

**Company Registration No. 02446447**

**IKO HOLDINGS PLC**

**Annual Report and Financial Statements**

**For the year ended 31 December 2021**

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# **IKO HOLDINGS PLC**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2021**

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## **IKO HOLDINGS PLC**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

S Koschitzky  
H M Koschitzky  
D P Maginnis  
F Hautman  
J Koschitzky  
A Carlyle

#### **SECRETARY**

TCSS Limited

#### **REGISTERED OFFICE**

Appley Lane North  
Appley Bridge  
Wigan  
Lancashire  
WN6 9AB

#### **AUDITOR**

Deloitte LLP  
Statutory Auditor  
Manchester  
United Kingdom

#### **BANK**

BNP Paribas  
10 Harewood Avenue  
London  
NW1 6AA

# **IKO HOLDINGS PLC**

## **STRATEGIC REPORT**

### **Introduction**

The directors present their strategic report for the year ended 31 December 2021.

### **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 located in the UK and Europe. The company made a loss for the year in relation to the investment income received from its subsidiaries offset by contributions to a defined benefit pension scheme. The loss is caused by lower dividends received, combined with increased costs. The directors do not expect the loss to be recurring. The company subsidiaries continued to realise strong performance in 2021 and 2022, dividend level will be reviewed in 2022.

### **Principal risks and uncertainties**

Since the company does not trade, the director perceives the main risk facing this business to be a significant downturn in trading of IKO PLC, the company's direct trading subsidiary and other subsidiaries. Current market risks of supply chain and increasing costs are mitigated at operating subsidiary level. During 2021, several waves of price increases for raw materials were experienced. The escalation of the Russian-Ukraine crisis in the first quarter of 2022, whilst having no direct impact on the operations, subsequently further pushed the price increases and availability issues for raw materials and extended the inflating price levels to other operating costs, including energy cost, transport cost and labour. The IKO entities are making significant effort to minimise margin erosion. The risk is managed through regular oversight by the directors to ensure that the results of the IKO PLC and other subsidiaries are monitored and any variances to budgets are reviewed and investigated.

IKO PLC is trading profitably, and this is forecast to continue to do so. Their financial performance supports the carrying value of the company's investment. If required IKO PLC also provides support to this company to meet its liabilities as they fall due.

Details regarding the adoption of the going concern basis of accounting in preparing the financial statements can be found in note 1 to the financial statements.

### **Financial key performance indicators**

The directors consider the company's key performance indicator to be the financial performance of its subsidiary undertakings. The performance of IKO PLC, being the main trading subsidiary is monitored monthly by the directors by way of a comprehensive management report and as the company is, and is expected to continue to be, profitable the director considers the key performance indicator outcome to be satisfactory.

The main key performance indicators of the company itself are distributable reserves which currently total £8,734,000 (2020: £8,830,000) and receipt of dividends from its subsidiaries which for the year ended 31 December 2021 was £382,000 (2020: £581,000). The performance of the company is deemed to be satisfactory.

### **Section 172**

IKO Holdings is part of a larger global group, IKO Group, hereafter referred to as IKO.

IKO globally has six values which have played a vital role in the business history. These values remain essential for the personal and professional development of all our stakeholders and for the continued success and growth of the IKO Group. The values go beyond selling high quality products but more so on elevating customer experiences at every touch point – operating with integrity and honesty and always making decisions based on the long-term interest of our customers, company and employees.

The six values are long term, agility, humility, integrity, knowledge sharing and performance.

### ***The likely consequences of any decision in the long-term***

The focus on the global value of 'long term' can be demonstrated in the groups continued capital investment made in its UK and EU subsidiaries

The holding company's subsidiaries also seek to enhance the long term performance of products through continuous improvements and investment in research and development.

