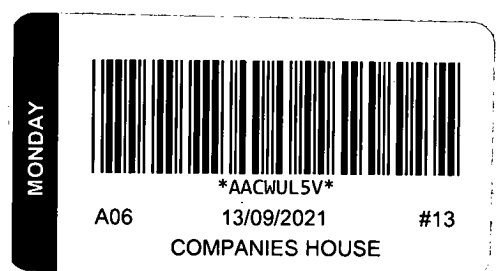


Registered No. 03635485

**P D Edenhall Limited**

***Annual Report***

**Year ended 31 December 2020**

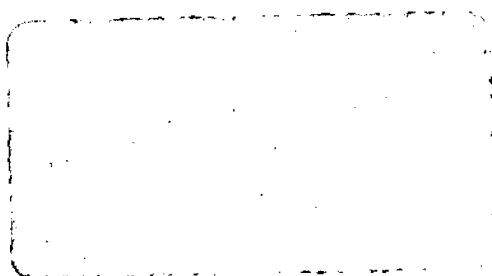


**P D Edenhall Limited**

**Year ended 31 December 2020**

***Contents***

	<b>Page</b>
Company Directory	3
Directors' Report	4 - 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7 - 9
Profit and Loss account	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 - 19



**P D Edenhall Limited**

**Year ended 31 December 2020**

**Company Directory**

**Directors**

J.J. Clarke (resigned 1 April 2021)  
M. Coffey  
J.A. Lockwood (appointed 26 July 2021)

**Company Secretary**

S.K. Sibal

**Registered Office**

Landscape House  
Premier Way  
Lowfields Business Park  
Elland  
HX5 9HT

**Bankers**

Lloyds TSB Bank plc  
Canons House  
Canons Way  
Bristol  
BS99 7LB

**Auditor**

Deloitte LLP  
Statutory Auditor  
1 City Square  
Leeds  
United Kingdom  
LS1 2AL

## **P D Edenhall Limited**

### **Directors' Report**

The Directors present their Annual Report together with the Financial Statements and Auditor's Report for the year ended 31 December 2020. The Directors have taken the small companies exemption contained in S414B of the Companies Act 2006 from the requirement to prepare a Strategic Report and in preparing the Directors Report.

#### **Principal activities**

The principal activity of the Company until 1 July 2019 when the Company ceased trading, was that of the manufacture and sale of concrete products for the building industry.

#### **Directors and their interests**

The names of the present Directors of the Company and those who have served during the year and up to the date of this report, appear on page 3. The Directors have no interests in the shares of the Company. The interests of the Directors in the share capital of Marshalls plc, the ultimate holding company, at 31 December 2020 and on 1 January 2020 are disclosed in the Annual Report of Marshalls plc.

The Directors are executives of the ultimate parent company, Marshalls plc and are also directors of other group companies. Full details of Directors' remuneration are set out in the Directors' Remuneration Report of the Annual Report of Marshalls plc. All the Directors of the Company are remunerated by Marshalls plc, the ultimate holding company.

#### **Business review**

The Company was acquired by Marshalls Mono Limited on 11 December 2018 and is now part of the Marshalls plc Group. As P D Edenhall Limited forms part of the Group's trading activities, certain information within this Directors' Report includes details related to the Marshalls plc Group ("the Group" or "Marshalls") as a whole.

With effect from 1 July 2019 the trade and business net assets of the Company were transferred to Marshalls Mono Limited at their carrying value and the Company became non-trading from that date. The consideration for the transfer was left outstanding as an intercompany receivable.

#### **Trading Summary and dividends**

Trading for the period resulted in a profit after taxation of £nil (2019: £1,026,000). Turnover for the year ended 31 December 2020 was £nil (2019: £17,562,000).

As a non-trading company, the Directors do not consider there to be any relevant KPIs.

No ordinary dividend has been paid or proposed in the year or since the end of the financial year (2019: £nil).

#### **Going concern**

At 31 December 2020, the Company has a net current assets position of £6,785,000 (2019: £6,785,000).

With effect from 1 July 2019 the trade and business net assets of the Company were transferred to Marshalls Mono Limited. Up until the date of transfer the Company was reliant for its working capital on its own cash generation along with funds provided to it by its parent, which has access to borrowing facilities as set below. Following the transfer of the trade and net assets to Marshalls Mono Limited the Company has ceased to trade and consequently the Financial Statements have been prepared on a basis other than going concern. See Note 1 for further details.

