

COMPANY REGISTRATION NUMBER: 04507961

Filon Products Limited
Financial Statements
31 December 2021

Filon Products Limited

Financial Statements

Year ended 31 December 2021

Contents	Pages
Officers and professional advisers	1
Strategic report	2
Directors' report	3 to 4
Independent auditor's report to the members	5 to 8
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12 to 22

Filon Products Limited

Officers and Professional Advisers

The board of directors

M A Wilcox
C Bainbridge
L Francis

Registered office

Unit 3 Ring Road Zone 2
Burntwood Business Park
Burntwood
Staffordshire
WS7 3JQ

Auditor

BSN Associates Limited
Chartered accountants & statutory auditor
3B Swallowfield Courtyard
Wolverhampton Road
Oldbury
West Midlands
B69 2JG

Bankers

HSBC Bank Plc
Market Place
Willenhall
West Midlands
WV13 2AF

Solicitors

Higgs & Sons
3 Waterfront Business Park
Brierley Hill
West Midlands
DY5 1LX

Filon Products Limited

Strategic Report

Year ended 31 December 2021

The principal activity of the company during the year continued to be the manufacture of glass reinforced polyester sheeting. We can report that 2021 continued to be a challenge due to the continued impact of both Covid-19 and Brexit. However, the company remains positive despite the challenging economic conditions which face the market. Turnover increased by 23.4% compared to the previous year. Against the backdrop of raw material cost and availability pressures we have again been able to achieve a profit in the financial period, albeit with a reduced level of profit before taxation compared to the profitability level of 2020. The company saw continued interest in its innovative roof refurbishment products along with the introduction of new and retention of existing customers together with additions to product lines. The company will continue to pursue new business opportunities and continue its research and development programme whilst concentrating on its core capabilities. Our growth strategy is all about careful, consistent and considered development within the industry. Although there are potential external threats, the company is actively and successfully seeking customers in alternative market sectors to reduce the reliance on its traditional core business of industrial roofing. The directors measure the business's financial performance against certain key performance indicators (KPIs). These KPIs include sales level, gross profit margin and added value. The gross profit margin for 2021 was 39.1% (2020: 41.4%) The directors are satisfied with the results achieved in the year.

This report was approved by the board of directors on 8 September 2022 and signed on behalf of the board by:

M A Wilcox

Director

Registered office:

Unit 3 Ring Road Zone 2

Burntwood Business Park

Burntwood

Staffordshire

WS7 3JQ

Filon Products Limited

Directors' Report

Year ended 31 December 2021

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

Directors

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

M A Wilcox

S R Vickers

Dividends

The directors do not recommend the payment of a dividend.

Future developments

The directors are confident about the future and continued success of the company. Turnover levels are expected to continue to increase with similar gross profit margins being retained. The company should continue to be profitable in the next financial year.

Financial instruments

The main risks that the company is exposed to include credit risk, interest rate risk and price risk. The directors monitor these risks on a regular basis and take the most appropriate course of action. The company insures its customers debts reducing its exposure to credit risk, any customers that cannot be insured are reviewed by the directors and assessed on an individual basis as to whether advance payment or credit will be given. All such customers are reviewed on a regular basis by the directors. The company has facilities in place with its bank which therefore minimises its exposure to interest rate risk, subject to any movement in the bank base rate. The company is exposed to fluctuations in both market prices and availability of supply of materials from its suppliers to mitigate this the company diversifies its risk by using several suppliers for each type of raw material and regularly agrees prices with its suppliers going forward.

Events after the end of the reporting period

No events have occurred since the reporting date that require adjustment or disclosure in the accounts.

Research and development

The company has continued to carry out research and development activities in the year to enable it to maintain its position in the market place with the product range and new and innovative ideas that it develops.