# **IKO HOLDINGS PLC**

## **STRATEGIC REPORT (Continued)**

### ***The need to foster the company's business relationships with suppliers, customers and others,***

Given IKO PLC is the main trading subsidiary of IKO Holding, it is heavily reliant on the business remaining profitable for the foreseeable in order to continue to trade. Customer relationships are key in order for the above to prosper. IKO PLC rolled out an annual survey in 2019 whereby the results are analysed and a net promoter score is given. Overall customers were 83% satisfied and advised they will continue to use IKO for reasons outside of price. They valued our service, customer experience and added value as paramount to price point on several occasions. Whilst the like for like report was not rolled out in 2021 due to Covid-19, we are confident that our 2021 recovery can be attributed to the strong 2019 customer satisfaction results.

Other key areas include account manager visits, CPD's, contractor training and 'lunch and learn' sessions.

To establish and maintain long term purchasing partnerships subsidiaries have procurement policies. The policies set out to seek the purchase of goods and services from suppliers that enhance positive impact on the environment and society whilst meeting our business requirements. By incorporating social, environmental and ethical considerations into procurement decisions we endeavour to make a positive contribution to the environment and society.

The IKO Holdings subsidiaries supply chain is consolidated where possible with key focus on quality as well as the ability to take advantage of economies of scale.

### ***The impact of the company's operations on the community and the environment,***

It is the groups endeavour to ensure its commitment to the protecting the environment by complying with all relevant legislation, compliance obligations and the needs of interested parties in relation to the context of the company, the risks, opportunities and continued improvement in line with the Company's environmental objectives and targets.

An example of this is compliance is demonstrated in trading subsidiaries such as Briggs Amasco and IKO PLC with certifications such as:

- Environmental management that complies with ISO (International Standards Organisation) 14001:2015 (environment management).
- BES6001 – responsible sourcing of construction products
- Gold Member Sustainability School
- ISO 45001- Occupational Health & Safety
- ISO9001- Quality Management

### ***The desirability of the company maintaining a reputation for high standards of business conduct***

The company aims to maintain a reputation for high standards of business conduct. We aim to comply with, and in many cases exceed, the requirements for a company of our size. In particular, we have an increased focus on our impact on the environment, customers, communities, and supply chain, and builds on our aim to act as a good corporate citizen.

### ***The need to act fairly as between members of the Company***

IKO Holdings PLC has a single shareholder and a single ultimate controlling party. Their interests are taken into account by the directors to promote fairness in decision making.

### **Future developments**

The company will continue to act as a holding company for the IKO group for the foreseeable future.

With the ending of Covid-19 restrictions in most parts of the UK in early 2022 and a healthy start in Q1 2022 providing there are no further disruptions of the end markets as a result of the pandemic we expect 2022 to remain profitable for the IKO Group and in line with budgets set for the year.

Full customs declarations and controls on imports were introduced on 1 January 2022. The business will continue to monitor the situation so that we are prepared to react to new opportunities and risks that may present themselves.

### **Streamlined Energy & Carbon Reporting**

The Company is not providing any disclosures as it is able to obtain an exemption due to consuming less than 40,000KWh of energy on a company only basis. In addition, the company is exempt by virtue of the Companies Act 2006 s.400 from the requirement to prepare group financial statements because its results are consolidated into IKO U.K. Limited. The IKO U.K Limited financial statements for 2021 will include the Streamlined Energy & Carbon Reporting for all for all of IKO Holdings PLC's subsidiaries that meet the requirement. As per FRS 102 3.21.2.1-1B Acc Refs Sch.7.15(1A), the exemption for Streamlined Energy & Carbon Reporting is permitted if the group report

# **IKO HOLDINGS PLC**

## **STRATEGIC REPORT (Continued)**

### **Streamlined Energy & Carbon Reporting (Continued)**

into which the subsidiary is consolidated contains the relevant Streamlined Energy & Carbon Reporting disclosures for the relevant subsidiaries (providing that the group accounts are prepared to the same date, or a date before the subsidiary's financial year). There is no requirement for the group annual report to be filed before or at the same time as the individual annual report of the subsidiary.

