

Lilleshall Building Products Limited

**Annual Report and Financial Statements for the
year ended 31 December 2016**

Company Number 2755769



Lilleshall Building Products Limited

Annual Report and Financial Statements for the year ended 31 December 2016

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Strategic report for the year ended 31 December 2016

The director presents his strategic report and for the company for the year ended 31 December 2016.

Principal activity

The principal activity of the company is intergroup financing.

Review of the business

The loss after taxation for the year ended 31 December 2016 was £4,000 (2015: loss of £4,000). At the year end the company had net liabilities of £198,000 (2015: £194,000). The director is satisfied with the performance of the company for the year.

A full business review for the ERIKS Group of Companies is given in the financial statements of the ultimate holding company, SHV Holdings N.V.

Principal risks and uncertainties

The Director have considered the risk relevant to going concern given the net liability position of the company and have received assurances of financial support from the company's ultimate UK parent company for a period of at least one year from the date of these financial statements. Excluding financial risk management considered in Directors' report, at the date of signing the financial statements the director is not aware of any further principal risks and uncertainties affecting the company.

Future outlook

The company will continue to act as an intermediate group holding company within the ERIKS Group of Companies and it is not envisaged that it will undertake any other form of business activity.

By order of the Board



M R Powell
Company Secretary
21 July 2017

Lilleshall Building Products Limited

Director's report for the year ended 31 December 2016

The director presents his report and audited financial statements of the company for the year ended 31 December 2016. Details of the company's financial risk management have been disclosed in the strategic report.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

D White (resigned 4 January 2016)
AMJ Fitchford

Independent auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Financial risk management

The principal risk that could potentially affect the company is credit risk, which relates to the loss that the company could incur if an obligor or counterparty defaulted on a loan. However, the Director considers this risk to be minimal as all lending is to an affiliate company under a common ultimate parent (SHV Holdings N.V.).

Other risks relating to financing and funding are managed by a Group Treasury department at ERIKS Group N.V. level. The directors of the ERIKS Group of Companies, which includes Lilleshall Building Products Limited, manage operations on a divisional basis. For this reason, the company's director believes that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2015: nil)

Proposed dividend

The director does not propose the payment of a dividend for the year (2015: £nil).

Going Concern

The Director has received an assurance of financial support from the company's ultimate UK parent company, ERIKS UK Holdings Limited, for a period of at least one year from the date of signing these financial statements and therefore believes that the company should be accounted for as a going concern.

Statement of director's responsibilities

The directors are responsible for preparing the Strategic Report, the 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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.

Lilleshall Building Products Limited

Director's report for the year ended 31 December 2016 (continued)

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to auditor

In the case of each director in office at the date the director's report is approved under section 418 of the Companies Act 2006, the following applies:

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

By order of the Board



**M R Powell
Company Secretary
21 July 2017**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LILLESHALL BUILDING PRODUCTS LIMITED.

We have audited the financial statements of Lilleshall Building Products Limited for the year ended 31 December 2016 set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 *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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year, is consistent with the financial statements.


Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

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 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.



Xavier Timmermans (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B5 7PQ

21 Aug 2017

Lilleshall Building Products Limited

Profit and loss account for the year ended 31 December 2016

	Note	2016 £000	2015 £000
Operating result	4	-	-
Interest payable and similar charges	6	(5)	(5)
Loss before taxation		(5)	(5)
Tax credit on loss	7	1	1
Loss for the financial year		(4)	(4)

Statement of comprehensive income for the year ended 31 December 2016

	Note	2016 £000	2015 £000
Loss for the financial year		(4)	(4)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(4)	(4)

The above results all relate to continuing operations.

Lilleshall Building Products Limited

Balance sheet as at 31 December 2016

	Note	2016 £000	2015 £000
Fixed assets			
Investments	8	<u>1,710</u>	<u>1,710</u>
Current assets			
Debtors	9	1	1
Creditors: amounts falling due within one year	10	<u>(1,909)</u>	<u>(1,905)</u>
Net current liabilities		<u>(1,908)</u>	<u>(1,904)</u>
Total assets less current liabilities		<u>(198)</u>	<u>(194)</u>
Net liabilities		<u>(198)</u>	<u>(194)</u>
Capital and reserves			
Called up share capital	12	1,000	1,000
Profit and loss account		<u>(1,198)</u>	<u>(1,194)</u>
Total shareholders' deficit		<u>(198)</u>	<u>(194)</u>

Notes on pages 8 to 11 form part of financial statement.