Disclosure of information in the strategic report

The strategic report is detailed on page 2 of the financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law 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). 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 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. Auditor

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

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

This report was approved by the board of directors on 8 September 2022 and signed on behalf of the board by:

M A Wilcox

Director

Registered office:

Unit 3 Ring Road Zone 2

Burntwood Business Park

Burntwood

Staffordshire

WS7 3JQ

Filon Products Limited

Independent Auditor's Report to the Members of Filon Products Limited

Year ended 31 December 2021

Opinion

We have audited the financial statements of Filon Products Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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. 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: Irregularities that result from fraud might be inherently more difficult than irregularities that result from error, which gives risk to a risk of material misstatement. We are of the opinion that the planned audit approach, the documentation and interrogation of the entity's controls means that the audit procedures carried out were capable of detecting irregularities, including fraud. We have also reviewed financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations. We have audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. We have also made enquiries of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 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.

Hannah Justice FCA FCCA

(Senior Statutory Auditor)

For and on behalf of

BSN Associates Limited

Chartered accountants & statutory auditor

3B Swallowfield Courtyard

Wolverhampton Road

Oldbury

West Midlands

B69 2JG

8 September 2022

Filon Products Limited

Statement of Comprehensive Income

Year ended 31 December 2021

		2021	2020
	Note	£000	£000
Turnover	4	12,764	10,342
Other operating income	5	4	181
		<u>12,768</u>	<u>10,523</u>
Raw material and consumables		6,712	4,894
Change in stocks of finished goods and in work in progress		(67)	36
Staff costs	8	2,481	2,480
Depreciation and other amounts written off tangible and intangible fixed assets		99	90
Other operating expenses		2,560	1,952
		<u>983</u>	<u>1,071</u>
Operating profit	6	983	1,071
Other interest receivable and similar income	11	3	3
Interest payable and similar expenses	12	—	1
		<u>986</u>	<u>1,073</u>
Profit before taxation		986	1,073
Tax on profit	13	183	203
		<u>803</u>	<u>870</u>
Profit for the financial year and total comprehensive income		803	870

All the activities of the company are from continuing operations.

Filon Products Limited

Statement of Financial Position

31 December 2021

		2021		2020
	Note	£000	£000	£000
Fixed assets				
Tangible assets	16	1,891		1,833
Investments	17	2,991		2,741
		-----		-----
		4,882		4,574
Current assets				
Stocks	18	1,159		1,234
Debtors	19	4,847		4,967
Cash at bank and in hand		2,745		2,101
		-----		-----
		8,751		8,302
Creditors: amounts falling due within one year	20	4,300		4,344
		-----		-----
Net current assets			4,451	3,958
			-----	-----
Total assets less current liabilities			9,333	8,532
Provisions				
Taxation including deferred tax	21	78		73
Other provisions	21	103		110
		-----		-----
			181	183
			-----	-----
Net assets			9,152	8,349
			-----	-----
Capital and reserves				
Called up share capital	25	180		180
Profit and loss account	26	8,972		8,169
		-----		-----
Shareholders funds			9,152	8,349
			-----	-----

These financial statements were approved by the board of directors and authorised for issue on 8 September 2022
, and are signed on behalf of the board by:

L Francis

Director

Company registration number: 04507961

Filon Products Limited
Statement of Changes in Equity

Year ended 31 December 2021

	Called up share capital	Profit and loss account	Total
	£000	£000	£000
At 1 January 2020	180	8,384	8,564
Profit for the year	---	870	870
	---	-----	-----
Total comprehensive income for the year	—	870	870
Dividends paid and payable	14	(1,085)	(1,085)
	---	-----	-----
Total investments by and distributions to owners	—	(1,085)	(1,085)
At 31 December 2020	180	8,169	8,349
Profit for the year	---	803	803
	---	-----	-----
Total comprehensive income for the year	—	803	803
	---	-----	-----
At 31 December 2021	180	8,972	9,152
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Filon Products Limited

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 3 Ring Road Zone 2, Burntwood Business Park, Burntwood, Staffordshire, WS7 3JQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Filon GRP Limited which can be obtained from its registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: - No cash flow statement has been presented for the company - Disclosures in respect of financial instruments have not been presented