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



**E Hautman**  
Director

9/8/2022

Appley Lane North  
Appley Bridge  
Wigan  
Lancashire  
WN6 9AB

# **IKO HOLDINGS PLC**

## **DIRECTORS' REPORT**

The directors present their annual report on the affairs of the company, the financial statements and auditor's report for the year ended 31 December 2021. Future developments are included within the Strategic Report on page 2 as permitted by s414C(11) of the Companies Act 2006. Engagement with suppliers, customers and others is discussed in the Strategic Report.

### **Results and dividends**

The loss for the year, after taxation, amounted to £96,000 (2020 profit: £147,000). There were no dividends paid in the year (2020; nil). The directors have not recommended the payment of a dividend (2020: £nil).

### **Directors**

The directors who served during the year and subsequently to the date of this report were:

S Koschitzky  
H M Koschitzky  
D P Maginnis  
F Hautman  
J Koschitzky  
A Carlyle

S Koschitzky, H M Koschitzky, and J Koschitzky are overseas based directors and are not required to notify their interest in group undertakings incorporated outside Great Britain to the company. They have no beneficial interest in the share capital of the group companies in Great Britain. F Hautman is also an overseas based director and has no beneficial interest in the share capital of group companies in Great Britain. None of the directors had any declarable beneficial interest in the share or loan capital of the company's ultimate parent company, IKO Enterprises UK ULC.

### **Directors' indemnities**

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made in prior years and remain in force at the date of this report.

### **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.

# **IKO HOLDINGS PLC**

## **DIRECTORS' REPORT (continued)**

### **Financial risk management objectives and policies**

The company's activities potentially expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk.

#### ***Cash flow risk***

The company's cash flow risk is relatively low due to low levels of external finance within the business. Loans due from other group companies are held at a fixed rate ensuring consistent cash flow receipts. The results of the subsidiaries are monitored on a regular basis to ensure that payment of interest income and dividends, as required, to ensure that the group remains well funded.

#### ***Credit risk***

The company's principal financial assets are cash and intercompany receivables; the risk around receivables being mitigated via the controls in place surrounding the lending of inter-group funds.

#### ***Liquidity risk***

Liquidity risk at the Company is insignificant as its financial liabilities are mainly with other companies within the IKO U.K. Limited Group. The Group is in a strong profitable and net asset position which mitigates the liquidity risk.

### **Going concern**

With the ending of Covid-19 restrictions in most parts of the UK during February and March 2022, Current market risks of supply chain and increasing costs are mitigated at operating subsidiary level. During 2021, several waves of price increases for raw materials were experienced. The escalation of the Russian-Ukraine crisis in the first quarter of 2022, whilst having no direct impact on the operations, subsequently further pushed the price increases and availability issues for raw materials and extended the inflating price levels to other operating costs, including energy cost, transport cost and labour. The operating subsidiaries are making significant effort to minimise margin erosion. Management is confident that the trading subsidiaries are in a good position from both their order pipeline and their robust working capital position to handle current and future economic challenges and to ensure the company will continue to operate as going concerns for the foreseeable future. In making their assessment, the directors have considered a period of at least 12 months from the date of signing these financial statements.

### **Disabled employees**

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### **Auditor**

In the case of each of the persons who are directors of the company when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in Companies Act 2006) 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 in order 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.

The auditor, Deloitte LLP, have expressed their willingness to continue as auditor of the company and deemed to be reappointed under s487 of the Companies Act 2006.



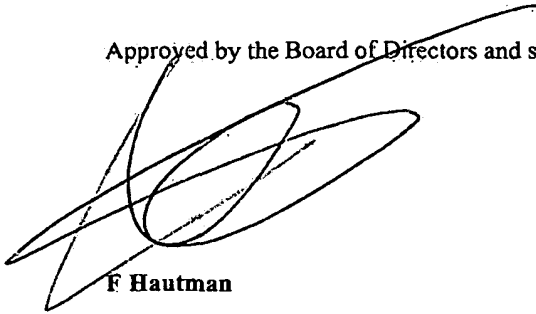
**IKO HOLDINGS PLC**

**DIRECTORS' REPORT (continued)**

**Post balance sheet events**

There have been no significant events after the balance sheet date which would require disclosure in this report.

