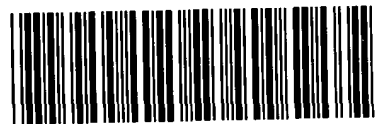


Company Registration No. 02950499 (England and Wales)

DISLEY HOLDINGS (UK)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory
Auditors
No. 1 Spinningfields
1 Hardman Square
Manchester
M3 3EB

THURSDAY



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03/12/2020

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COMPANIES HOUSE

DISLEY HOLDINGS (UK)

COMPANY INFORMATION

Directors	Mr M Gosselin Mr D Angel (Appointed 1 September 2020)
Company number	02950499
Registered office	No. 1 St Paul's Square Liverpool Merseyside L3 9SJ
Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors No. 1 Spinningfields 1 Hardman Square Manchester M3 3EB
Bankers	National Westminster Bank Plc 7 Market Place Derby DE1 3ZF
Solicitors	Hill Dickinson No 1 St Paul's Square Liverpool Merseyside L3 9SJ

DISLEY HOLDINGS (UK)

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DISLEY HOLDINGS (UK)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

Business review and principal activities

The principal activity of the group was previously the manufacture, conversion and distribution of disposable hygiene products. The group ceased to trade on 8th December 2009 and during the year to 31 December 2019 the group did not trade.

The company does not have any trading subsidiaries.

As the group does not trade it does not manage its activities using KPI's.

The preference shareholders have waived their right and entitlement to each and every dividend.

On behalf of the board



.....

Mr D Angel

Director

30 November 2019

DISLEY HOLDINGS (UK)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the audited consolidated financial statements for the year ended 31 December 2019.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr M Gosselin

Mr D Angel

(Appointed 1 September 2020)

Results and dividends

The loss for the financial year amounted to £71 thousand (2018 - loss £87 thousand)

The director does not recommend payment of a dividend for the year ended 31 December 2019 (2018 - £nil).

Post reporting date events

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

Future developments

The financial statements have been prepared on a basis other than going concern on the grounds that the trading activities of the company have ceased and that all future plans for the company are uncertain, as a result the company is not considered to be a going concern. All assets have been recorded at net realisable value and all liabilities are included as current.

Auditor

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DISLEY HOLDINGS (UK)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of directors' responsibilities in respect of the financial statements

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 prepared the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group and company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Director's confirmations

In the case of each director in office at the date the Director's Report is approved:

- so far as the director is aware, there is no relevant audit information of which the group and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group and company's auditors are aware of that information.

On behalf of the board

Mr D Angel
Director

Date: 30 November

Independent auditors' report to the members of Disley Holdings (UK)

Report on the audit of the financial statements

Opinion

In our opinion, Disley Holdings (UK) 's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2019 and of the group's loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the group and company balance sheet as at 31 December 2019; the group Statement of income and retained earnings, and the group statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Director's Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Director's Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Director's Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Director's Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

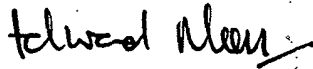
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption in preparing the Director's Report. We have no exceptions to report arising from this responsibility.



Edward Moss (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
30 November 2020

DISLEY HOLDINGS (UK)

GROUP STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £000	2018 £000
Administrative expenses		(17)	(16)
Other operating income		20	-
Operating profit/(loss)	3	3	(16)
Interest payable and similar expenses	6	(74)	(71)
Loss before taxation		(71)	(87)
Tax on loss	7	-	-
Loss for the financial year		(71)	(87)
Retained earnings brought forward		(69,377)	(69,290)
Retained earnings carried forward		<u>(69,448)</u>	<u>(69,377)</u>

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

DISLEY HOLDINGS (UK)

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £000	2018 £000
Current assets			
Debtors	9	1,173	1,190
Cash at bank and in hand		1	-
		<u>1,174</u>	<u>1,190</u>
Creditors: amounts falling due within one year	10	<u>(32,624)</u>	<u>(32,569)</u>
Net current liabilities		(31,450)	(31,379)
Provisions for liabilities	11	(100)	(100)
Net liabilities		<u>(31,550)</u>	<u>(31,479)</u>
Capital and reserves			
Called up share capital	13	34,753	34,753
Share premium account		3,145	3,145
Profit and loss account		<u>(69,448)</u>	<u>(69,377)</u>
Total equity		<u>(31,550)</u>	<u>(31,479)</u>

