

**Durastic Roofing and Cladding  
(Northern Ireland) Limited**

**Reports and Financial Statements  
for the year ended  
31 December 2016**

**Company Registration No. NI 035378 (Northern Ireland)**



**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Brian McMahon  
Hartley Koschitzky  
Frank Hautman  
James McGarry

**SECRETARY**

TCSS Limited

**COMPANY NUMBER**

NI035378

**REGISTERED OFFICE**

Whitehouse  
Newtownabbey  
Co. Antrim  
BT37 9UB

**INDEPENDENT AUDITOR**

Deloitte  
Chartered Accountants and Statutory Audit Firm  
Deloitte and Touche House  
Earlsfort Terrace  
Dublin 2

**BANKERS**

Bank of Ireland  
Antrim Road  
Gelengormley  
BT36 7QN

**SOLICITORS**

Harrison Leitch and Logan  
Victoria House  
54/58 Chichester Street  
Belfast  
BT1 4HN

## **DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

### **DIRECTORS' REPORT**

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The directors present their annual report on the affairs of the company together with the financial statements for the year ended 31 December 2016.

#### **PRINCIPAL ACTIVITY, PRINCIPAL RISKS AND UNCERTAINTIES**

A significant portion of the company's business relates to public sector works. The company ceased trading in the current financial year. The directors do not consider there to be any risks or uncertainties currently facing the company.

#### **GOING CONCERN AND BASIS OF PREPARATION**

The directors, having made the necessary enquiries and considering the fact that the company has ceased trading, understand that the company will be wound down post period end. The directors consider that this position will not change in the foreseeable future. As a result, the directors have prepared the financial statements on a basis other than that of a going concern which includes writing down the company's recoverable amounts. Further details are included in Note 2 to the financial statements.

#### **RESULTS AND DIVIDENDS**

The Statement of Income and Retained Earnings and Balance Sheet for the year ended 31 December 2016 are set out on pages 8 and 9.

The directors do not recommend the payment of a dividend (2015: STG£Nil).

#### **DIRECTORS AND SECRETARY**

The directors and secretary, who served at any time during the financial year and up to the date of this report, except as noted, were as follows:

##### **Directors**

Brian McMahon  
Hartley Koschitzky  
Frank Hautman  
James McGarry

##### **Secretary**

TCSS Limited

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

#### **DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES**

The directors and secretary held no beneficial interest in the company or other group companies which require disclosure.

#### **STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR**

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

- (i) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (ii) the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

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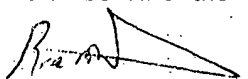
**AUDITOR**

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 385 of the Companies Act, 1985.

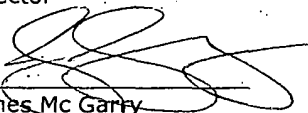
**SMALL COMPANIES EXEMPTION**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Signed on behalf of the Board:



Brian McMahon  
Director



James Mc Garry  
Director

12/6/2017

Date

## **DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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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 FRS102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

We have audited the financial statements of Durastic Roofing and Cladding (Northern Ireland) Limited for the year ended 31 December 2016 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland."

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 auditors' 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.

### **Respective responsibilities of directors and auditors**

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements. Which explains that the financial statements have been prepared on a basis other than that of a going concern.

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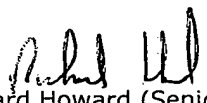
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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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 required for our audit.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report or from the requirement to prepare a Strategic Report.

  
Richard Howard (Senior Statutory Auditor)  
for and on behalf of Deloitte  
Chartered Accountants and Statutory Auditors  
Deloitte and Touche House  
Earlsfort Terrace  
Dublin 2