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



**F Hautman**

Director

9/8/ 2022

Appley Lane North  
Appley Bridge  
Wigan  
Lancashire  
WN6 9AB

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IKO HOLDINGS PLC**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of IKO Holdings PLC (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss 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 19.

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.

### **Conclusions relating to going concern**

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IKO HOLDINGS PLC (continued)**

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](http://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 UK Companies Act, Pensions Legislation, Tax Legislation, Health and Safety, Data Protection Act; 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.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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; and

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IKO HOLDINGS PLC (continued)**

- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations.

### **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.

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.



Elizabeth Benson BSc ACA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Manchester, United Kingdom

9 August 2022

## **IKO HOLDINGS PLC**

### **PROFIT AND LOSS ACCOUNT** **For the year ended 31 December 2021**

	<b>Note</b>	<b>2021 £'000</b>	<b>2020 £'000</b>
<b>Turnover</b>	<b>3</b>	<u>382</u>	<u>581</u>
<b>Gross Profit</b>		382	581
Administrative expenses		<u>(490)</u>	<u>(450)</u>
<b>Operating (loss)/profit</b>		(108)	131
Interest receivable and similar income	<b>5</b>	<u>11</u>	<u>16</u>
<b>(Loss)/profit before tax</b>	<b>6</b>	(97)	147
Taxation on (loss)/profit	<b>7</b>	<u>1</u>	<u>-</u>
<b>(Loss)/profit after tax</b>		<u>(96)</u>	<u>147</u>

All results were derived from continuing operations.

There were no recognised income or expenses for 2021 or 2020 other than those included in the profit and loss account and accordingly no separate statement of other comprehensive income is presented.

The notes on pages 14 to 26 form part of these financial statements.

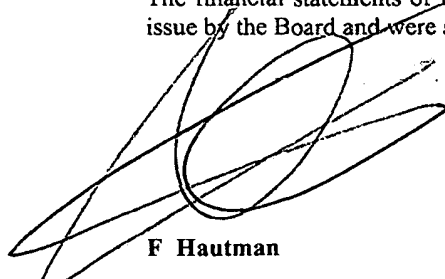
# IKO HOLDINGS PLC

## BALANCE SHEET As at 31 December 2021

	Note	2021 £'000	2020 £'000 Restated See note 10
<b>FIXED ASSETS</b>			
Tangible assets	8	14	15
Investments	9	8,603	8,603
Amounts owed by group undertakings	10	34,434	35,324
		<u>43,051</u>	<u>43,942</u>
<b>CURRENT ASSETS</b>			
Debtors	11	279	277
Cash at bank and in hand		89	173
		<u>368</u>	<u>450</u>
Creditors: amounts falling due within one year	12	(59)	(936)
<b>NET CURRENT ASSETS</b>		<u>309</u>	<u>(486)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>43,360</u>	<u>43,456</u>
<b>NET ASSETS</b>		<u>43,360</u>	<u>43,456</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	14	2,412	2,412
Share premium account	15	32,214	32,214
Profit and loss account	15	8,734	8,830
<b>SHAREHOLDERS' FUNDS</b>		<u>43,360</u>	<u>43,456</u>

The notes on pages 14 to 26 form part of these financial statements.

