

# **IKO Holdings Plc**

Registered number: 02446447

## **Directors' report and financial statements**

**For the year ended 31 December 2014**

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COMPANIES HOUSE

# IKO HOLDINGS PLC

## COMPANY INFORMATION

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<b>Directors</b>	S Koschitzky HM Koschitzky DP Maginnis AB Williamson F Hautman J Koschitzky M Vaughan (resigned 1 December 2014)
<b>Company secretary</b>	TCSS Limited
<b>Registered number</b>	02446447
<b>Registered office</b>	Appley Lane North Appley Bridge Wigan Lancashire WN6 9AB
<b>Independent auditors</b>	Mazars LLP Chartered Accountants & Statutory Auditors 14th Floor The Plaza 100 Old Hall Street Liverpool L3 9QJ

# **IKO HOLDINGS PLC**

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# **IKO HOLDINGS PLC**

## **STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2014**

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### **Business review**

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

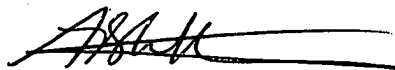
### **Principal risks and uncertainties**

The company is a holding company that supports a group of operational companies, each with their own principle risks and uncertainties. These include the stability of the economy, volatility of raw material prices and pressure from competitors.

### **Financial key performance indicators**

The operational companies for which this holding company supports use a variety of financial key performance measures. These include profit ratios as well as activity ratios such as debtor days and stock turnover.

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



AB Williamson  
Director

Date: 23 - 6 - 15

# **IKO HOLDINGS PLC**

## **DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2014**

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The directors present their report and the financial statements for the year ended 31 December 2014.

### **Results and dividends**

The profit for the year, after taxation, amounted to £139,000 (2013 - loss £601,000).

The directors do not recommend the payment of a dividend (2013 - £nil).

### **Directors**

The directors who served during the year were:

S Koschitzky  
HM Koschitzky  
DP Maginnis  
AB Williamson  
F Hautman  
J Koschitzky  
M Vaughan (resigned 1 December 2014)

### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 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;
- 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 PERIOD ENDED 31 DECEMBER 2014

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### Disclosure of information to auditors

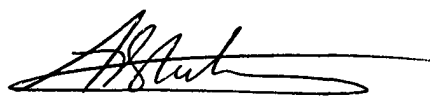
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- 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 relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

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



**AB Williamson**  
Director

Date: 23-6-15

Appley Lane North  
Appley Bridge  
Wigan  
Lancashire  
WN6 9AB

## **Independent auditor's report to the members of IKO Holdings Plc**

We have audited the financial statements of IKO Holdings Plc for the year ended 31 December 2014 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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. 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 Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2014 and of its profit 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 the other matter prescribed by the Companies Act 2006**

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

## 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

14<sup>th</sup> Floor  
The Plaza  
100 Old Hall Street  
Liverpool  
L3 9QJ

29 June 2015



# IKO HOLDINGS PLC

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2014

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	Note	2014 £000	2013 £000
Administrative expenses		277	(565)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>	<b>2</b>	277	(565)
Interest receivable and similar income		5	5
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities before taxation</b>		282	(560)
Tax on profit/(loss) on ordinary activities	<b>3</b>	(143)	(41)
		<hr/>	<hr/>
<b>Profit/(loss) for the financial year</b>	<b>10</b>	139	(601)
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 8 to 14 form part of these financial statements.

**IKO HOLDINGS PLC**

Registered number: 02446447

**BALANCE SHEET****AS AT 31 DECEMBER 2014**

	Note	£000	2014 £000	2013 £000
<b>Fixed assets</b>				
Investments	4		25,100	25,100
<b>Current assets</b>				
Debtors: amounts falling due after more than one year	5	23,589	25,846	
Debtors: amounts falling due within one year	5	678	329	
		24,267	26,175	
<b>Creditors: amounts falling due within one year</b>	6	(43)	(61)	
<b>Net current assets</b>			24,224	26,114
<b>Total assets less current liabilities</b>			49,324	51,214
<b>Creditors: amounts falling due after more than one year</b>	7		(10,016)	(12,045)
<b>Net assets</b>			39,308	39,169
<b>Capital and reserves</b>				
Called up share capital	9		2,412	2,412
Share premium account	10		32,214	32,214
Profit and loss account	10		4,682	4,543
<b>Shareholders' funds</b>	11		39,308	39,169

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



**AB Williamson**  
Director

Date: 23-6-15

The notes on pages 8 to 14 form part of these financial statements.