Date: 12 June 2017



**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

|   | Notes | 2016<br>STGE     | 2015<br>STGE |
|---|-------|------------------|--------------|
| <b>TURNOVER – discontinued operations</b>                                     | 3     | <b>6,905</b>     | 652,900      |
| Cost of sales   |       | <b>(22,111)</b>  | (572,297)    |
| <b>GROSS (LOSS)/PROFIT</b>  |       | <b>(15,206)</b>  | 80,603       |
| Administrative expenses   |       | <b>(32,581)</b>  | (395,828)    |
| Other operating income  |       | <b>43,972</b>    | -            |
| <b>OPERATING LOSS – discontinued operations</b>                               | 4     | <b>(3,815)</b>   | (315,225)    |
| (Loss)/profit on disposal of fixed asset                                      |       | <b>(1,972)</b>   | 1,345        |
| Impairment of fixed financial assets  | 11    | -                | (1,041,735)  |
| <b>LOSS ON ORDINARY ACTIVITIES<br/>BEFORE INTEREST</b>                        |       | <b>(5,787)</b>   | (1,355,615)  |
| Interest receivable and similar income  | 5     | -                | 1,012        |
| <b>LOSS ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b>                        |       | <b>(5,787)</b>   | (1,354,603)  |
| Tax credit on loss on ordinary activities                                     | 9     | <b>94</b>        | 65,673       |
| <b>LOSS FOR THE FINANCIAL YEAR</b>  |       | <b>(5,693)</b>   | (1,288,930)  |
| <b>RETAINED (DEFICIT)/EARNINGS AT THE BEGINNING OF THE<br/>FINANCIAL YEAR</b> |       | <b>(840,703)</b> | 448,227      |
| <b>RETAINED DEFICIT AT THE END OF THE<br/>FINANCIAL YEAR - DEFICIT</b>        |       | <b>(846,396)</b> | (840,703)    |

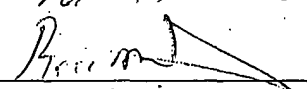
All recognised gains and losses have been included in the Statement of Income and Retained Earnings and all arose from discontinued activities.

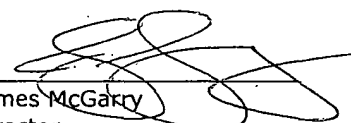
**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**BALANCE SHEET  
AS AT 31 DECEMBER 2016**

|   | Notes | 2016<br>STG£     | 2015<br>STG£       |
|---|-------|------------------|--------------------|
| <b>Fixed Assets</b>                                   |       |                  |                    |
| Tangible assets                                       | 10    | 18,833           | 30,835             |
| Financial assets                                      | 11    | -                | -                  |
|   |       | <u>18,833</u>    | <u>30,835</u>      |
| <b>Current Assets</b>                                 |       |                  |                    |
| Debtors   | 12    | 13,097           | 112,276            |
| Cash at bank and in hand                              |       | 14,891           | 34,670             |
|   |       | <u>27,988</u>    | <u>146,946</u>     |
| <b>Creditors: Amounts falling due within one year</b> | 13    | <u>(893,215)</u> | <u>(1,018,482)</u> |
| <b>Net current liabilities</b>                        |       | <u>(865,227)</u> | <u>(871,536)</u>   |
| <b>NET LIABILITIES</b>                                |       | <u>(846,394)</u> | <u>(840,701)</u>   |
| <b>Capital and reserves</b>                           |       |                  |                    |
| Called up share capital                               | 15    | 2                | 2                  |
| Retained earnings - deficit                           | 15    | (846,396)        | (840,703)          |
| <b>SHAREHOLDERS' DEFICIT</b>                          | 15    | <u>(846,394)</u> | <u>(840,701)</u>   |

The financial statements were approved and authorised for issue by the Board of Directors on 12/6/2017 and signed on its behalf by:

  
Brian McMahon  
Director

  
James McGarry  
Director

## **DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding year.

##### **General Information and Basis of Accounting**

Durastic Roofing and Cladding (Northern Ireland) Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is Whitehouse, Newtownabbey, Co. Antrim, BT37 9UB, Northern Ireland. The nature of the company's operations and its principal activities are set out in the directors' report. During the year, the company ceased trading. The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The company is exempt from the preparation of consolidated financial statements under S383 of the Companies Act 2006, because it is a small sized group. The functional currency of Durastic Roofing and Cladding (Northern Ireland) Limited is considered to be sterling because that is the currency of the primary economic environment in which the company operates.

##### **Cash Flow Statement**

The company has taken advantage of the exemption from FRS102 from the requirement to produce a cash flow statement on the grounds that it is a small company.

##### **Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Revenue is recognised in the financial statements on an invoice basis and when significant risks and rewards of ownership have been transferred to the buyer.