The financial statements were approved by the board of directors and authorised for issue on 30 November 2020 and are signed on its behalf by:


Mr D Angel
Director

Company Registration No. 02950499

DISLEY HOLDINGS (UK)

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £000	2018 £000
Current assets			
Creditors: amounts falling due within one year	10	(30,816)	(30,816)
Net current liabilities		<u>(30,816)</u>	<u>(30,816)</u>
Capital and reserves			
Called up share capital	13	34,753	34,753
Share premium account		3,145	3,145
Profit and loss account		<u>(68,714)</u>	<u>(68,714)</u>
Total equity		<u>(30,816)</u>	<u>(30,816)</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £nil (2018 - £nil).

The financial statements were approved by the board of directors and authorised for issue on 30 November 2020 and are signed on its behalf by:


Mr D Angel
Director

Company Registration No. 02950499

DISLEY HOLDINGS (UK)

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £000	2018 £000
Cash flows from operating activities			
Cash generated from operations	15	75	70
Interest received/(paid)		1	(1)
Net cash inflow from operating activities		<u>76</u>	<u>69</u>
Net cash used in investing activities		-	-
Net cash used in financing activities		<u>(75)</u>	<u>(70)</u>
Net increase/(decrease) in cash and cash equivalents		<u>1</u>	<u>(1)</u>
Cash and cash equivalents at beginning of year		-	1
Cash and cash equivalents at end of year		<u><u>1</u></u>	<u><u>-</u></u>

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Disley Holdings (UK) is a private unlimited company domiciled and incorporated in England and Wales. The registered office is No. 1 St Paul's Square, Liverpool, Merseyside, L3 9SJ.

The group consists of Disley Holdings (UK) and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of income and retained earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.3 Going concern

The company and group financial statements have been prepared on a basis other than going concern on the grounds that the trading activities of the group and company have ceased and all future plans for the group and company are uncertain. As a result the group and company are no longer considered a going concern. Adjustments were made in a prior period financial statements to reduce assets to their realisable values and to reclassify fixed assets and long-term liabilities as current assets and liabilities. Assets and liabilities continue to be recognised on this basis. Therefore, no restatement has been made of comparative figures. The company ceased to trade on 8 December 2009 and during the year to 31 December 2019 the company was non-trading.

1.4 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.5 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

1.6 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangement of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Consolidated statement on income and retained earnings if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

1.7 Provisions

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated statement of income and retained earnings in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2 Judgements and key sources of estimation uncertainty

In the process of applying the Group's accounting policies, which are described above, management has made some judgments that have an effect on the amounts recognised in the financial statements. These also include assumptions concerning the future, and other sources of estimation uncertainty at the balance sheet date, that have a risk of causing material adjustment to the carrying amounts of net assets and liabilities within the next financial year.

Key sources of estimation include the environmental provision, see note 11 for further details.

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3 Operating profit/(loss)

	2019	2018
	£000	£000

Operating profit/(loss) for the year is stated after charging:

Fees payable to the Group's auditors and their associates for the audit of the Company's annual financial statements

15	15
----	----

4 Auditors' remuneration

2019	2018
£000	£000

Fees payable to the Group's auditors and their associates for the audit of the Company's annual financial statements

15	15
----	----

5 Employees

The Company has no employees other than the director, who did not receive any remuneration (2018 - £nil).

6 Interest payable and similar expenses

2019	2018
£000	£000

Interest on financial liabilities measured at amortised cost:

Bank interest payable

(1)	1
-----	---

Other loan interest payable

75	70
----	----

74	71
----	----

7 Tax on loss

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

2019	2018
£000	£000

Loss before taxation

(71)	(87)
------	------

Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)

(13)	(17)
------	------

Unutilised tax losses carried forward

13	17
----	----

Taxation charge for the year

-	-
---	---

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

7 Tax on loss

(Continued)

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These included reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. At Budget 2020, the government announced that the corporation tax main rate for the years starting 1 April 2020 and 2021 would remain at 19%.

