

Company Registration No. 02860994

RUBEROID INTERNATIONAL LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2018



Ruberoid International Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS 2018

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Ruberoid International Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

H M Koschitzky

F Hautman

A Carlyle (appointed 1 August 2018)

A B Williamson (resigned 23 July 2018)

SECRETARY

TCSS Limited

REGISTERED OFFICE

Appley Lane North

Appley Bridge

Wigan

Lancashire

WN6 9AB

United Kingdom

AUDITOR

Deloitte LLP

Statutory Auditor

Manchester

United Kingdom

Ruberoid International Limited

STRATEGIC REPORT

For the year ended 31 December 2018

Introduction

The directors present their strategic report for the year ended 31 December 2018.

Business review

The company is the holding company of companies located in the UK, Belgium, The Netherlands, Ireland and the USA, engaged principally in the manufacture and supply of a wide range of bituminous waterproofing systems, insulation and related products. The company made a loss for the year in relation to administrative expenses and interest payable which is in line with the directors' expectations and considered satisfactory. Results are expected to remain consistent in future years.

Principal risks and uncertainties

The company is a holding company that supports a group of operational companies. The Company considers its principal risk to be the financial performance of its subsidiary companies, which support the carrying value of the Company's investments and which provide support to this Company to meet its liabilities as they fall due. Each trading entity has their own principal risks and uncertainties. These include the stability of the economy, volatility of raw material prices and pressure from competitors. The risk is managed through regular review by the board.

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

The main key performance indicator of the holding company is distributable reserves which currently total £13,409,000 (2017: £13,720,000). Although the company made a loss of £311,000 (2017: £349,000) the major contributing factor is the interest payable to its immediate parent, IKO Holdings Plc, of £531,000 (2017: £513,000). The performance of the company is acceptable.

Future developments

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

Brexit

Following the triggering of Article 50 of the Treaty of Lisbon, the directors have considered the impact of the United Kingdom's intention to leave the European Union and do not expect there to be a significant impact on activities of the company, except for the impact of the £ vs € exchange rate transition in 2019.

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


A Carlyle

Director

Date: 17/9/19

Appley Lane North
Appley Bridge
Wigan, Lancashire
WN6 9AB

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 2018. Future developments are included within the Strategic Report on page 2.

Results and dividends

The loss for the year, after taxation, amounted to £311,000 (2017: £349,000). The directors have not recommended the payment of a dividend (2017: £nil).

Directors

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

H M Koschitzky

F Hautman

A Carlyle (appointed 1 August 2018)

A B Williamson (resigned 23 July 2018)

H M Koschitzky is an overseas based director and is not required to notify his interest in group undertakings incorporated outside Great Britain to the company. He has no beneficial interest in the share capital of the group companies registered in Great Britain. F Hautman is also an overseas based director and has no beneficial interest in the share capital of group companies registered 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 Limited.

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.

Post balance sheet events

There have been no significant events affecting the company since the year end.

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 period. 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.

Ruberoid International Limited

DIRECTORS' REPORT (continued)

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk and liquidity risk.

Credit risk

The company's principal financial assets are receivables from other group companies.

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

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 and thus continue to trade. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future based on its forecasts and projections, despite the company being in a net current liabilities position. In making their assessment, the directors have considered a period of at least 12 months from the date of signing these financial statements.

The company's creditor is its immediate parent, IKO Holdings Plc. The directors of IKO Holdings Plc have confirmed that they will not request repayment of the balance over this period.

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 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.

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



A Carlyle

Director

Date: 12/9/19

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RUBEROID INTERNATIONAL LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Ruberoid International Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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 14.

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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

In connection with our audit of the financial statements, 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 there is 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 this other information, we are required to report that fact.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RUBEROID INTERNATIONAL LIMITED (continued)

Other information (continued)

We have nothing to report in respect of these matters.

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. This description forms part of our auditor's report.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
RUBEROID INTERNATIONAL LIMITED (continued)**

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.