# **IKO HOLDINGS PLC**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014**

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### **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 14.

#### **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**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

#### **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 PERIOD ENDED 31 DECEMBER 2014

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### 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/(loss)

The operating profit/(loss) is stated after charging/(crediting):

	<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>
Auditors' remuneration	1	1
Difference on foreign exchange	(532)	244
	<hr/>	<hr/>

During the year, no director received any emoluments (2013 - £NIL).

### 3. Taxation

	<b>2014</b> <b>£000</b>	<b>2013</b> <b>£000</b>
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge/(credit) on profit/loss for the year	143	(1)
Adjustments in respect of prior periods	-	37
	<hr/>	<hr/>
<b>Total current tax</b>	<b>143</b>	<b>36</b>
	<hr/>	<hr/>
<b>Deferred tax</b> (see note 8)		
Origination and reversal of timing differences	-	5
	<hr/>	<hr/>
<b>Tax on profit/loss on ordinary activities</b>	<b>143</b>	<b>41</b>
	<hr/>	<hr/>

# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014

### 3. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - higher than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014 £000	2013 £000
Profit/loss on ordinary activities before tax	282	(560)
Profit/loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	61	(130)
<b>Effects of:</b>		
Adjustments to tax charge in respect of prior periods	-	37
Other differences leading to an increase (decrease) in the tax charge	-	8
Group relief	-	121
Imputed interest - transfer pricing adjustment	82	-
<b>Current tax charge for the year (see note above)</b>	<b>143</b>	<b>36</b>

### 4. Fixed asset investments

	<b>Investments in subsidiary companies £000</b>
<b>Cost or valuation</b>	
At 1 January 2014 and 31 December 2014	25,100
<b>Net book value</b>	
At 31 December 2014	25,100
At 31 December 2013	25,100

# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014

### 4. Fixed asset investments (continued)

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

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

\* 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%.

### 5. Debtors

	2014 £000	2013 £000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	23,586	25,843
Deferred tax asset (see note 8)	3	3
	<u>23,589</u>	<u>25,846</u>
<b>Due within one year</b>		
Other debtors	11	1
Corporation tax recoverable	667	328
	<u>678</u>	<u>329</u>

### 6. Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Accruals and deferred income	<u>43</u>	<u>61</u>

# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014

### 7. Creditors: Amounts falling due after more than one year

	2014 £000	2013 £000
Amounts owed to group undertakings	10,016	12,045

### 8. Deferred tax asset

	2014 £000	2013 £000
At beginning of year	3	8
Released during/(charged for) year (P&L)	-	(5)
At end of year	3	3

The deferred tax asset is made up as follows:

	2014 £000	2013 £000
Other timing differences	3	3

### 9. Share capital

	2014 £000	2013 £000
<b>Allotted, called up and fully paid</b>		
48,235,448 Ordinary shares of £0.05 each	2,412	2,412

### 10. Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2014	32,214	4,543
Profit for the year	-	139
At 31 December 2014	32,214	4,682

# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014

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### 11. Reconciliation of movement in shareholders' funds

	2014 £000	2013 £000
Opening shareholders' funds	39,169	39,770
Profit/(loss) for the financial year	139	(601)
	<hr/>	<hr/>
Closing shareholders' funds	39,308	39,169
	<hr/>	<hr/>

### 12. 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 2014 the scheme has a deficit on an FRS 17 basis of £18,404,000 (2013: £16,218,000). Full disclosure is contained within the financial statements of the company's intermediate parent company, IKO UK Limited.

During the year the company contributed £212,000 (2013: £231,000) to the Ruberoid Plc Staff Pension Scheme.

Contributions outstanding at 31 December 2014 were £19,000 (2013: £19,000).

### 13. 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 €6,685,247 as at 31 December 2014 (2013: €8,685,247).

The company also has a \$2,564,000 (2013: \$2,548,000) loan due from IKO Sales Limited as at 31 December 2014. Interest of \$64,000 (2013 - \$56,000) is outstanding on this loan at the year end date.



# **IKO HOLDINGS PLC**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014**

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### **14. 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