#### **Borrowing facilities**

Prior to the transfer of the trade and business net assets of the Company on 1 July 2019, the Company had its own working capital facility with Lloyds TSB Bank plc. Prior to the transfer of trade and assets, the Company also received support from its Parent in the form of a short term working capital loan which at 30 June 2019 amounted to £4,653,000. The Company is now non-trading but is still supported by its Parent and has access to Group borrowing facilities if required.

The Group continues its policy of having a range of committed bank facilities in place with a positive spread of medium-term maturities that now extends to 2024. The Group's committed facilities are all revolving credit facilities with interest charged at a variable rate based on LIBOR.

The Group's total bank borrowing facilities at 31 December 2020 amounted to £255.0 million of which £124.7 million (2019: £83.7 million), remained unutilised. Interest cover and net debt to EBITDA covenants in the facilities were comfortably met at the year end. The bank facilities are unsecured save for inter-company guarantees between the Group and its subsidiary undertakings in favour of the facility banks.

## **P D Edenhall Limited**

### **Directors' Report (continued)**

#### **Borrowing facilities (continued)**

On 1 May 2020, the Group signed agreements with each of NatWest, Lloyds and HSBC for an additional £30 million, 12-month committed revolving credit facility with each, with a 12-month extension option. These additional facilities comprised £90 million and significantly strengthened the Group's headroom. In addition, the Group established a facility line with the COVID-19 Corporate Financing Facility ("CCFF") with an issuer limit of £200 million. The Group's debt facilities were reviewed during 2021 and both of these facilities were allowed to lapse upon maturity in April 2021. At 11 August 2021 the Group's total bank borrowing facilities amounted to £165 million.

The continuing strategy is to ensure that headroom remains at comfortable levels and that we have a range of competitively priced funding lines in place (with different banks) at all times and with different maturity dates. The Group's committed bank facilities have a spread of medium-term maturities that now extends to 2024.

#### **Risk Management and Principal Risks and Uncertainties**

Risk management is the responsibility of the Directors. The Marshalls Group establishes the culture of effective risk management and for ensuring that appropriate systems and controls are maintained, The Directors set the risk appetite and determine the policies and procedures that are put in place to mitigate exposure to risks.

#### **Share capital**

Details of the share capital during the year are set out in Note 9 on page 18.

#### **Disclosure of information to the auditor**

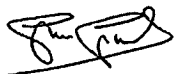
Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as each Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself 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.

Deloitte LLP have expressed their willingness to continue in office as Auditor. Appropriate arrangements have been put in place for them to be deemed reappointed as Auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:



S.K. Sibal  
Company Secretary  
6 September 2021

## **P D Edenhall Limited**

### **Statement of Directors' Responsibilities in respect of the Annual Report and 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 elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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;
- 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.

## **P D Edenhall Limited**

### **Independent Auditor's Report to the Members of P D Edenhall Limited**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

In our opinion the Financial Statements of P D Edenhall Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; 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 101 "Reduced Disclosure Framework" (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.

##### **Emphasis of matter – Financial Statements prepared on a basis other than going concern**

We draw attention to Note 1 in the Financial Statements, which indicates that the Financial Statements have been prepared on a basis other than that of going concern. Our opinion is not modified in respect of this matter.

##### **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.

We have nothing to report in respect of these matters.

**Independent Auditor's Report to the Members of P D Edenhall Limited (continued)**

**Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and in house legal counsel about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as tax regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.



## **P D Edenhall Limited**

### **Independent Auditor's Report to the Members of P D Edenhall Limited (continued)**

#### **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 Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report has 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 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; and
- The Directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

##### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Johnson FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Leeds, United Kingdom  
6 September 2021

## P D Edenhall Limited

### ***Profit and Loss account for the year ended 31 December 2020***

	Notes	Total 2020 £'000	Total 2019 £'000
<b>Turnover</b>	2	-	17,562
Net operating costs	3	-	(15,807)
<b>Operating profit</b>		-	1,755
Interest payable and similar charges	5	-	(130)
<b>Profit on ordinary activities before taxation</b>		-	1,625
<b>Taxation on profit on ordinary activities</b>	6	-	(599)
<b>Profit for the financial year</b>		-	1,026

The Notes on pages 13 to 19 form part of these Financial Statements.

There were no items of other comprehensive income / (expense) in the current or prior year other than the profit recorded above and consequently a separate statement of other comprehensive income has not been presented. All amounts derive from discontinued operations.

