.

Siniat Limited is incorporated and domiciled in England and Wales. The registered office is located at: Marsh Lane

Easton in Gordano

Bristol BS20 0NF

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The Company transitioned from previously extant UK GAAP to FRS 101 for all periods presented. There were no changes to the previously stated equity as at 1 January 2014 and 31 December 2014 or in the profit for the year ended 31 December 2014 as a result of the transition to FRS101.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 79 (a)(iv) of IAS 1;
 - (ii) paragraph 73 (e) of IAS 16 Property, Plant and Equipment;
- (d) the requirements of paragraphs 10 (d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows.
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- (i) the requirements of paragraphs 134 (d) - 134(f) and 135(c) - 135(e) of IAS 36 Impairment of Assets

Notes to the financial statements

at 31 December 2015

2.2 Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements.

2.3 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements and key sources of estimation uncertainty which have the most significant impact on the financial statements are as follows:

- i) provision for excess and slow moving inventory
- ii) provision for bad and doubtful debts

2.4 Significant accounting policies

The significant accounting policies adopted by the company are as follows:

Turnover

Turnover consists of the invoiced value of plasterboard related goods sold and services provided to customers net of all sales discounts and value added tax. Revenue is recognised on delivery of goods to the customer.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land and assets under the course of construction until they are brought into use, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Short leasehold buildings	–	50 years
Plant and equipment	–	20 years
Motor vehicles	–	4 years

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

Investments

Shares in other companies are stated at cost less any provision for impairment in value. Management tests investments for impairments if there are indicators that investments may be impaired. The recoverable amounts are determined based on expected performance of the business in future years, taking into account historical profits.

Stocks

Finished Goods are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Notes to the financial statements

at 31 December 2015

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised, without discounting, in respect of temporary differences between the treatment of certain items for taxation and accounting purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The carrying amount of deferred income tax assets is reviewed at each balance sheet date.

Foreign currencies

Amounts denominated in foreign currencies are included in the financial statements at rates ruling on the date of the transactions. At the balance sheet date, assets and liabilities are retranslated at the rates ruling at that date. Any gain or loss on translation is taken to the profit and loss account for the year.

Pensions

All employees are offered membership of the Etex UK pension scheme (The EM Pension Scheme) which is a defined contribution scheme. Contributions to the defined contributions scheme are recognised in the profit and loss account in the period in which they become payable.

Provisions

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Operating leases

Rentals paid under operating leases are charged to profit and loss account net of incentives on a straight line basis over the lease term.

Notes to the financial statements

at 31 December 2015

3. Turnover

The turnover is wholly attributable to the principal activity of the company and arises predominantly in the United Kingdom. The analysis of turnover by geographical destination is as follows:

	2015 £000	2014 £000
United Kingdom	144,524	130,307
Other European countries	5,162	4,610
South Africa	3	469
	<u>149,689</u>	<u>135,386</u>

4. Operating Profit

This is stated after charging:

	2015 £000	2014 £000
Cost of stocks recognised as an expense (included in cost of sales)	47,828	46,452
Auditor's remuneration		
– fees payable to the company's auditor for non-statutory services	-	-
– for the audit of the company's annual financial statements	<u>51</u>	<u>64</u>
Depreciation – tangible assets	3,875	3,571
Exchange loss	(460)	(109)
Loss on disposal of investment	-	(13)
Operating lease rentals – contract hire vehicles	452	504
– land and buildings	1,877	2,033
– computer equipment	<u>10</u>	<u>14</u>

5. Director's remuneration:

	2015 £000	2014 £000
Aggregate remuneration in respect of qualifying services	<u>614</u>	<u>698</u>
Company contributions paid to defined contribution pension schemes	<u>64</u>	<u>66</u>
Remuneration of highest paid director:		
	£000	£000
Remuneration	<u>193</u>	<u>203</u>

There is no accrued pension benefit of the highest paid director (2014 – £nil).

Notes to the financial statements

at 31 December 2015

6. Staff costs

	2015 £000	2014 £000
Wages and salaries	16,630	15,843
Social security costs	1,974	1,771
Other pension costs	1,374	1,267
	<u>19,978</u>	<u>18,881</u>

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

	No.	No.
Administration	21	19
Manufacturing and distribution	390	385
Total	<u>411</u>	<u>404</u>

7. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2015 £000	2014 £000
Current tax:		
UK corporation tax on the profit for the year	4,548	3,382
Adjustments in respect of prior years	202	(28)
Total current tax	<u>4,750</u>	<u>3,354</u>
Deferred tax:		
Origination and reversal of timing differences	918	1,259
Impact of change in rate	(16)	-
Adjustments to the estimated recoverable amounts of deferred tax assets arising in previous periods	(89)	(480)
Total deferred tax (note 7c)	<u>813</u>	<u>779</u>
Tax on profit on ordinary activities	<u>5,563</u>	<u>4,133</u>

Notes to the financial statements

at 31 December 2015

7. Tax (continued)

(b) Factors affecting the total tax charge for the year

The tax charge for the year differs from the standard rate of corporation tax in the UK of 20.24% (2014 – 21.5%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	25,910	20,220
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.24% (2014 – 21.5%)	5,244	4,347
<i>Effects of:</i>		
Expenses not deductible for tax purposes	334	232
Other adjustments	16	(549)
Adjustments relating to prior year	(31)	103
Total tax for the year (note 7(a))	5,563	4,133

(c) Deferred tax

A deferred tax liability is recognised at 18% (2014 – 20%) in the financial statements as follows:

	2015 £000	2014 £000
Accelerated capital allowances	1,058	245

The movements in deferred tax are:	£000
At 1 January 2015	245
Amounts charged to profit and loss account	813
At 31 December 2015	1,058

(d) Factors that may affect future tax charges

In his Budget of 8 July 2015, the Chancellor of the Exchequer proposed a decrease in the rate of UK corporation tax to 18% by 2020. The current rate of 20% reduced to 19% (effective 1 April 2017) and a further reduction to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. Deferred tax balances have been stated at a rate of 18%. In his budget of 16 March 2016, the Chancellor of the Exchequer announced a further decrease to the rate of UK corporation tax to 17% (effective 1 April 2020) and this was substantively enacted on 6 September 2016. As this rate was not substantively enacted by the balance sheet date it has not been reflected in these financial statements. The changes will reduce the Company's future current tax charge accordingly. Deferred tax at 31 December 2015 has been calculated based on the rate of 18%.

Notes to the financial statements

at 31 December 2015

8. Dividends

Amounts recognised as distributions to equity holders in the period:

	2015 £000	2014 £000
<i>Declared and paid during the year:</i>		
Final dividend 26.67p (2014 – 16.67p) per ordinary share	16,000	11,000

9. Tangible fixed assets

	<i>Short leasehold buildings £000</i>	<i>Plant and equipment £000</i>	<i>Total £000</i>
Cost:			
At 1 January 2015	42,833	91,901	134,734
Additions	-	2,400	2,400
Disposal	(49)	(26)	(75)
At 31 December 2015	42,784	94,275	137,059
Accumulated depreciation:			
At 1 January 2015	14,961	52,507	67,468
Charge for the year	831	3,641	4,472
Disposal	(49)	(20)	(69)
At 31 December 2015	15,743	56,128	71,871
Net book value:			
At 31 December 2015	27,041	38,147	65,188
At 1 January 2015	27,872	39,394	67,266

Notes to the financial statements

at 31 December 2015

10. Investments

	<i>Total</i> <i>£000</i>
Cost:	
At 1 January 2015	3,386
Additions	-
Disposal	-
At 31 December 2015	<u>3,386</u>
Accumulated depreciation:	
At 1 January 2015	-
Impairment	(578)
Disposal	-
At 31 December 2015	<u>(578)</u>
Net book value:	
At 31 December 2015	<u>2,808</u>
At 1 January 2015	<u>3,386</u>

Siniat Limited owns 100% of Siniat Ireland Limited which is a dormant company.

An impairment has been made as Siniat Ireland Limited was put into liquidation on 6 January 2016 which resulted in a loss being realised.

11. Stocks

	<i>2015</i> <i>£000</i>	<i>2014</i> <i>£000</i>
Raw materials	8,000	6,939
Engineering stores	1,477	1,296
Finished goods and goods for resale	<u>6,271</u>	<u>5,715</u>
	<u>15,748</u>	<u>13,950</u>

12. Debtors

	<i>2015</i> <i>£000</i>	<i>2014</i> <i>£000</i>
Amounts due within one year		
Trade debtors	751	16,035
Amounts owed by group undertakings	20,153	20,158
Prepayments and accrued income	<u>1,001</u>	<u>865</u>
	<u>21,905</u>	<u>37,058</u>

Notes to the financial statements

at 31 December 2015

13. Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	32,827	18,293
Amounts owed to group undertakings	4,516	4,409
Accruals and deferred income	9,978	8,950
Corporation tax	2,263	1,749
Other taxes and social security costs	3,184	3,166
Other creditors	16,859	15,559
	<u>69,627</u>	<u>52,126</u>

14. Issued share capital

<i>Allotted, called up and fully paid</i>	No.	2015 £000	No.	2014 £000
Ordinary shares of £1 each	60,000,000	<u>60,000</u>	60,000,000	<u>60,000</u>

15. Provisions for liabilities

	<i>Onerous lease provision £000</i>
At 1 January 2015	1,384
Credited to profit and loss account	(188)
Utilisation of provision	<u>(1,146)</u>
At 31 December 2015	<u>50</u>

The onerous lease provision relates to vacant properties and dilapidation claims and will be utilised over the remaining period of the leases to which they relate.

Notes to the financial statements

at 31 December 2015

16. Obligations under leases

Future minimum lease payments due under non-cancellable operating leases are as follows:

	2015	2014
	£000	£000
Not later than one year	2,618	2,381
After one year but not more than five years	6,107	6,010
After five years	10,538	12,215
	<u>19,263</u>	<u>20,606</u>

17. Pensions

Employees are offered membership of the Etex UK pension scheme (The "EM Pension Scheme") which is a defined contribution scheme.

The total cost charged to income of £1,374,000 (2014 – £1,266,000) represents contributions payable to this scheme by the company at rates specified in the rules of the plan.

18. Ultimate parent undertaking and controlling party

Etex SA, incorporated in Belgium, is regarded by the directors as being the company's ultimate parent undertaking and controlling party.

The largest and smallest group of undertakings for which group financial statements are drawn up and of which this company is a member is that headed by:

	Address
Etex SA	Avenue de Tervueren 361
Incorporated in Belgium	1150 Brussels
	Belgium

Copies of the group financial statements may be obtained from the address shown above.

19. Post balance sheet events

On 8 April 2016 Siniat Limited acquired 100% of the shares in Engineered Offsite Group Holdings Limited and its trading subsidiary EOS Facades Limited. The total purchase consideration including deferred payments was £3,949,000.