The financial statements of IKO Holdings plc (Registration Number 02446447) were approved and authorised for issue by the Board and were signed on its behalf by:

  
F Hautman  
Director  
9/8/2022

## **IKO HOLDINGS PLC**

### **STATEMENT OF CHANGES IN EQUITY** **For the year ended 31 December 2021**

	<b>Called up share capital £'000</b>	<b>Share premium account £'000</b>	<b>Profit and loss account £'000</b>	<b>Total equity £'000</b>
<b>At 1 January 2020</b>	2,412	32,214	8,683	43,309
Profit for the year and total comprehensive income for the year	-	-	147	147
<b>At 31 December 2020</b>	2,412	32,214	8,830	43,456
Loss for the year and total comprehensive income and expenses for the year	-	-	(96)	(96)
<b>At 31 December 2021</b>	<u>2,412</u>	<u>32,214</u>	<u>8,734</u>	<u>43,360</u>

The notes pages 14 to 26 form part of these financial statements.

## **IKO HOLDINGS PLC**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)** **For the year ended 31 December 2021**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The company is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The registered office is Appley Lane North, Appley Bridge, Wigan, WN6 9AB.

The company's principal activity is disclosed in the Strategic Report.

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

The functional currency of IKO Holdings PLC is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied consistently in the current and prior years.

##### **1.2 Consolidated financial statements**

The company is exempt by virtue of the Companies Act 2006 s.400 from the requirement to prepare group financial statements because its results are consolidated into IKO U.K. Limited (see note 18). These financial statements present information about the company as an individual undertaking and not about its group.

##### **1.3 Financial reporting standard 102 – reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 33 Related Party Disclosures with reference to remuneration of key management personnel;
- the requirements of Section 7 Statement of Cash Flows; and
- the requirements of Section 11 and 12 Financial Instruments.

This information is included in the consolidated financial statements of IKO U.K. Limited as at 31 December 2021 and these financial statements may be obtained from the company's registered office (see note 18 for further details).

##### **1.4 Going concern**

The financial statements have been prepared on a going concern basis which assumes the company will have sufficient funds to continue to pay its debts as and when they fall due. The company is reliant on dividends from its trading subsidiaries. Management is confident that the trading subsidiaries are in a good position from both their order pipeline and their robust working capital position to ensure the company will continue to operate as going concerns for the foreseeable future. The subsidiaries have considered current market risks of supply chain and increasing costs, these are mitigated at operating subsidiary level. During 2021, several waves of price increases for raw materials were experienced. The escalation of the Russian-Ukraine crisis in the first quarter of 2022, whilst having no direct impact on the operations, subsequently further pushed the price increases and availability issues for raw materials and extended the inflating price levels to other operating costs, including energy cost, transport cost and labour. The operating entities are doing significant effort to minimise margin erosion. The company continues to address the impact of Covid-19 on the business. In making their assessment, the directors have considered a period of at least 12 months from the date of signing these financial statements.



## **IKO HOLDINGS PLC**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)** **For the year ended 31 December 2021**

#### **1. Accounting policies (continued)**

##### **1.5 Foreign currency translation**

###### **Transactions and balances**

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

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

##### **1.6 Tangible fixed assets**

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

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit and loss during the period in which they are incurred.

Freehold land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as noted below.

The estimated useful lives range as follows:

Freehold property - 50 years

Leasehold land and buildings - 50 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the profit and loss account.

##### **1.7 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

###### *(i) Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

## IKO HOLDINGS PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

#### 1. Accounting policies (continued)

##### 1.7 Financial instruments (continued)

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### *(ii) Investments*

Investments in subsidiaries and associates are measured at cost less impairment.

##### *(iii) Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

##### *Impairment of assets*

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

## **IKO HOLDINGS PLC**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)** **For the year ended 31 December 2021**

#### **1. Accounting policies (continued)**

##### **1.7 Financial instruments (continued)**

###### *Impairment of assets (continued)*

###### *Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

###### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

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

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

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **1.8 Revenue recognition**

Interest income is recognised in the profit and loss account using the effective interest method. Dividend income is recognised in turnover when the company's right to receive payment is established.