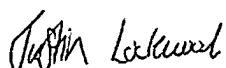
# P D Edenhall Limited

## Balance Sheet as at 31 December 2020

	Notes	2020 £'000	2019 £'000
<b>Current assets</b>			
Debtors	7	6,785	6,785
Cash at bank and in hand		-	-
		<u>6,785</u>	<u>6,785</u>
<b>Net current assets</b>		<u>6,785</u>	<u>6,785</u>
<b>Total assets less current liabilities</b>		<u>6,785</u>	<u>6,785</u>
<b>Net assets</b>		<u>6,785</u>	<u>6,785</u>
<b>Capital and reserves</b>			
Called-up share capital	9	154	154
Capital redemption reserve	9	930	930
Profit and loss account	9	5,701	5,701
<b>Shareholders' funds</b>		<u>6,785</u>	<u>6,785</u>

The Notes on pages 13 to 19 form part of these Financial Statements.

The Financial Statements of P D Edenhall Limited (registered number 03635485) were approved by the Board of Directors and authorised for issue on 6 September 2021. They were signed on its behalf by:



J.A. Lockwood  
Director

## P D Edenhall Limited

### Statement of Changes in Equity for the year ended 31 December 2020

	Called up share capital £'000	Capital redemption reserve £'000	Profit and Loss Account £'000	Total £'000
At 1 January 2019	154	930	4,690	5,774
Effect of initial application of IFRS 16			(15)	(15)
At 1 January 2019 – as restated	<u>154</u>	<u>930</u>	<u>4,675</u>	<u>5,759</u>
<b>Total comprehensive income for the year</b>				
Profit for the financial year	-	-	1,026	1,026
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>-</u>	<u>1,026</u>	<u>1,026</u>
At 31 December 2019	<u>154</u>	<u>930</u>	<u>5,701</u>	<u>6,785</u>
<b>At 1 January 2020</b>	<b>154</b>	<b>930</b>	<b>5,701</b>	<b>6,785</b>
<b>Total comprehensive income for the year</b>				
Profit for the financial year	-	-	-	-
<b>Total comprehensive income for the year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>At 31 December 2020</b>	<b><u>154</u></b>	<b><u>930</u></b>	<b><u>5,701</u></b>	<b><u>6,785</u></b>

## **P D Edenhall Limited**

### **Notes to the Financial Statements**

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

##### **Significant accounting policies**

P D Edenhall Limited (the "Company") is a Private Limited Company incorporated and domiciled in the United Kingdom. The Company's registered number and registered office address can be found on the Company Directory page on page 3.

The immediate parent of P D Edenhall Limited is P D Edenhall Holdings Limited, which is itself 100 per cent owned by Edenhall Holdings Limited. The entire share capital of Edenhall Holdings Limited was acquired by Marshalls Mono Limited on 11 December 2018.

##### **(a) Basis of preparation**

These Financial Statements were prepared in accordance with Financial Reporting Standard 101 "*Reduced Disclosure Framework*" ("*FRS 101*") and on the historical cost basis.

In preparing these Financial Statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("*Adopted IFRSs*"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Marshalls plc includes the Company in its Consolidated Financial Statements. The Consolidated Financial Statements of Marshalls plc are prepared in accordance with International Financial Reporting Standards. These are available to the public and may be obtained from the registered office at Landscape House, Premier Way, Lowfields Business Park, Elland, West Yorkshire, HX5 9HT.

The accounting policies which follow set out those policies which apply in preparing the Financial Statements for the year ended 31 December 2020. The Company meets the definition of a qualifying entity and in these Financial Statements, the Company has therefore applied the exemptions available under FRS 101 in respect of the following disclosures:

- the requirement in paragraph 38 of IAS 1 "*Presentation of Financial Statements*" to present comparative information in respect of: (i) Paragraph 79(a)(iv) of IAS 1, "Share capital and (ii) paragraph 73(e) of IAS 16, "*Property, plant and equipment*";
- the requirements of paragraphs 10(d), 10(f), 16, 39(c), 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 "*Presentation of Financial Statements*", in respect of working capital management;
- the requirements of IAS 7 "*Statement of Cashflows*";
- the requirements of paragraphs 30 and 31 of IAS 8 "*Accounting Policies, Changes in Accounting Estimates and Errors*", in respect of new but not yet effective IFRSs;
- the requirements of paragraph 17 of IAS 24 "*Related Party Disclosures*"; and
- the requirements in IAS 24 "*Related Party Disclosures*" to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

As the Consolidated Financial Statements of Marshalls plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- the requirement of IFRS 7 "*Financial Instruments: Disclosures*";
- the requirement of paragraphs 91-99 of IFRS 13 "*Fair Value Measurement*";
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 "*Impairment of Assets*".

