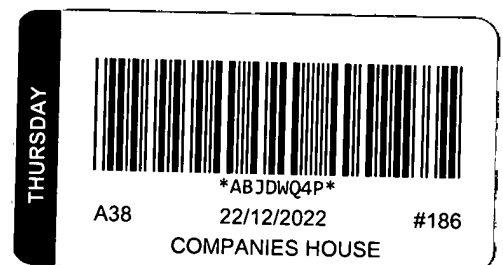


Hillarys Blinds (Holdings) Limited

**Annual report and financial
statements**

Registered number 02692951

31 December 2021



Contents

Strategic report	1
Directors' report	3
Statement of directors' responsibilities in respect of the annual report and the financial statements	5
Independent auditor's report to the members of Hillarys Blinds (Holdings) Limited	6
Profit and loss account and other comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes	12

Strategic report

Business review

The Company's principal activity is that of a holding Company. During the year there have not been any significant changes in the Company's principal activity.

The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next financial year.

The balance sheet on page 9 of the financial statements shows that the Company's financial position at the year-end had net assets of £5.2 million (2020: £5.5 million).

During the year the Group completed a group restructure, which resulted in the ownership of Hunter Douglas UK Retail Limited and Hillarys Blinds Trustee Company Limited being sold to Zonwering Holdings Limited, another company in the group. As part of this restructure several companies owned by Hillarys Blinds (Holdings) Limited were dissolved following the year end. See Note 7 for details.

Section 172 (1) Statement

The Directors have ensured their compliance with their duties under s. 172 (1) in relation to the business and the stakeholders of the business. The Company is part of the Hunter Douglas branded group with offices across the world. The directors of the business are engaged in the day to day management of the Company along with the management team; and engage regularly with other group entities. By doing so the directors can ensure that key decisions are made that meet the requirements of the group stakeholders.

Stakeholders

Our key stakeholders within the Group are our customers, employees, advisors, shareholders and suppliers. We are focussed on delivering high levels of service to our advisors, so that together we provide a first-class service to the Hillarys customer. Our employees are central to achieving the high standards of service which we strive to offer our customers. We recruit, train and motivate staff towards the ethos of continuously improving the service standards within the business.

Communication

We report in detail each month our trading performance, non-financial data and strategies to the supervisory board of the shareholders. This allows clear communication to ensure our strategies and decisions continue to align with the shareholders' vision. The supervisory board has the opportunity each month to directly engage with the Company's directors regarding performance and direction. We reported regularly throughout the year to Hunter Douglas NV on non-financial matters including environmental and social responsibility factors.

We encourage feedback from customers so that we can constantly improve on our services. Onsite review tools and social media are two methods we use to engage with customers and receive feedback.

Our employees are the cornerstone of the business and their well-being is of utmost importance. The Company has an 'open door' policy and encourages employees to communicate informally as well as formally through the policies in place to safeguard and protect the work force. The Board sees the continued involvement of their employees in the development and delivery of the Company's products and services as of critical importance to the future success of the Company and accordingly works hard to keep all staff informed of the progress and development of the business. The Company has invested behind improved communications channels and ongoing staff training and seeks to ensure that all employees and job applicants are afforded equal opportunity in all areas of employment. The Company values the contribution of all of its staff and as a result enjoys high levels of retention.

Strategic report *(continued)*

Key decisions

Key decisions taken by the board are made with reference to the impact these decisions will have on our stakeholders. We strive for a balance between commercial success and the longer term sustainability and satisfaction of our customers coupled with the welfare of our employees.

The strategic focus in 2021 was the continued revenue growth of the group with an increasing focus on identifying and delivering operational and supply chain efficiencies as part of the wider Hunter Douglas group. The strategies are presented to the shareholder supervisory board for approval and to ensure they fit with the overall strategies of Hunter Douglas Holdings NV.

In 2021 the Hillarys group focussed on organic growth.

The directors involve the senior management team in the strategic planning process to ensure engagement across the business. Senior managers are responsible for operational delivery of the majority of change initiatives within the Company whilst the directors maintain oversight of progress via regular steering committee reviews.

Principal risks and uncertainties

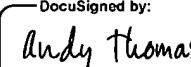
At the balance sheet date, the Company has no third-party debt and its intercompany borrowings are held on an interest-free basis. It therefore has no interest rate exposure.

Given the nature of this Company as a holding company, the directors do not consider there to be any other principal risks and uncertainties.