##### **Tangible Fixed Assets and Depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                                  |  |
|----------------------------------|--|
| Land and buildings               | Straight line over 50 years              |
| Freehold Land and buildings      | Straight line over the life of the lease |
| Long Leasehold Property          | Straight line over 50 years              |
| Fixtures, fittings and equipment | 33% Straight line                        |
| Motor vehicles                   | 20% Straight line                        |

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

##### **Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

##### **Long Term Contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

##### **Retirement Benefits Costs**

The company operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund the pension costs charge represent contributions payable by the company to the fund. The company also contributes to a group defined benefit pension scheme operated through its parent company IKO Holdings plc. However, due to the fact that it is not possible for Durastic Roofing and Cladding (Northern Ireland) Limited to identify its share of the underlying assets and liabilities of the group scheme this pension scheme is being accounted for as a defined contribution scheme in these financial statements.

## DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset that is, recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the company and the company intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

## **DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### **Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

##### **Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets and liabilities are only offset in the balance sheet when and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

##### **Foreign Currencies**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in statement of income and retained earnings in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

## **DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016**

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#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### **Impairment of Assets**

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Income and Retained Earnings as described below.

##### **(i) Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### **(ii) Financial assets**

If at the end of the reporting period, there is objective evidence of impairment (including observable data about loss events), the company recognises an impairment loss in the Statement of Income and Retained Earnings immediately. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. 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 financial period in which the estimate is revised if the revision affects only that financial period or in the financial period of the revision and future financial periods if the revision affects both current and future financial periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements. The key judgements in these financial statements relate to provisions and accruals.

**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016****2. BASIS OF PREPARATION – GOING CONCERN**

The company ceased trading during the current period. The financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

**3. TURNOVER - DISCOUNTED OPERATIONS**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in Northern Ireland. This activity has been discontinued at the financial year end.

| <b>4. OPERATING LOSS – DISCOUNTED OPERATIONS</b> | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
|--|----------------------|----------------------|
| Operating loss is stated after charging:         |                      |                      |
| Depreciation of tangible assets                  | <b>1,031</b>         | 12,401               |
| Directors' remuneration (a)                      | <b>-</b>             | -                    |
| Audit fee  | <b>1,000</b>         | 3,000                |
| Cost of sales recognised as an expense           | <b>22,111</b>        | 572,297              |

(a) Directors' are not directly remunerated by this company. Directors' remuneration is borne by another group company.

| <b>5. INTEREST RECEIVABLE AND SIMILAR INCOME</b> | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
|--|----------------------|----------------------|
| Bank interest                                    | -                    | 1,012                |

| <b>6. DIRECTORS' REMUNERATION</b>            | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
|--|----------------------|----------------------|
| Remuneration including pension contributions | -                    | -                    |

# DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

### 7. EMPLOYEES

#### Number of employees

The average monthly number of employees (including directors) during the financial year was:

|                                | 2016<br>Number       | 2015<br>Number       |
|--------------------------------|----------------------|----------------------|
| Directors                      | -                    | 4                    |
| Sales                          | -                    | 8                    |
|                                |                      | 12                   |
| <b>Employment costs</b>        | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
| Wages and salaries             | -                    | 170,627              |
| Social security costs          | 869                  | 16,179               |
| Other retirement benefit costs | 26,544               | 33,395               |
|                                | <b>27,413</b>        | <b>220,201</b>       |

### 8. KEY MANAGEMENT REMUNERATION

The total remuneration for key management personnel for the financial year amounted to €Nil (2015: €Nil).

### 9. TAXATION

|  | 2016<br>STG£ | 2015<br>STG£    |
|--|--------------|-----------------|
| <b>Domestic current year tax</b>   |              |                 |
| U.K. corporation tax   | (8,831)      | (65,673)        |
| Adjustment in respect of prior year  | 4,076        | -               |
| Deferred tax   | 4,661        | -               |
| <b>Total current tax</b>   | <b>(94)</b>  | <b>(65,673)</b> |
| <b>Factors affecting the tax credit for the year</b>   |              |                 |
| Loss on ordinary activities before taxation  | (5,787)      | (3,354,603)     |
| Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20% (2015 - 20.25%) | (1,157)      | (274,307)       |
| <b>Effects of:</b>   |              |                 |
| Non-deductible expenses  | -            | 210,951         |
| Depreciation add back  | 206          | 2,511           |
| Capital allowances   | (5,557)      | (1,522)         |
| Other tax adjustments  | (2,323)      | (3,306)         |
| Change in deferred tax assets  | 4,661        | -               |
| Adjustment in respect of prior year  | 4,076        | -               |
| <b>Tax credit on loss on ordinary activities</b>   | <b>(94)</b>  | <b>(65,673)</b> |