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported about the assets and liabilities of the company that are not readily apparent from other sources. These estimates and judgements are continually reviewed and are based on experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. There are no key estimations or judgements that have been made by management in preparing these financial statements that would have a material impact on the assets and liabilities of the company.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Intellectual Property	-	2 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research expenditure is written off in the period in which it is incurred. Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met: - It is technically feasible to complete the intangible asset so that it will be available for use or sale; - There is the intention to complete the intangible asset and use or sell it; - There is the ability to use or sell the intangible asset; - The use or sale of the intangible asset will generate probable future economic benefits; - There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and - The expenditure attributable to the intangible asset during its development can be measured reliably. Expenditure that does not meet the above criteria is expensed as incurred.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2.50% straight line
Plant & Machinery	-	7.5% - 25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2021	2020
	£000	£000
Sale of goods	12,764	10,342
	-----	-----

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2021	2020
	£000	£000
United Kingdom	12,497	10,123
Overseas	267	219
	-----	-----
	12,764	10,342
	-----	-----

5. Other operating income

	2021	2020
	£000	£000
Government grant income	4	181
	---	---

6. Operating profit

Operating profit or loss is stated after charging:

	2021	2020
	£000	£000
Loss on disposal of tangible assets	3	—
Research and development expenditure written off	15	18
Auditors fee	15	12
Accountancy services	1	1
Tax advisory services	3	3
Operating lease rentals	36	33
	---	---

7. Auditor's remuneration

	2021	2020
	£000	£000
Fees payable for the audit of the financial statements	15	12
	---	---
Fees payable to the company's auditor and its associates for other services:		
Taxation advisory services	3	3
Other non-audit services	1	1
	---	---
	4	4
	---	---

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021	2020
	No.	No.
Production staff	41	44
Administrative staff	35	33
	---	---
	76	77
	---	---

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£000	£000
Wages and salaries	2,189	2,189
Social security costs	220	216
Other pension costs	72	75
	---	---
	2,481	2,480
	---	---

9. Key management remuneration

Remuneration, benefits and pension contributions that were paid to key management personnel in the year totalled £340,451 (2020: £265,340).

10. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2021	2020
	£000	£000
Remuneration	171	217
Company contributions to defined contribution pension plans	13	16
	---	---
	184	233
	---	---

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	No.	No.
Defined contribution plans	2	3
	----	----

Remuneration of the highest paid director in respect of qualifying services:

	2021	2020
	£000	£000
Aggregate remuneration	98	99
Company contributions to defined contribution pension plans	9	9
	----	----
	107	108
	----	----

11. Other interest receivable and similar income

	2021	2020
	£000	£000
Interest on cash and cash equivalents	3	3
	----	----

12. Interest payable and similar expenses

	2021	2020
	£000	£000
Interest on banks loans and overdrafts	—	1
	----	----

13. Tax on profit

Major components of tax expense

	2021	2020
	£000	£000
Current tax:		
UK current tax expense	178	202
Adjustments in respect of prior periods	—	(4)
	----	----
Total current tax	178	198
	----	----
Deferred tax:		
Origination and reversal of timing differences	5	5
	----	----
Tax on profit	183	203
	----	----

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19 % (2020: 19 %).

	2021	2020
	£000	£000
Profit on ordinary activities before taxation	986	1,073
	----	-----
Profit on ordinary activities by rate of tax	187	204
Effect of expenses not deductible for tax purposes	6	7
Effect of capital allowances and depreciation	(4)	—
Rounding on tax charge	—	(4)
Research and development relief	(6)	(13)
Deferred tax not provided	—	9
	----	-----
Tax on profit	183	203
	----	-----

14. Dividends

	2021 £000	2020 £000
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	–	1,000
Dividends proposed before the year end and recognised as a liability	–	85

15. Intangible assets

	Intellectual property £000
Cost	
At 1 January 2021 and 31 December 2021	50

Amortisation	
At 1 January 2021 and 31 December 2021	50

Carrying amount	
At 31 December 2021	–

At 31 December 2020	–

The intellectual property represents patent rights for a product sold by the group.