Post Balance Sheet events

In February 2022, 3G Capital Partners Ltd, a global investment firm focussed on adding long-term value, acquired 75% ownership of the ultimate parent company of the group. While there was no change in the direct ownership of Hillarys Blinds (Holdings) Limited, the ultimate parent company therefore changed from Hunter Douglas NV to 3G Capital Partners Ltd.

By order of the Board:

DocuSigned by:

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Andy Thomas

Director

19 December 2022

Dated:

Directors' report

The directors present their report and financial statements for the year ended 31 December 2021.

Results and dividends

The loss for the year, after taxation, amounted to £322,000 (2020: profit of £462,000). No ordinary dividends were paid during the year (2020: £nil).

Principal activities

The principal activity of the Company continues to be that of a holding company.

Directors

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

JM Risman
DMA Lewis
AR Thomas

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Ernst and Young LLP will therefore continue in office.

Directors' liabilities

Directors' and officers' liability insurance has been renewed by the Company during the year

Political and charitable contributions

Charitable contributions totalling £nil were made during the year (2020: £nil). No political contributions were made during the year (2020: £nil).

Going concern

The financial statements have been prepared on a going concern basis, which the directors believe to be appropriate for the reasons set out below.

The Company is a holding Company of a profit making group which is expected to continue to generate positive cash flows for the foreseeable future. As a consequence, the directors believe that the UK group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

As part of the post year end purchase of the Hunter Douglas Group by 3G Capital, the trade and assets of Hunter Douglas NV, the company providing the cash pooling arrangement at the year end date, are in the process of being transferred into a new company, Hunter Douglas Holdings BV, with all cash balances other than the GBP cash pool having been transferred during 2022. Zonwering Holdings Limited has obtained a letter of support from Hunter Douglas Holding BV which confirms that the Group, if required, will provide financial support until 31 December 2023, and Zonwering Holdings Limited has in turn provided a letter of support to Hillarys Blinds (Holdings) Limited.

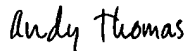
Directors' report *(continued)*

Going concern *(continued)*

The directors of the Company have considered information regarding the Group's ability to provide support to the Company, and are satisfied that the Group has sufficient cash reserves to support the company if required. The directors of the Company have made enquiries of the directors of Hunter Douglas Holding BV to confirm that it has the ability to provide financial support, noting the financial position of the Company as described above.

The directors of the Company have concluded that, if required, the Group will be able to provide financial support to the Company, for the period until 31 December 2023. Accordingly, the Directors are satisfied that they have a reasonable basis upon which to conclude that the Company is able to meet its liabilities as they fall due in the foreseeable future and that it remains appropriate to prepare the financial statements on a going concern basis.

By order of the board

DocuSigned by:

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Andy Thomas
Director

19 December 2022

Dated:

Statement of directors' responsibilities in respect of the annual report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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 judgements 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Hillarys Blinds (Holdings) Limited

Opinion

We have audited the financial statements of Hillarys Blinds (Holdings) Limited for the year ended 31 December 2021 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of comprehensive income, the Statement of changes in equity and the related notes 1 to 14 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 below. 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 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 the period to 31 December 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, 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 this report, we do not express any form of assurance conclusion thereon.

Independent auditor's report to the members of Hillarys Blinds (Holdings) Limited *(continued)*

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 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 or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the strategic report or directors' report.

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, 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.

Independent auditor's report to the members of Hillarys Blinds (Holdings) Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

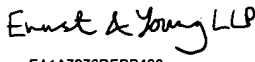
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the regions in which the company operates. In addition, the company has to comply with laws and regulations relating to its operations, including health and safety and GDPR.
- We understood how Hillarys Blinds (Holdings) Limited is complying with those frameworks making enquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management and those charged with governance to understand where it considered there was susceptibility to fraud. We understood the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, in respect of management override, including the processing of manual adjustments, we performed audit procedures to address the identified fraud risk. These procedures included testing journals for the purpose of large or unusual transactions. We have considered the nature of these transactions and for those that we did not consider to be in the normal course of the business and are not of a trivial value we obtained evidence to support the validity of the transactions. Our procedures were designed to provide reasonable assurance that the company financial statements were free from material misstatement.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on journals indicating large unusual transactions based on our understanding of the business and enquiries of management.

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

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.