##### **1.9 Finance costs**

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

## **IKO HOLDINGS PLC**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)** **For the year ended 31 December 2021**

#### **1. Accounting policies (continued)**

##### **1.10 Current and deferred taxation**

Current tax, including UK corporation 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.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

No payment is made or received for group relief surrendered to or by the company.

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 Company'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 non-depreciable property measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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 Group 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.

## IKO HOLDINGS PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2021

#### 1.11 Pensions

The company participates in a group wide pension scheme providing benefits based on final pensionable pay which is closed to future accrual. 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 102, 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.

#### 2. Critical accounting judgements and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, the actual results and outcomes may differ.

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 critical judgements which the directors have made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

##### *Assessing indicators of impairment*

In assessing whether there have been any indicators of impaired assets, the directors consider both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. Where there are indicators of impairment, assets are written down to their recoverable value with any adjustments recognised in the profit and loss account. The Covid-19 pandemic has been considered as a potential indicator of impairment, and no impairment is required

##### Key sources of estimation uncertainty in applying the Company's accounting policies

The directors do not consider that the amounts recognised in the financial statements have been significantly affected by any key sources of estimation uncertainty considered in the process of applying the Company's accounting policies.

#### 3. Turnover

	2021 £'000	2020 £'000
Dividends received from fixed asset investments	382	581

#### 4. Employees

The company has no employees other than the directors, who received £nil remuneration (2020: £nil) for their services to the company, being remunerated by other group companies and not recharged.

# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

### 5. Interest receivable and similar income

	2021 £'000	2020 £'000
Interest receivable on other loans	11	16
	<u>11</u>	<u>16</u>

### 6. (Loss)/profit before tax

The (loss)/profit before tax is stated after charging:

	2021 £'000	2020 £'000
Auditor's remuneration for auditing the financial statements	1	1
Depreciation (note 8)	1	1
Pension contributions (note 16)	429	401
	<u>431</u>	<u>403</u>

Non audit fees payable to Deloitte LLP were £1,000 (2020: £1,000) in respect of taxation services.

### 7. Taxation

	2021 £'000	2020 £'000
<b>Corporation tax</b>		
Current tax on profits for the year	-	-
<b>Total current tax</b>	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	1	-
<b>Total current tax</b>	<u>1</u>	<u>-</u>

#### Factors affecting current tax credit in the year:

The standard rate of tax for the year is lower than (2020: lower than) the average UK standard rate of corporation tax, of 19% (2020: 19%). The actual current tax credit (2020: credit) for the current year and the preceding year differs for the reasons set out in the following reconciliation:

# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

### 7. Taxation (continued)

	2021 £'000	2020 £'000
(Loss)/profit before tax	(97)	147
(Loss)/profit multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	(18)	28
<b>Effects of:</b>		
Non-taxable income	(72)	(110)
Transfer pricing adjustments	39	42
Group relief	50	40
<b>Total tax credit for the year</b>	<b>(1)</b>	<b>-</b>

### Factors that may affect future tax charges

Legislation has been introduced in the Finance Bill 2021 to increase the main rate of UK corporation tax from 19% to 25%, effective 1 April 2023.

### 8. Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Total £'000
<b>Cost</b>			
At 1 January 2021 and 31 December 2021	10	9	19
<b>Depreciation</b>			
At 1 January 2021	2	2	4
Charge for the year	1	-	1
At 31 December 2021	3	2	5
<b>Net book value</b>			
At 31 December 2020	8	7	15
At 31 December 2021	7	7	14

## IKO HOLDINGS PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

#### 9. Fixed asset investments

Cost and net book value	Investments in subsidiary companies £'000	Investments in associates £'000	Total £'000
At 1 January 2021 and 31 December 2021	8,420	183	8,603

#### Direct Subsidiary undertakings

The company held ordinary share capital in the following UK subsidiary undertakings:

Name	Holding	Principal activity	Registered address
IKO plc	100%	Waterproofing products	Appley Lane North, Appley Bridge, Wigan, Lancashire, WN6 9AB
William Briggs & Sons Limited*	70%	Holding company	Amasco House, 101 Powke Lane, Cradley Heath, West Midlands, B64 5PX
Ruberoid International Limited	100%	Holding company	Appley Lane North, Appley Bridge, Wigan, Lancashire, WN6 9AB

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

#### Indirect subsidiary undertakings

The company held ordinary share capital in the following UK associates:

Name	Holding	Principal activity	Registered address
Pure Asphalt Company Limited *	100%	Manufacture of mastic and related products	Appley Lane North, Appley Bridge, Wigan, Lancashire WN6 9AB
Briggs Amasco Limited	70%	Roofing and cladding	Amasco House, 101 Powke Lane, Cradley Heath, West Midlands, B64 5PX
Roof Integrity Limited	70%	Roofing services	1B, Mount Grace Drice, Poole, Dorset, BH14 8NB
ATAB NV	100%	Installation of roofing products	Satenrozen 2 U002, 2550 Kontich, Belgium
IKO NV	100%	Manufacture and installation of waterproofing products	D'Herbouvillekaai 80, 2020 Antwerp, Belgium
Asbo NV	100%	Distribution of corrugated sheets	D'Herbouvillekaai 80, 2020 Antwerp, Belgium



# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

### 9. Fixed Asset Investments (continued)

#### Indirect subsidiary undertakings

Name	Holding	Principal activity	Registered address
IKO Limited	100%	Distribution of waterproofing products	Unit 502, Northwest Business park, Ballycoolin, Dublin 15, Ireland
IKO Holdings BV	100%	Holding Company	Wielewaalweg 1, 4791 PD Klundert, Netherlands
IKO Insulations BV	100%	Distribution of insulation products	Wielewaalweg 1, 4791 PD Klundert, Netherlands
IKO BV	100%	Distribution of roofing products	Wielewaalweg 1, 4791 PD Klundert, Netherlands
Bitasco Trading BV	100%	Distribution of roofing products	Wielewaalweg 1, 4791 PD Klundert, Netherlands
Touwen & Co BV	100%	Manufacture of paint and wood preservatives	Wielewaalweg 1, 4791 PD Klundert, Netherlands
Asphaltco NV	100%	Holding Company	D'Herbouvillekaai 80, 2020 Antwerp

#### \* In liquidation and no longer trading

#### Associates

The company held ordinary share capital in the following UK associates:

Name	Holding	Principal activity	Registered address
The Specialist Waterproofing Group Limited	25%	Holding company	1B, Mount Grace Drive, Poole, BH14 8NB

### 10. Amounts owed by group undertakings

	2021 £'000	2020 £'000 Restated
Amounts owed by group undertakings	34,434	35,324

The interest rate on amounts owed to group undertakings is nil% per annum (2020: nil%). Amounts are unsecured and repayable on demand. However, these balances are intended for continuing use in the business to support their day-to-day activities, and so should be reported as fixed assets. Accordingly, this has been reclassified from "Amounts due from group undertakings" within debtors falling due within one year to "Amounts due from group undertakings" within fixed assets in the prior year financial statements.

# IKO HOLDINGS PLC

## NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

### 11. Debtors

	2021 £'000	2020 £'000 Restated See Note 10
<b>Due after more than one year</b>		
Deferred tax asset	7	6
	<u>7</u>	<u>6</u>
<b>Due within one year</b>		
Trade debtors	-	6
Prepayments and accrued income	2	2
Social security and other taxes	4	16
Other debtors	266	247
	<u>272</u>	<u>271</u>
Total debtors	<u>279</u>	<u>277</u>
Other debtors attracted interest of 3% plus LIBOR per annum.		