16. Tangible assets

	Freehold property £000	Plant and machinery £000	Total £000
Cost			
At 1 January 2021	1,580	2,233	3,813
Additions	76	109	185
Disposals	(3)	(109)	(112)
	-----	-----	-----
At 31 December 2021	1,653	2,233	3,886
	-----	-----	-----
Depreciation			
At 1 January 2021	266	1,714	1,980
Charge for the year	18	78	96
Disposals	(2)	(79)	(81)
	-----	-----	-----
At 31 December 2021	282	1,713	1,995
	-----	-----	-----
Carrying amount			
At 31 December 2021	1,371	520	1,891
	-----	-----	-----
At 31 December 2020	1,314	519	1,833
	-----	-----	-----

17. Investments

	Shares in group undertakings £000	Shares in participating interests £000	Total £000
Cost			
At 1 January 2021	2,741	–	2,741
Additions	–	250	250
	-----	-----	-----

At 31 December 2021	2,741	250	2,991
	-----	----	-----
Impairment			
At 1 January 2021 and 31 December 2021	—	—	—
	-----	----	-----

Carrying amount

At 31 December 2021	2,741	250	2,991
	-----	----	-----
At 31 December 2020	2,741	—	2,741
	-----	----	-----

The company owns 100% of the issued share capital of GRP Signs Limited in which it holds 123,000 £1 ordinary shares. The net assets, profit and activities of the subsidiary for the year end is listed below:

Aggregate capital and reserves**Profit and (loss) for the year**

GRP Signs Limited - -

GRP Signs Limited is a company registered in England and Wales. The company has been dormant throughout the current and previous year.

During the year the company acquired 25% shareholding in Mayan Roofing Systems Limited.

18. Stocks

	2021	2020
	£000	£000
Raw materials and consumables	675	817
Finished goods and goods for resale	484	417
	-----	-----
	1,159	1,234
	-----	-----

19. Debtors

	2021	2020
	£000	£000
Trade debtors	1,458	1,588
Amounts owed by group undertakings	3,300	3,300
Prepayments and accrued income	85	79
Other debtors	4	—
	-----	-----
	4,847	4,967
	-----	-----

20. Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	901	746
Amounts owed to group undertakings	2,790	2,790
Accruals and deferred income	47	35
Corporation tax	178	202
Social security and other taxes	256	315
Dividends payable	—	85
Other creditors	128	171
	-----	-----
	4,300	4,344
	-----	-----

21. Provisions

	Warranties	Deferred tax (note 22)	Total
	£000	£000	£000
At 1 January 2021	110	73	183
Additions	—	5	5
Charge against provision	(7)	—	(7)
	----	----	----
At 31 December 2021	103	78	181
	----	----	----

22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021	2020
	£000	£000
Included in provisions (note 21)	78	73
	----	----

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020
	£000	£000
Accelerated capital allowances	80	77
Provisions	(2)	(4)
	----	----
	78	73
	----	----

23. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 72,220 (2020: £ 75,511).

24. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£000	£000
Recognised in other operating income:		
Government grants recognised directly in income	4	181
	----	----

25. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	180,000	180,000	180,000	180,000
	-----	-----	-----	-----

All ordinary shares issued carry equal dividend and voting rights.

26. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses. Called up share capital - This reserve records the value of the shares issued.

27. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£000	£000
Not later than 1 year	38	42
Later than 1 year and not later than 5 years	66	80
	----	----
	104	122
	----	----

28. Other financial commitments

There is a cross guarantee in place between all group companies to secure group facilities.

29. Related party transactions

The company is exempt from disclosing related party transaction with fellow group companies under FRS102 on the grounds that consolidated accounts are prepared. No other related party transactions have occurred in the year.

30. Controlling party

The company is a subsidiary of Filon GRP Limited, a company incorporated in England and Wales, for which consolidated accounts are prepared that are publicly available.

31. Subsequent events

On the 12th of January 2022, overall control passed to a new entity incorporated in England and Wales, GRP Construction Products Limited. There is no one ultimate controlling party of GRP Construction Products Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.