DocuSigned by:

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Jos Burkill (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol

Date: 19 December 2022

Profit and loss account and other comprehensive income

	<i>Note</i>	2021 £000	2020 £000
Administrative expenses		(476)	-
Other operating income		-	504
Operating (loss)/profit	2	(476)	504
Interest received	5	190	68
Income from shares in group companies		-	-
(Loss)/profit before taxation		(286)	572
Tax on (loss)/profit	6	(36)	(110)
(Loss)/profit and total comprehensive (expense)/income for the financial year		(322)	462

All amounts relate to continuing activities.

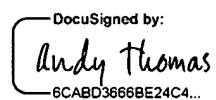
There were no recognised gains or losses in either the current or preceding year other than those disclosed in the profit and loss account.

Hillarys Blinds (Holdings) Limited
Annual report and financial statements
 31 December 2021

Balance sheet

	Note	2021 £000	2020 £000
Fixed assets			
Investment in subsidiary undertakings	7	4,557	24,569
Current assets			
Debtors	8	24,534	41,975
			41,975
Creditors: amounts falling due within one year	9	(23,933)	(61,064)
Net current assets/(liabilities)		601	(19,089)
Net assets		5,158	5,480
Capital and reserves			
Called up share capital	10	41	41
Capital redemption reserve		2	2
Profit and loss account		5,115	5,437
Shareholders' funds		5,158	5,480

These financial statements were approved by the board of directors on 19 December 2022 and were signed on its behalf by:

DocuSigned by:

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Andy Thomas
 Director

Company registered number: 2692951

Statement of changes in equity

	Called up share capital £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2020	41	2	4,975	5,018
Total comprehensive income for the year				
Profit for the year	-	-	462	462
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	462	462
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	41	2	5,437	5,480
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Called up share capital £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2021	41	2	5,437	5,480
Total comprehensive income for the year				
Loss for the year	-	-	(322)	(322)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive expense for the year	-	-	(322)	(322)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	41	2	5,115	5,158
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

1 Accounting policies

Hillarys Blinds (Holdings) Limited (the "Company") is a private Company limited by shares and incorporated and domiciled in the UK. The registered number is 02692951 and the registered address is Unit 2, Churchill Park, Private Road No. 2, Colwick, Nottingham, NG4 2JR.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group. These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2016 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's ultimate parent undertaking at the year end, Hunter Douglas N.V. includes the Company in its consolidated financial statements. The consolidated financial statements of Hunter Douglas N.V. are available to the public and may be obtained from 'The Company Secretary, Hunter Douglas N.V., 2, Piekstraat, 3071 EL, Rotterdam, the Netherlands'. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements have been prepared on a going concern basis, which the directors believe to be appropriate for the reasons set out below.

The Company is a holding Company of a profit making group which is expected to continue to generate positive cash flows for the foreseeable future. As a consequence, the directors believe that the UK group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

As part of the post year end purchase of the Hunter Douglas Group by 3G Capital, the trade and assets of Hunter Douglas NV, the company providing the cash pooling arrangement at the year end date, are in the process of being transferred into a new company, Hunter Douglas Holdings BV, with all cash balances other than the GBP cash pool having been transferred during 2022. Zonwering Holdings Limited has obtained a letter of support from Hunter Douglas Holding BV which confirms that the Group, if required, will provide financial support until 31 December 2023, and Zonwering Holdings Limited has in turn provided a letter of support to Hillarys Blinds (Holdings) Limited.

The directors of the Company have considered information regarding the Group's ability to provide support to the Company, and are satisfied that the Group has sufficient cash reserves to support the company if required. The directors of the Company have made enquiries of the directors of Hunter Douglas Holding BV to confirm that it has the ability to provide financial support, noting the financial position of the Company as described above.

The directors of the Company have concluded that, if required, the Group will be able to provide financial support to the Company, for the period until 31 December 2023. Accordingly, the Directors are satisfied that they have a reasonable basis upon which to conclude that the Company is able to meet its liabilities as they fall due in the foreseeable future and that it remains appropriate to prepare the financial statements on a going concern basis.

Notes (continued)

1 Accounting policies (continued)

1.3 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the group; and
- (b) where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Investments in subsidiaries

These are separate financial statements of the Company. Investments in subsidiaries are carried at cost less impairment.

