

IKO Holdings Plc

Registered number 02446447

Directors' report and financial statements

For the year ended 31 December 2011

SATURDAY



A1BPZNY1

A22

23/06/2012

#80

COMPANIES HOUSE

IKO HOLDINGS PLC

COMPANY INFORMATION

Directors

S Koschitzky
HM Koschitzky
DP Maginnis
R Turner
BJ MacLeod
F Hautman
J Koschitzky
M Vaughan

Company secretary

TCSS Limited

Company number

02446447

Registered office

Appley Lane North
Appley Bridge
Wigan
Lancashire
WN6 9AB

Auditors

Mazars LLP
Chartered Accountants & Statutory Auditors
Tower Building
Water Street
Liverpool
L3 1PQ

IKO HOLDINGS PLC

CONTENTS

	Page
Directors' Report	1 - 2
Independent Auditors' Report	3 - 4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 - 14

IKO HOLDINGS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the financial statements for the year ended 31 December 2011

Principal activities

The company is the intermediate holding company of an integrated group of companies engaged principally in the manufacture, distribution and installation of waterproofing systems and protective coatings

Results and dividends

The loss for the year, after taxation, amounted to £95,000 (2010 - profit £7,176,000)

The directors do not recommend the payment of a dividend (2010 - £nil)

Directors

The directors who served during the year were

S Koschitzky
HM Koschitzky
DP Maginnis
R Turner
BJ MacLeod
F Hautman
J Koschitzky
M Vaughan

Directors' responsibilities statement

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,
- 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

IKO HOLDINGS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Auditors

Mazars LLP is deemed to be reappointed in accordance with the elective resolution made under section 487 of the Companies Act 2006

This report was approved by the board and signed on its behalf



R Turner
Director

Date 19 April 2012

Appley Lane North
Appley Bridge
Wigan
Lancashire
WN6 9AB

IKO HOLDINGS PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IKO HOLDINGS PLC

We have audited the financial statements of IKO Holdings Plc for the year ended 31 December 2011, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 (APB's) Ethical Standards for Auditors. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on 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 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

IKO HOLDINGS PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IKO HOLDINGS PLC

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



Gareth Hitchmough (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditors

Tower Building
Water Street
Liverpool
L3 1PQ

23 May 2012

IKO HOLDINGS PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £000	2010 £000
Administrative expenses		22	129
Operating profit	2	22	129
Exceptional items			
Net waiver of debts due to and by group undertakings	3	-	6,277
Release provision against amount due from group undertaking	3	-	316
Profit on ordinary activities before interest		22	6,722
Income from shares in group undertakings		-	532
Interest receivable and similar income	4	-	12
Interest payable and similar charges	5	-	(51)
Profit on ordinary activities before taxation		22	7,215
Tax on profit on ordinary activities	6	(117)	(39)
(Loss)/profit for the financial year	14	(95)	7,176

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account.

The notes on pages 7 to 14 form part of these financial statements


IKO HOLDINGS PLC

Registered number 02446447

BALANCE SHEET**AS AT 31 DECEMBER 2011**

	Note	£000	2011 £000	2010 £000
Fixed assets				
Investments	7		30,714	30,460
Current assets				
Debtors amounts falling due after more than one year	8	28,191	28,682	
Debtors amounts falling due within one year	8	10	96	
		<u>28,201</u>	<u>28,778</u>	
Creditors: amounts falling due within one year	9	<u>(86)</u>	<u>(60)</u>	
Net current assets			28,115	28,718
Total assets less current liabilities			<u>58,829</u>	<u>59,178</u>
Creditors: amounts falling due after more than one year	10		(14,895)	(15,148)
Provisions for liabilities				
Other provisions	12		<u>(15)</u>	<u>(16)</u>
Net assets			<u>43,919</u>	<u>44,014</u>
Capital and reserves				
Called up share capital	13		2,412	2,412
Share premium account	14		32,214	32,214
Profit and loss account	14		<u>9,293</u>	<u>9,388</u>
Shareholders' funds	15		<u>43,919</u>	<u>44,014</u>

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



R Turner
Director

Date 19 April 2012

The notes on pages 7 to 14 form part of these financial statements

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting Policies

1.1 Basis of accounting

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

1.2 Consolidated financial statements

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

1.3 Related party transactions

As the Company is a wholly owned subsidiary of IKO UK Limited, it has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of IKO UK Limited, within which this company is included, can be obtained from the address given in note 19.