**Notes to the Financial Statements (continued)**

**1. Accounting policies (continued)**

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

The Financial Statements are presented in sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency), rounded to the nearest thousand.

**Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on page 4. The financial position and the Company's liquidity position and borrowing facilities are also set out in the Directors' Report.

The trade and business net assets of the Company were transferred to its immediate parent, Marshalls Mono Limited, with effect from 1 July 2019 and the Company ceased to trade with effect from that date. The Directors do not foresee, at the date of this report, that there will be any trade by the Company following this transfer and as a result the Financial Statements have been prepared on a basis other than that of going concern. No adjustments to the Financial Statements arose as a consequence of adopting this basis for preparing the Financial Statements.

**(b) Turnover**

Turnover is recorded typically on despatch of the Company's products, when performance obligations to customers are satisfied. Products are usually delivered using the Company's fleet of delivery vehicles. Amounts due from customers are payable by customers on standard credit terms and there are no significant financing component or variable consideration with amount due from customers. There are no significant obligations in relation to returns, refunds, warranties or similar obligations.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods or continuing management involvement with the goods.

**(c) Income tax**

Income tax on the profit or loss for the year comprises current and deferred taxation. Income 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 in equity or other comprehensive income respectively.

Current tax is the expected tax payable on the taxable income 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 balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**(d) Pension schemes**

The Company operates a defined contribution pension scheme for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions to a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

## P D Edenhall Limited

### Notes to the Financial Statements (continued)

#### 1. Accounting policies (continued)

##### (e) Share capital

##### (i) Share capital

Share capital is classified as equity if it is non-redeemable and any dividends are discretionary, or is redeemable but only at the Company's option. Dividends on share capital classified as equity are recognised as distributions within equity.

##### (ii) Dividends

Dividends on non-equity shares are recognised as a liability and accounted for on an accruals basis. Equity dividends are recognised as a liability in the period in which they are declared (appropriately authorised and no longer at the discretion of the Company).

##### (f) Critical accounting judgments and estimation uncertainty.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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.

There are no critical accounting judgements of key sources of estimation uncertainties within these financial statements.

#### 2. Turnover

Turnover and profit before taxation are attributable to the one principle activity of the Company within the United Kingdom.

Turnover recognised in the Profit and Loss account is analysed as follows:

	2020 £'000	2019 £'000
Sale of goods	-	17,562

#### 3. Net operating costs

	2020 £'000	2019 £'000
Raw materials and consumables	-	5,916
Changes in inventories of finished goods and work in progress	-	1,072
Staff costs (Note 4)	-	3,140
Depreciation of tangible fixed assets	-	474
Depreciation of right-of-use assets	-	267
Other operating charges	-	4,938
Net operating costs	-	15,807

**P D Edenhall Limited**

**Notes to the Financial Statements (continued)**

**3. Net operating costs (continued)**

Operating profit is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Hire of plant and machinery	-	137

The Company's audit fee is borne by the Parent Company. The audit fee in relation to these accounts is £6,000 (2019: £20,000).

**4. Staff numbers and costs**

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	-	2,780
Social security costs	-	276
Other pension costs	-	84
	-	3,140

The average monthly number of employees (including Directors) employed by the company was:

	<b>2020</b>	<b>2019</b>
Average number of employees	-	175

The 2019 average number of employees relates to the 6-month period prior to the hive up of trade and business net assets. As of 1 July 2019 all P D Edenhall employees became employees of Marshalls Mono Limited

M Coffey and J Clarke, up until the date of his resignation, were executives of the ultimate parent company, Marshalls plc, and were also directors of other group companies. They were remunerated by the ultimate parent company for their services to the Group as a whole and it is not practical to allocate the total remuneration paid to Directors between their services as executives of Marshalls plc and their services as directors of each other company of which they are directors. Details of the Directors' remuneration, share options, long term incentive plans and Directors' pension entitlements are disclosed in the Directors' Remuneration Report section of the Marshalls plc Annual Report.

There were no key management personnel other than the Directors.

**5. Interest payable and similar charges**

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Bank interest	-	26
Interest expense on lease liabilities	-	104
	-	130



**P D Edenhall Limited**

**Notes to the Financial Statements (continued)**

**6. Taxation on profit on ordinary activities**

	<b>2020 £'000</b>	<b>2019 £'000</b>
UK Corporation tax		
Current tax on profit for the year	-	316
Adjustments in respect of prior periods	-	-
Total current tax	-	316
Deferred tax (see Note 8)		
Origination and reversal of temporary differences	-	283
Total deferred tax	-	283
Tax on profit on ordinary activities	-	599

The tax charge on profits before taxation on continuing operations for 2019 is higher than the standard average rate of corporation tax in the UK (19.00%). The differences are explained below:

	<b>2020 £'000</b>	<b>2019 £'000</b>
Profit before taxation	-	1,625
Tax using the average UK corporation tax rate of 19.00% (2019: 19.00%)	-	309
Impact of capital allowances in excess of depreciation	-	290
Total taxation expense	-	599

The corporation tax rate will increase to 25 per cent in April 2023.