1.5 Impairment excluding stocks, and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Notes (continued)

1 Accounting policies (continued)

1.5 Impairment excluding stocks, and deferred tax assets (continued)

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.6 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes (continued)

2 Operating (loss)/profit

	2021 £000	2020 £000
Impairment of investments (see note 7)	(476)	-
Profit on sale of investment (see note 7)	-	504
	<u> </u>	<u> </u>

3 Expenses and auditor's remuneration

Amounts receivable by the Company's auditors in respect of services to the Company and its associates, other than the audit of the Company's financial statements, are disclosed in the consolidated financial statements of the former parent Company, Hunter Douglas NV.

Auditor's remuneration:

	2021 £000	2020 £000
Audit of these financial statements	3	3
	<u> </u>	<u> </u>

4 Staff costs and director's remuneration

There were no employees of the Company, other than the directors, during the year.

The directors of the Company are also directors or officers of a number of the companies within the group. The directors' services to the Company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the Company for the periods ended 31 December 2020 and 31 December 2021.

5 Other interest receivable and similar income

	2021 £000	2020 £000
Interest receivable from group undertakings	190	68
	<u> </u>	<u> </u>

Notes (continued)

6 Taxation

Total tax charge recognised in the profit and loss account, other comprehensive income and equity

	2021 £000	2020 £000
<i>Current tax</i>		
Current tax on income for the year	36	110
	<hr/>	<hr/>
Total current tax	36	110
	<hr/>	<hr/>

The total tax charge for 2021 and 2020 was recognised in the profit and loss. The tax assessed for the period is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below

Reconciliation of effective tax rate

	2021 £000	2020 £000
(Loss)/profit for the year	(322)	462
Total tax charge	36	110
	<hr/>	<hr/>
Loss excluding taxation	(286)	572
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 19% (31 Dec 2020: 19%)	(54)	109
Expenses not deductible for tax purposes	90	-
Chargeable gains	-	1
	<hr/>	<hr/>
Total tax charge included in profit or loss	36	110
	<hr/>	<hr/>

Notes (continued)

6 Taxation (continued)

Factors that may affect future tax charges

The 3 March 2021 Budget announced a proposed increase to the main rate of corporation tax to 25% from 1 April 2023. As this was substantively enacted on 24 May 2021, before the Balance sheet date, the 25% rate is applicable in the measurement of deferred tax assets and liabilities at 31 May 2021. Deferred tax has been provided at 25% being the rate at which temporary differences are expected to reverse.

7 Investments in subsidiary undertakings

	Total £000
Cost	
Balance at 1 January 2021	25,909
Disposals	(19,536)
	<hr/>
Balance at 31 December 2021	6,373
	<hr/>
Impairment	
Balance at 1 January 2021	1,340
Additions	476
	<hr/>
Balance at 31 December 2021	1,816
	<hr/>
Net book value	
At 1 January 2021	24,569
	<hr/>
At 31 December 2021	4,557
	<hr/>

Notes (continued)

7 Investments in subsidiary undertakings (continued)

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of Company	Holding	Proportion of voting rights and shares held	Country of incorporation	Nature of business
Willson Brooks Advertising Limited *	Ordinary	100%	England and Wales	Dormant
Arena Sun Control Systems Limited *	Ordinary	100%	England and Wales	Blinds and curtains
Hunter Douglas UK Retail Limited	Ordinary	100%	England and Wales	Blinds and curtains
Shadewell Limited *	Ordinary	100%	England and Wales	Dormant
Hillarys Blinds (Sales) Limited *	Ordinary	100%	England and Wales	Dormant
Web Blinds Limited *	Ordinary	100%	England and Wales	Dormant
Wholesale Blinds Limited	Ordinary	100%	England and Wales	Dormant
Hillarys Blinds (Northern) Limited	Ordinary	100%	England and Wales	Dormant
Hillarys Blinds Trustee Company Limited	Ordinary	100%	England and Wales	Dormant
Premier Shutters Limited *	Ordinary	100%	England and Wales	Non-trading
Shaftesbury Shutters Limited *	Ordinary	100%	England and Wales	Non-trading
Customwest Trading Limited *	Ordinary	100%	England and Wales	Shutters
Hillarys Finance Limited *	Ordinary	100%	England and Wales	Dormant
Hillarys Holdings Limited *	Ordinary	100%	England and Wales	Dormant
The Hillarys Group Limited *	Ordinary	100%	England and Wales	Dormant
Quartz Acquisition Limited *	Ordinary	100%	England and Wales	Dormant
Quartz Topco Limited *	Ordinary	100%	England and Wales	Dormant

Companies denoted * are owned directly by the Company. Other subsidiary undertakings are held by subsidiary holding companies.