Jane Boardman BSc FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom

17 September 2019

Ruberoid International Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Administrative expenses		(1)	(44)
Operating loss	3	(1)	(44)
Interest receivable and similar income	5	221	183
Interest payable and similar expenses	6	(531)	(513)
Loss before tax		(311)	(374)
Tax on loss	7	-	25
Loss after tax		(311)	(349)

There were no recognised income or expenses for 2018 or 2017 other than those included in the profit and loss account, accordingly no separate statement of other comprehensive income is presented.

The notes on pages 11 to 19 form part of these financial statements.

All results derive from continuing operations.

Ruberoid International Limited

BALANCE SHEET As at 31 December 2018

	Note	2018 £'000	2017 £'000
FIXED ASSETS			
Investments	8	23,598	23,598
CURRENT ASSETS			
Debtors: amounts falling due after more than one year	9	5,511	5,338
CURRENT LIABILITIES being Creditors: amounts falling due within one year	10	(15,700)	(15,216)
NET CURRENT LIABILITIES		(10,189)	(9,878)
TOTAL ASSETS LESS CURRENT LIABILITIES		13,409	13,720
NET ASSETS		13,409	13,720
CAPITAL AND RESERVES			
Called up share capital	11	-	-
Profit and loss account	12	13,409	13,720
SHAREHOLDERS' FUNDS		13,409	13,720

The financial statements of Ruberoid International Limited (Registration Number 02860994) were approved and authorised for issue by the Board and were signed on its behalf by:



A Carlyle

Director

Date: 17/2/19.

Ruberoid International Limited**STATEMENT OF CHANGES IN EQUITY**
For the year ended 31 December 2018

	Called-up share capital £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2017	-	14,069	14,069
Loss for the year and total comprehensive loss for the year	-	(349)	(349)
At 31 December 2017	-	13,720	13,720
Loss for the year and total comprehensive loss for the year	-	(311)	(311)
At 31 December 2018	-	13,409	13,409

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

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 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 Ruberoid International Limited 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 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;

The information is included in the consolidated financial statements of IKO U.K. Limited as at 31 December 2018 and these financial statements may be obtained from the registered office, see note 14.

1.3 Consolidated financial statements

The company is exempt by virtue 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.

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 and thus continue to trade. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future based on its forecasts and projections, despite the company being in a net current liabilities position. In making their assessment, the directors have considered a period of at least 12 months from the date of signing these financial statements.

The company's creditor is its immediate parent, IKO Holdings Plc. The directors of IKO Holdings Plc have confirmed that they will not request repayment of the balance over this period.

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) **For the year ended 31 December 2018**

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 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:

- (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.

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

1. Accounting policies (continued)

1.6 Financial instruments (continued)

- (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. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

(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.

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.

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

1. Accounting policies (continued)

1.6 Financial instruments (continued)

Impairment of assets (continued)

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.

1.7 Revenue recognition

Interest income is recognised in the profit and loss account using the effective interest method.

Dividend income is recognised when the company's right to receive payment is established.

1.8 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.

1.9 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred taxation is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

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, estimates and assumptions 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 directors do not consider that the amounts recognised in the financial statements have been significantly affected by any critical judgements considered in the process of applying the Company's accounting policies.

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. Operating loss

The operating loss is stated after charging:

	2018	2017
	£'000	£'000
Auditor's remuneration	<u>1</u>	<u>1</u>

Non audit fees payable to Deloitte LLP were nil in the current and prior years.

4. Employees

The company has no employees other than the directors, who received £ nil remuneration (2017: £nil) for their services to the company, being remunerated by other group companies which is not possible to allocate to this Company.

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

5. Interest receivable and similar income

	2018 £'000	2017 £'000
Interest receivable on loans to group companies	187	183
Dividend income from fixed asset investments	34	-
	<u>221</u>	<u>183</u>

6. Interest payable and similar expenses

	2018 £'000	2017 £'000
Interest payable on loans from group companies	531	513
	<u>531</u>	<u>513</u>

7. Taxation

	2018 £'000	2017 £'000
Corporation tax		
Current tax on loss for the year	-	-
Adjustment in respect of previous periods	-	(25)
	<u>-</u>	<u>(25)</u>

Factors affecting current tax credit in the year:

The tax assessed for the year is lower than (2017: lower) the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The actual current tax credit for the current year and credit for the preceding year differs for the reasons set out in the following reconciliation.