### 12 Creditors: Amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	-	1
Other creditors	17	25
Accruals and deferred income	40	53
Corporation tax	2	857
	<u>59</u>	<u>936</u>

### 13. Deferred taxation

	Deferred tax £'000
At 1 January 2021	6
Other timing differences	<u>1</u>
At 31 December 2021	<u>7</u>

## IKO HOLDINGS PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

#### 13. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2021 £'000	2020 £'000
Other timing differences	<u>7</u>	<u>6</u>

#### 14. Share capital

	2021 £'000	2020 £'000
Allotted, called-up and fully paid		
48,235,448 Ordinary shares of £0.05 each	<u>2,412</u>	<u>2,412</u>

Ordinary shares have equal voting rights and rank equally on distribution.

#### 15. Reserves

##### Share premium

Share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

##### Profit & loss account

Profit and loss account includes all current and prior year retained profits and losses.

#### 16. 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.

During the year the company contributed £429,000 (2020: £401,000) to the Ruberoid Plc Staff Pension Scheme. Contributions outstanding at 31 December 2021 were £38,000 (2020: £34,000).

The latest full actuarial valuation of the Ruberoid PLC Staff Pension Scheme carried out on 5 April 2020 was updated to 31 December 2021 by a qualified independent actuary. For closed schemes under the projected unit method the current service cost will increase as the members of the scheme approach retirement.

The scheme closed to new entrants from 3 April 2003 and to future accrual of benefits of 6 April 2010. From 6 April 2007 changes were introduced limiting the future increases to pensionable salary to 3% per annum and increases to pensions in payment in respect of service after 6 April 2007 to 3% per annum. The employee would pay any increase in the cost of future accrual of benefits. Also from 6 April 2007 the new Group Stakeholder Scheme was introduced. This is a defined contribution scheme open to members of the Ruberoid PLC Staff Pension Scheme.

The company is joint and severally liable for the obligations of the Scheme and shares the actuarial risk of members' benefits. As the scheme is run for the IKO group as a whole, the company is unable to identify its scheme assets and liabilities on a consistent and reasonable basis. As permitted by FRS 102, the scheme is therefore accounted for by the company as a defined contribution scheme.

Full disclosure is contained within the financial statements of the company's immediate parent company, IKO UK Limited but as these accounts are not available at the time these accounts have been approved and authorized for issue the pension disclosure for the Ruberoid Plc Staff Pension Scheme is presented below.

## IKO HOLDINGS PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2021

#### 16. Pension commitments (continued)

At 31 December 2021, the scheme as a whole had a deficit on an FRS 102 basis of £12,232,000 (2020: £20,990,000). The Scheme is subject to the Statutory Funding Objective under the Pension Scheme Act 2004.

##### *Analysis of assets*

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

	2021	2020
	%	%
Equities	27	24
Gilts	15	11
Bonds	9	9
Bulk annuity policy	32	36
Diversified growth fund	-	3
Multi-asset credit fund	13	11
Cash	4	6
	<hr/>	<hr/>
	100	100
	<hr/>	<hr/>

The assets do not include any investment in shares or property of the company.

#### 17. Related party transactions

The company has taken advantage of the exemption under FRS 102 section 33 not to provide information on related party transactions with other undertakings within the IKO U.K. Limited group.

#### 18. Ultimate controlling party

The company's ultimate parent company is IKO Enterprises UK ULC, a company incorporated in Canada, and its immediate parent company is IKO U.K. Limited (Registered address: Appley Lane North, Appley Bridge, Wigan, Lancashire, WN6 9AB).

The largest and smallest group in which the results of the company are consolidated is IKO Enterprises UK ULC and IKO U.K. Limited respectively. The registered office of IKO Enterprises UK ULC is 700 – 4 Avenue SW, Suite 900, Calgary, Alberta, Canada, TP2 3J4. Copies of the financial statements of IKO U.K. Limited may be obtained from the Company Secretary at the following address.

Appley Lane North  
Appley Bridge  
Wigan  
Lancashire  
WN6 9AB

#### 19. Post balance sheet events

There have been no significant events after the balance sheet date which should be considered for a proper understanding of these financial statements.