8 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held Direct
Charles Turner & Company Limited	Dormant	Ordinary	100
F H Lee Limited	Dormant	Ordinary	100
Kruger Tissue (Industrial) Ltd	Non-trading	Ordinary	100
Kruger Tissue Group (UK) Limited	Holding company	Ordinary	100
Kruger Tissue (Consumer) Limited	Dormant	Ordinary	100

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Profit/(Loss) £000	Capital and Reserves £000
F H Lee Limited	-	8,611
Kruger Tissue (Industrial) Ltd	(71)	(47,683)
Kruger Tissue Group (UK) Limited	-	898

The registered address for all subsidiary undertakings listed above is No.1 St Paul's Square, Liverpool, Merseyside, L3 9SJ.

9 Debtors

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Amounts falling due within one year:				
Amounts owed by group undertakings	1,166	1,183	-	-
Other debtors	7	7	-	-
	<u>1,173</u>	<u>1,190</u>	<u>-</u>	<u>-</u>

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£000	£000	£000	£000
Share capital treated as debt	786	786	786	786
Amounts owed to group undertakings	29,064	28,989	27,272	27,272
Other creditors	2,758	2,758	2,758	2,758
Accruals and deferred income	16	36	-	-
	<u>32,624</u>	<u>32,569</u>	<u>30,816</u>	<u>30,816</u>

Included within the group amounts owed to group undertakings is a loan balance of £2.7m (2018 - £2.7m) due to Kruger Inc. Interest accrues at a rate of 2% above the Bank of England base rate on this loan and the amount is repayable on demand. All other amounts owed to group undertakings are unsecured, non interest bearing and repayable on demand.

11 Provisions for liabilities

	Group		Company	
	2019	2018	2019	2018
	£000	£000	£000	£000
Environmental provision	<u>100</u>	<u>100</u>	<u>-</u>	<u>-</u>

Following the sale of a former manufacturing site in Bolton the Director has reassessed the required provision and the provision as at the 31 December 2019 relates to the remaining responsibility for the environmental clean up of the site.

The Company has no provisions.

Movements on provisions:

	Environmental provision
Group	£000
At 1 January 2019 and 31 December 2019	<u>100</u>

12 Deferred taxation

The potential theoretical deferred tax asset of £765,000 (2018 - £748,000) arising from unrelieved tax losses has not been recognised in the financial statements since the group no longer trades. The accumulated tax losses are considered to be unrelievable.

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

13 Called up share capital

	Group and company	
	2019	2018
	£000	£000
Ordinary share capital Issued and fully paid 34,753,000 (2018 - 34,753,000) Ordinary Shares of £1 each	34,753	34,753
Shares classified as debt		
- Preference A Shares of 20p each	348	348
- Preference B Shares of 20p each	438	438
	786	786

The 'A' preference shareholders are entitled to a fixed cumulative preferential dividend of 7 pence per share. The 'B' preference shares carry a dividend entitlement, subject to the recommendation of the director, of 7 pence per share.

The 'A' preference shares carry the right to be redeemed in five equal tranches of 438,974 shares per annum on 31 December each year from 2000 to 2004 inclusive at a premium of 80 pence per share. No shares were redeemed at 31 December 2019. The 'B' preference shares carried the right to be redeemed on 31 December 2006 at a premium of 80 pence per share. No shares were redeemed at 31 December 2019.

The preference shareholders have waived their right and entitlement to each and every dividend which has accrued since 1 January 2012 onwards.

Preference shares are classified within Creditors: Amounts falling due within one year, see note 10.

Accumulated unpaid dividends in relation to these preference shares are £2.758m (2018 - £2.758m) these are included within note 10.

The preference shares are owned by a group company.

14 Controlling party

The immediate parent undertaking is Disley Holdings Inc, a company incorporated in Canada. The director regards Kruger Inc, a company registered in Canada, as the ultimate parent company and ultimate controlling party. The smallest and largest group in which the results of the company are consolidated is that of which Kruger Inc is the parent company. The consolidated financial statements of Kruger Inc are available from the secretary, Kruger Inc, 3285 Bedford Road, Montreal.

DISLEY HOLDINGS (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Cash generated from operations

	2019 £000	2018 £000
Loss for the year after tax	(71)	(87)
Adjustments for:		
Finance costs	74	71
Movements in working capital:		
Decrease in debtors	17	15
Increase in creditors	55	71
Cash generated from operations	<u>75</u>	<u>70</u>

16 Analysis of changes in net funds - group

	1 January 2019 £000	Cash flows £000	31 December 2019 £000
Cash at bank and in hand	-	1	1