1.4 Cash flow statement

The Company is exempt from the requirement to prepare a cash flow statement on the grounds that consolidated financial statements including the Company are publicly available.

1.5 Foreign currencies

Transactions in foreign currencies are recorded using the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rates of exchange ruling at the balance sheet date. Exchange differences are reflected in the results for the year.

1.6 Taxation

The charge for taxation is based on the results for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

1.7 Pensions

The company participates in a group wide pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as permitted by FRS 17 'Retirement Benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting Policies (continued)

1.8 Provisions

Provisions are only set up where it is probable that a present obligation exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably

2. Operating profit

The operating profit is stated after charging/(crediting)

	2011 £000	2010 £000
Foreign exchange gains	(289)	(393)
Amounts receivable by the auditors and their associates in respect of the audit of these financial statements	11	10

During the year, no director received any emoluments (2010 - £NIL)

3. Exceptional items

	2011 £000	2010 £000
Net waiver of debts due to and by group undertakings	-	6,277
Release provision against amount due from group undertaking	-	316
	-	6,593

During the previous year debts due to and from subsidiary undertakings were waived, resulting in a net credit to the profit and loss account amounting to £6,277,000. A provision of £316,000 previously made against amounts due from subsidiary undertakings was also released to the profit and loss account

4. Interest receivable

	2011 £000	2010 £000
On loans to group undertakings	-	12

5. Interest payable

	2011 £000	2010 £000
Other interest payable	-	51

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

6. Taxation

	2011 £000	2010 £000
Analysis of tax charge/(credit) in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	70	20
Adjustments in respect of prior periods	46	-
	<u>116</u>	<u>20</u>
Group taxation relief	-	(64)
Total current tax	<u>116</u>	<u>(44)</u>
Deferred tax		
Charged/(credited) in the year	1	19
Adjustment in respect of previous years	-	64
Total deferred tax (see note 11)	<u>1</u>	<u>83</u>
Tax on profit on ordinary activities	<u>117</u>	<u>39</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - lower than) the standard rate of corporation tax in the UK of 26.5% (2010 - 28%). The differences are explained below

	2011 £000	2010 £000
Profit on ordinary activities before tax	<u>22</u>	<u>7,215</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 - 28%)	6	2,020
Effects of:		
Disallowable expenditure and income not taxable	-	(1,832)
Utilisation of tax losses	-	(19)
Adjustments to tax charge in respect of prior periods	46	-
Dividends from UK companies	-	(149)
Payment received for group relief	-	(64)
Transfer pricing adjustments	64	-
Current tax charge/(credit) for the year (see note above)	<u>116</u>	<u>(44)</u>

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

7. Fixed asset investments

	Investments in subsidiary companies £000	Loans to subsidiaries £000	Total £000
Cost or valuation			
At 1 January 2011	10,366	20,519	30,885
Additions	254	-	254
At 31 December 2011	10,620	20,519	31,139
Impairment			
At 1 January 2011 and 31 December 2011	425	-	425
Net book value			
At 31 December 2011	10,195	20,519	30,714
At 31 December 2010	9,941	20,519	30,460

The principal undertakings in which the company holds more than 20% of the equity share capital are as follows

	Holding	Principal activity
IKO Plc	100%	Waterproofing products
William Briggs & Sons Limited *	76%	Holding company
Briggs Amasco Limited *	76%	Roofing and cladding
Maurice Hill Limited *	76%	Dormant
Ruberoid International Limited	100%	Holding company
The Specialist Waterproofing Group Limited	40%	Holding company
Hyflex Roofing Limited	100%	Dormant
Hyload Limited	100%	Dormant

* This represents an effective shareholding in these undertakings, which is, in part, held via the Company's interest in The Specialist Waterproofing Group Limited. The Company's direct holding in these undertakings is 60%.