**7. Debtors**

	<b>2020 £'000</b>	<b>2019 £'000</b>
Amounts owed from Group undertakings	6,785	6,785

The amounts owed by Group undertakings are interest free and due on demand.

Notes to the Financial Statements (continued)

8. Provisions for liabilities

Movement in deferred tax during the prior year

Year ended 31 December 2019

	1 January 2019 £'000	Recognised in income £'000	Recognised in equity £'000	Transferred to other group undertakings £'000	31 December 2019 £'000
Tangible fixed assets	(379)	(283)	-	662	-
Other items	(92)	-	-	92	-
IFRS 16 transition adjustment	-	-	41	(41)	-
	<u>(471)</u>	<u>(283)</u>	<u>41</u>	<u>713</u>	<u>-</u>

9. Issued and paid up share capital and reserves

Share capital

	2020 £'000	2019 £'000
Authorised, allotted, Issued and fully paid:		
73,846 (2019: 73,846) "A" ordinary shares of £1 each	74	74
80,000 (2019: 80,000) "B" ordinary shares of £1 each	80	80
	<u>154</u>	<u>154</u>

"A" and "B" Ordinary shares rank pari passu in all respects.

	Capital redemption reserve £'000	Profit & loss account £'000
At 1 January 2020	930	5,701
Profit for the financial year	-	-
<b>At 31 December 2020</b>	<b>930</b>	<b>5,701</b>

Capital redemption reserve

The capital redemption reserve records the nominal value of shares repurchased by the Company.

Profit and loss account

The profit and loss account includes all current and prior period retained profit and losses. All are considered distributable.

10. Pension commitments

The Company operated two defined contribution pension schemes. The assets of the schemes are held separately from those of the Company in independently administered funds. The pension costs charge represents contributions payable by the Company to the funds and amounted to £nil (2019: £84,000).

**Notes to the Financial Statements (continued)**

**11. Accounting estimates and judgements**

Management have discussed with the Marshalls plc Audit Committee the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates. There are no critical accounting judgements or key sources of estimation uncertainties within these financial statements. The accounting policies are set out in Note 1 on pages 13 to 15.

As stated in the accounting policies revenue is disclosed net of rebates. Whilst the Directors do not regard the determination of accruals for rebates as a key area of estimation uncertainty, the estimation of appropriate accruals for rebates in the prior year requires commercial assessment.

**12. Related parties**

Related party relationships exist with other members of the Group. All related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

The Company has taken the exemption not to disclose related party transactions entered into between wholly owned members of the Group.

	Debtors outstanding		Creditors outstanding	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Marshalls Mono Limited	<b>6,785</b>	6,785	-	-

**13. Ultimate parent company**

The company regarded by the Directors as the ultimate parent company is Marshalls plc which is incorporated in the United Kingdom and registered in England and Wales. The Annual Report of Marshalls plc is available from the Registered office at Landscape House, Premier Way, Lowfields Business Park, Elland, West Yorkshire HX5 9HT.

The largest group in which the results of the Company are consolidated is that headed by Marshalls plc. The smallest group in which the results of the Company are consolidated is that headed by Marshalls Group Limited. The Annual Report of Marshalls Group Limited is available from the Registered office at Landscape House, Premier Way, Lowfields Business Park, Elland, West Yorkshire HX5 9HT.

**14. Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Dormant Subsidiary Company Name</b>	<b>Company No.</b>	<b>Class of share</b>	<b>% Holding</b>	
Acraman (418) Limited	05923372	Ordinary	100	Non-trading
Edenhall Limited	03326387	Ordinary	100	Non-trading
Edenhall Building Products Limited	02638967	Ordinary	100	Non-trading
Edenhall Concrete Limited	00698870	Ordinary	100	Non-trading
Edenhall Concrete Products Limited	03495356	Ordinary	100	Non-trading
Edenhall Technologies Limited	05090371	Ordinary	100	Non-trading

All of the Companies operate within the United Kingdom and are registered in England and Wales at the following address: Landscape House, Premier Way, Lowfields Business Park, Elland, West Yorkshire HX5 9HT.