**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**10. TANGIBLE FIXED ASSETS**

|  | Land and<br>buildings<br>freehold<br>STG£ | Long<br>leasehold<br>property<br>STG£ | Fixtures<br>fittings and<br>equipment<br>STG£ | Motor<br>vehicles<br>STG£ | Total<br>STG£ |
|--|---|---------------------------------------|---|---------------------------|---------------|
| <b>Cost</b>                                |   |                                       |   |                           |               |
| At 1 January 2016                          | 28,000                                    | 22,784                                | 4,385   | 17,750                    | 72,919        |
| Additions                                  | -   | -                                     | -   | -                         | -             |
| Disposals                                  | -   | -                                     | (4,385)                                       | (17,750)                  | (22,135)      |
| <b>At 31 December 2016</b>                 | <b>28,000</b>                             | <b>22,784</b>                         | <b>-</b>                                      | <b>-</b>                  | <b>50,784</b> |
| <b>Depreciation</b>                        |   |                                       |   |                           |               |
| At 1 January 2016                          | 17,250                                    | 13,670                                | 2,881   | 8,283                     | 42,084        |
| Charge for the year                        | 575                                       | 456                                   | -   | -                         | 1,031         |
| On disposals                               | -   | -                                     | (2,881)                                       | (8,283)                   | (11,164)      |
| <b>At 31 December 2016</b>                 | <b>17,825</b>                             | <b>14,126</b>                         | <b>-</b>                                      | <b>-</b>                  | <b>31,951</b> |
| <b>Net book value</b>                      |   |                                       |   |                           |               |
| <b>At 31 December 2016</b>                 | <b>10,175</b>                             | <b>8,658</b>                          | <b>-</b>                                      | <b>-</b>                  | <b>18,833</b> |
| At 31 December 2015                        | 10,750                                    | 9,114                                 | 1,504   | 9,467                     | 30,835        |
| <b>In respect of prior financial year:</b> |   |                                       |   |                           |               |
|  | Land and<br>buildings<br>freehold<br>STG£ | Long<br>leasehold<br>property<br>STG£ | Fixtures<br>fittings and<br>equipment<br>STG£ | Motor<br>vehicles<br>STG£ | Total<br>STG£ |
| <b>Cost</b>                                |   |                                       |   |                           |               |
| At 1 January 2015                          | 28,000                                    | 22,784                                | 26,046  | 67,850                    | 144,680       |
| Additions                                  | -   | -                                     | -   | -                         | -             |
| Disposals                                  | -   | -                                     | (21,661)                                      | (50,100)                  | (71,761)      |
| <b>At 31 December 2015</b>                 | <b>28,000</b>                             | <b>22,784</b>                         | <b>4,385</b>                                  | <b>17,750</b>             | <b>72,919</b> |
| <b>Depreciation</b>                        |   |                                       |   |                           |               |
| At 1 January 2015                          | 16,675                                    | 13,213                                | 23,077  | 22,108                    | 75,073        |
| Charge for the year                        | 575                                       | 457                                   | 1,461   | 9,908                     | 12,401        |
| On disposals                               | -   | -                                     | (21,657)                                      | (23,733)                  | (45,390)      |
| <b>At 31 December 2015</b>                 | <b>17,250</b>                             | <b>13,670</b>                         | <b>2,881</b>                                  | <b>8,283</b>              | <b>42,084</b> |
| <b>Net book value</b>                      |   |                                       |   |                           |               |
| <b>At 31 December 2015</b>                 | <b>10,750</b>                             | <b>9,114</b>                          | <b>1,504</b>                                  | <b>9,467</b>              | <b>30,835</b> |
| At 31 December 2014                        | 11,325                                    | 9,571                                 | 2,969   | 45,742                    | 69,607        |

**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**11. FINANCIAL ASSETS**

|  |                      | <b>Unlisted<br/>Investments</b> |
|--|----------------------|---------------------------------|
|  | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b>            |
| <b>Cost</b>                                  |                      |                                 |
| Investment in subsidiary undertaking at cost | <b>1,041,735</b>     | 1,041,735                       |
| Impairment of fixed financial assets         | <b>(1,041,735)</b>   | (1,041,735)                     |
| <b>Carrying value</b>                        | <b>-</b>             | <b>-</b>                        |

**Holdings of more than 20%**

The company holds more than 20% of the share capital of the following companies:

| <b>Company</b>                 | <b>Country of registration or<br/>Incorporation</b> | <b>Shares held<br/>Class</b> | <b>%</b> |
|--------------------------------|---|------------------------------|----------|
| <b>Subsidiary undertakings</b> |   |                              |          |
| K and L Investments            | Belgium   | A                            | 100.00   |

In the prior year, the directors reviewed the valuation of all investments at the balance sheet date and based on this review concluded that the carrying value of the investment in its subsidiary undertaking should be £Nil.