	2018 £'000	2017 £'000
Loss before tax	(311)	(374)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.25%)	(59)	(72)
Effects of:		
Expenses not deductible for tax purposes	59	72
Adjustment in respect of previous periods	-	(25)
Total tax credit for the year	<u>-</u>	<u>(25)</u>

Factors that may affect future tax charges

The Finance Act 2016, which was substantively enacted in September 2016 included provisions to reduce the rate of corporation tax to 17% with effect from 1 April 2020. As this legislation was substantively enacted at year end the impact of the rate change is reflected in the tax provisions reported in these financial statements.

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

8. Fixed asset investments

			Investments in subsidiary companies £'000
Cost or valuation			
At 1 January 2018 and 31 December 2018			23,598
Net book value			
At 31 December 2017 and 31 December 2018			23,598
Direct subsidiary undertakings			
The following were 100% subsidiary undertakings of the company, unless otherwise stated.			
Name	Country of incorporation	Principal activity	Registered address
IKO NV	Belgium	Manufacture of waterproofing products and roofing	D'Herbouvillekaai 80, 2020 Antwerp
ATAB NV	Belgium	Installation of roofing products	Sarenzoven 2 U002, 2550 Kontich
IKO Limited	Ireland	Distribution of waterproofing products	Unit 502, Northwest Business Park, Ballycoolin, Dublin 15
IKO Holdings BV	Netherlands	Holding company	Wielewaalweg 1, 4791 PD Klundert
Touwen & Co BV	Netherlands	Manufacture of paints & wood preservatives	Oostzijde 300, 1508 ET Zaandam
IKO Insulations BV	Netherlands	Manufacture of insulation products	Wielewaalweg 1, 4791 PD Klundert
Nebiprofa BV	BVIKO Netherlands	Manufacture & dDistribution of roofing products	Wielewaalweg 1, 4791 PD Klundert
Bitasco Trading BV	Netherlands	Distribution of roofing products	Wielewaalweg 1, 4791 PD Klundert
Tortolani SA	Belgium	Installation of roofing products	Rue de Lodelinsart 58-60, 6040 Jumet (Charleroi, Belgium)
Victor Torolani SPRL	Belgium	Installation of roofing products	Rue de l'Abattoir 147, 4040 Herstal

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued) For the year ended 31 December 2018

8. Fixed asset investments (continued)

Name	Country of incorporation	Principal activity	Registered address
Goldis Enterprises Inc *	USA	Manufacture of waterproofing products	120, Hay Road, Wilmington, Delaware 19809
ASBO NV **	Belgium	Distribution of corrugated sheets	D'Herbouvillekaai 80, 2020 Antwerp
Asphaltco NV ***	Belgium	Holding company	D'Herbouvillekaai 80, 2020 Antwerp

* The shareholding in Goldis Enterprises Inc is in non-voting, non-cumulative preference shares. All other shareholdings listed above are in ordinary share capital.

** The shareholding in ASBO NV is 99.95%

*** The shareholding in Asphaltco NV is 99.50%

9. Debtors

	2018 £'000	2017 £'000
Amounts owed by parent undertakings	5,511	5,338

The amounts owed by group undertakings are unsecured and due for repayment on 31 December 2019. Interest is being charged at 3.5% per annum (2017: 3.5%).

10. Creditors: Amounts falling due within one year

	2018 £'000	2017 £'000
Accruals and deferred income	4	51
Amounts owed to parent undertakings	15,696	15,165
	15,700	15,216

The amounts owed to group undertakings are unsecured and due for repayment on 31 December 2019. Interest is being charged at 3.5% per annum (2017: 3.5%).

Ruberoid International Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2018

11. Called up share capital

	2018 £'000	2017 £'000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	-	-

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

12. Reserves

Profit & loss account

Profit and loss account includes all current and prior year retained profits and losses net of dividends paid.

13. Related party transactions

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

14. Ultimate controlling party

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

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

Appley Lane North
Appley Bridge
Wigan
Lancashire
WN6 9AB