The registered office of all of the above companies is: Unit 2, Churchill Park, Private Road No. 2, Colwick, Nottingham, NG4 2JR.

During the year the group participated in a legal entity rationalisation project with the goal of striking off 13 group members. This resulted in an initial capital reduction in Bellotto Holdings Limited, Bellotto Finance Limited and Bellotto Acquisition Limited, reducing their share capital to nil, followed by a reorganisation of group entities resulting in:

- Zonwering Holdings Limited purchasing Hillarys Blinds (Holdings) Limited from Bellotto Acquisition Limited, resulting in Bellotto Holdings investment in Bellotto Acquisition Limited being impaired.
- Zonwering Holdings Limited purchasing Hunter Douglas UK Retail Limited and Hillarys Blinds Trustee Company Limited from Hillarys Blinds (Holdings) Limited
- Bellotto Holdings Limited impairing its investment in Bellotto Acquisition by £29m and Zonwering Holdings Limited subsequently impairing its investment in Bellotto Holdings Limited by £146m
- Hillarys Blinds (Holdings) Limited impairing its investment in Shaftesbury Shutters Limited by £476k

The results of the above transactions in Hillarys Blinds (Holdings) was disposal of £19.5m and an impairment in the year of £476k.

Notes (continued)

7 Investments in subsidiary undertakings (continued)

Following the reorganisation there was a rationalisation of intercompany balances in preparation for striking off the following companies post year end, which were dissolved on 4 January 2022.

Willson Brooks Advertising Limited
 Shadewell Limited *
 Hillarys Blinds (Sales) Limited *
 Premier Shutters Limited *
 Shaftesbury Shutters Limited *
 Hillarys Finance Limited *
 Hillarys Holdings Limited *
 The Hillarys Group Limited *
 Quartz Acquisition Limited *
 Quartz Topco Limited *
 Thomas Sanderson Limited *

8 Debtors

	2021 £000	2020 £000
Owed by group companies	24,534	41,975

Amounts owed by group companies are unsecured, have no fixed repayment date and are repayable on demand

9 Creditors

	2021 £000	2020 £000
Corporation Tax	101	110
Owed to group companies	23,832	60,954
	23,933	61,064

Amounts owed to group companies are unsecured, have no fixed repayment date and are repayable on demand.

10 Capital and reserves

Share capital

	2021 £000	2020 £000
<i>Allotted, called up and fully paid</i>		
404,114 ordinary shares of £0.10 each	41	41

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Notes *(continued)*

11 Related parties

The Company has taken advantage of paragraph 33.1A of FRS 102 to not disclose transactions between wholly owned entities. There were no transactions with non wholly owned entities, other than a cashpooling balance of £71,240,000 (2020: 41,073,000) with Hunter Douglas NV.

Notes (continued)

12 Accounting estimates and judgements

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement for the Company include:

Investments

The Company has £4,557,000 of investments which are assessed for impairment annually. For non-trading companies this is by comparing the value of the investment to the net assets of the Company invested in. For trading companies this is by estimating the future cash flows expected to arise from the trading Company, which is then discounted at a suitable discount rate in order to calculate the present value of these cash flows, and comparing that value to the value of the investment.

13 Ultimate parent Company and parent Company of larger group

The immediate parent undertaking is Hillarys Blinds (Holdings) Limited, a Company incorporated in England and Wales.

The ultimate parent undertaking and controlling party at the year end was Hunter Douglas NV. The smallest and largest Company in which the results of the Company for the year are consolidated is Hunter Douglas NV, a Company incorporated in the Netherlands. Copies of the group financial statements, which include this Company, are available from its registered office: The Company Secretary, Hunter Douglas NV, 2, Piekstraat, 3071 EL Rotterdam.

Post year end the ultimate controlling party changed to 3G Capital Partners Ltd, see note 14.

14 Post balance sheet events

Following the year-end several group members, which were owned both directly and indirectly by the company, were dissolved. See Note 7 for details.

In February 2022, 3G Capital Partners Ltd, a global investment firm focussed on adding long-term value, acquired 75% ownership of the ultimate parent company of the group. While there was no change in the direct ownership of Hillarys Blinds (Holdings) Limited, the ultimate parent company therefore changed from Hunter Douglas NV to 3G Capital Partners Ltd.