**12. DEBTORS: Amounts fully due within one financial year**

|                                     | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
|-------------------------------------|----------------------|----------------------|
| Trade debtors                       | <b>3,594</b>         | 41,939               |
| Deferred tax asset                  | <b>-</b>             | 4,661                |
| Amounts due from group undertakings | <b>9,465</b>         | 65,676               |
| Other debtor                        | <b>38</b>            | -                    |
|                                     | <b>13,097</b>        | <b>112,276</b>       |

Amounts owed by group undertakings are interest free and repayable on demand.

**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

|   |                      |                      |
|---|----------------------|----------------------|
| <b>13. CREDITORS:</b> Amounts falling due within one financial year | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
| Trade creditors   | -                    | 12,045               |
| Amounts owed to group undertakings                                  | <b>869,680</b>       | 936,198              |
| Taxation and social welfare   | -                    | 22,706               |
| Accruals and deferred income  | <b>23,535</b>        | 47,533               |
|   | <b>893,215</b>       | <b>1,018,482</b>     |
| <b>Taxation and social welfare:</b>                                 |                      |                      |
| PAYE/National Insurance   | -                    | 1,836                |
| VAT   | -                    | 20,092               |
| RCT   | -                    | 778                  |
|   | -                    | <b>22,706</b>        |

Amounts owed to group undertakings are interest free and repayable on demand.

**14. PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS.****Defined Contribution**

|   |                      |                      |
|---|----------------------|----------------------|
|   | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
| Contributions payable by the company for the financial year | <b>26,544</b>        | 33,395               |

**15. CAPITAL AND RESERVES**

|   |                      |                      |
|---|----------------------|----------------------|
|   | <b>2016<br/>STG£</b> | <b>2015<br/>STG£</b> |
| <b>Authorised</b>                           |                      |                      |
| 100,000 Ordinary Shares of STG£1 each       | <b>100,000</b>       | 100,000              |
| <b>Allotted, called up and fully paid</b>   |                      |                      |
| 2 Ordinary Shares of STG£1 each             | <b>2</b>             | 2                    |
| <b>Presented as follows:</b>                |                      |                      |
| Called up share capital presented as equity | <b>2</b>             | 2                    |

The company has one class of ordinary shares which carry no right to fixed income.

The retained deficit reserve represents cumulative losses.

**DURASTIC ROOFING AND CLADDING (NORTHERN IRELAND) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**16. FINANCIAL INSTRUMENTS**

The carrying values of the company's financial assets and liabilities are summarised by category below:

|  | <b>2016<br/>STGE</b> | <b>2015<br/>STGE</b> |
|--|----------------------|----------------------|
| <b>Financial assets</b>                        |                      |                      |
| <i>Measured at undiscounted amount payable</i> |                      |                      |
| • Trade debtors (Note 12)                      | <b>3,594</b>         | 41,939               |
| • Amounts owed by group undertakings (Note 12) | <b>350</b>           | 65,676               |
| <b>Financial liabilities</b>                   |                      |                      |
| <i>Measured at undiscounted amount payable</i> |                      |                      |
| • Trade and other creditors (Note 13)          | -                    | 12,045               |
| • Amounts owed to group undertakings (Note 13) | <b>869,680</b>       | 936,198              |

**17. CONTROLLING PARTY**

The company's immediate parent company is IKO Holdings PLC. IKO Holdings PLC is incorporated and registered in the UK.

The company's ultimate controlling party is IKO Enterprises Limited which is incorporated and registered in Canada.

The largest and smallest group for which the company is included in consolidated financial statements is IKO UK Limited, a company incorporated and registered in the UK. The ultimate parent company does not prepare consolidated financial statements.

**18. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS**

Transactions with other companies within the group are not disclosed as the company has taken advantage of the exemptions available under Financial Reporting Standards 102.