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

8. Debtors

	2011 £000	2010 £000
Due after more than one year		
Amounts owed by group undertakings	28,187	28,677
Deferred tax asset	4	5
	<u>28,191</u>	<u>28,682</u>
Due within one year		
Other debtors	10	21
Corporation tax recoverable	-	75
	<u>10</u>	<u>96</u>

9. Creditors: Amounts falling due within one year

	2011 £000	2010 £000
Corporation tax	40	-
Accruals and deferred income	46	60
	<u>86</u>	<u>60</u>

10. Creditors: Amounts falling due after more than one year

	2011 £000	2010 £000
Amounts owed to group undertakings	14,895	15,148

11. Deferred tax asset

	2011 £000	2010 £000
At beginning of year	5	88
Credit/(charge) for the year	(1)	(83)
At end of year	<u>4</u>	<u>5</u>

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

11. Deferred tax asset (continued)

The deferred tax asset is made up as follows

	2011 £000	2010 £000
Other timing differences	4	5

12. Provisions for liabilities and charges

	£000
At 1 January 2011	16
Utilised in the year	(1)
At 31 December 2011	15

13. Share capital

	2011 £000	2010 £000
Allotted, called up and fully paid		
48,235,448 Ordinary shares of £0.05 each	2,412	2,412

14. Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2011	32,214	9,388
Loss for the year	-	(95)
At 31 December 2011	32,214	9,293

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

15. Reconciliation of movement in shareholders' funds

	2011 £000	2010 £000
Opening shareholders' funds	44,014	36,838
(Loss)/profit for the year	(95)	7,176
Closing shareholders' funds	43,919	44,014

16. Contingent liabilities

The company has guaranteed bank overdrafts in respect of subsidiary undertakings. At 31 December 2011 these guarantees amounted to £nil (2010 £nil). In addition the company has guaranteed performance bonds entered into by subsidiary undertakings in the normal course of business.

17. Pension commitments

The Company participates in the Ruberoid PLC Staff Pension Scheme. This is a defined benefit scheme which was closed to new members in April 2003 and closed to future accrual of benefits on 5 April 2010. The Company also participates in several defined contribution pension schemes.

As the Ruberoid Plc Staff Pension Scheme is run for the IKO Holdings group as a whole, the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis. Hence, as permitted by FRS 17 'Retirement Benefits', the scheme has been accounted for in these financial statements by the company as if the scheme was a defined contribution scheme.

At 31 December 2011 the scheme has a deficit on an FRS 17 basis of £17,891,000 (2010 £15,426,000). Full disclosure is contained within the financial statements of the company's intermediate parent company, IKO UK Limited.

During the year the company contributed £136,000 (2010 £142,000) to the Ruberoid Plc Staff Pension Scheme.

Contributions outstanding at 31 December 2011 were £11,000 (2010 £nil).

18. Related party transactions

The company has taken advantage of the exemption under FRS 8 not to provide information on related party transactions with other undertakings within the IKO UK Limited group.

The company has a non-interest bearing loan due to IKO Sales Limited of €12,015,000 as at 31 December 2011 (2010 €12,015,000).

The company also has a \$2,500,000 (2010 \$2,500,000) loan due from IKO Sales Limited as at 31 December 2011. Interest of £25,000 (2010 - £25,000) is outstanding on this loan at the year end date.

IKO HOLDINGS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

19. Ultimate parent company

The company's ultimate parent company is IKO Enterprises Limited, a company incorporated in Canada, and its immediate parent company is IKO UK Limited

IKO UK Limited is the parent undertaking of the smallest and largest group of undertakings of which the Company is a member and for which group financial statements are prepared. Copies of these financial statements may be obtained from the Company Secretary at the following address

Appley Lane North
Appley Bridge
Wigan
Lancashire
WN6 9AB