The financial statements on pages 5 to 11 were approved by the Board of Directors on 21 July 2017 and were signed on its behalf by:


AMJ Fitchford
 Director
 21 July 2017

Lilleshall Building Products Limited
 Registered number 2755769

Lilleshall Building Products Limited

Statement of changes in equity

	Note	Called-up share capital £000	Retained earnings £000	Total £000
Balance at 1 January 2015		1,000	(1,190)	(190)
Profit for the year		-	(4)	(4)
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	(4)	(4)
Dividends		-	-	-
Balance at 31 December 2015		1,000	(1,194)	(194)
Balance at 1 January 2016		1,000	(1,194)	(194)
Profit for the year		-	(4)	(4)
Other comprehensive income for the year		-	-	-
Total comprehensive income for the year		-	(4)	(4)
Dividends		-	-	-
Balance at 31 December 2016		1,000	(1,198)	(198)

Lilleshall Building Products Limited

Notes to the financial statements for the year ended 31 December 2016

1 General information

Lilleshall Building Products Limited is a non-trading company that holds investments in other members of the ERIKS UK group.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Amber Way, Halesowen West Midlands, B62 8WG.

2 Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented unless otherwise stated. The company has adopted FRS 102 in these financial statements. There are no transitional impacts on adoption of FRS 102.

Basis of Preparation

These financial statements are prepared on the going concern basis, under the historical cost convention

Going Concern

The company meets its day-to-day working capital requirements via its cash pooling arrangements with its fellow ERIKS UK subsidiary companies. The UK cash pool is headed by the ultimate UK holding company ERIKS UK Holdings Limited which is financed two long-term group loans arranged with the group's ultimate holding company SHV Holdings NV and an additional on-demand facility with ERIKS NV. The company's forecasts and projections, taking account of a range of possible trading performances, show that the company should be able to operate within the level of currently available facility. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements

Consolidation

The company is a wholly owned subsidiary of SHV Holdings N.V., a company incorporated in The Netherlands, and as provided by S400 Companies Act 2006, is exempt from the preparation of group financial statements.

Functional currency

The company's functional and presentation currency is the pound sterling.

Cash flow statement

The Company's ultimate parent undertaking, SHV Holdings NV, includes the Company in its consolidated financial statements. The consolidated financial statements of SHV Holdings NV are prepared in accordance with Dutch Generally Accepted Accounting Principle and are available to the public and may be obtained from its registered office (note 15).

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and as the consolidated financial statements of SHV Holdings NV include the equivalent disclosures, the Company has applied the exemptions available under FRS 102 and has not prepared a cash flow statement.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. 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 directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss 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 arises from timing differences between taxable profits and total comprehensive income as stated in the financial statements.

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Notes to the financial statements for the year ended 31 December 2016 (continued)

3 Principal accounting policies (continued)

Taxation (continued)

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 to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised to the extent that they are regarded recoverable and that there will be suitable taxable profits from which the future reversal can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax is measured on a non-discounted basis.

Investments

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Basic financial instruments

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Interest payable and receivable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains. Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

4 Operating result

Audit fees in the year ended 31 December 2016 of £1,000 and 31 December 2015 (£1,000) were borne by the company's parent company, Lilleshall Limited.

5 Director and employees

The company had no employees at any time during the year (31 December 2015: nil).

The directors did not receive or waive any emoluments from the company during either year. No directors were members of the Wyko Group Retirement Benefit Scheme (2015 -one), a defined benefit pension scheme. Further information in respect of the pension scheme is given in the financial statements of the fellow subsidiary company, ERIKS Industrial Services Limited.

6 Interest payable and similar charges

	2016	2015
	£000	£000
Interest payable on loan from other Group companies	<u>5</u>	<u>5</u>

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Notes to the financial statements for the year ended 31 December 2016 (continued)

7 Tax credit on loss

	2016 £000	2015 £000
Analysis of credit for the year:		
Current tax:		
Amount recoverable from other group undertakings in respect of tax saved by group relief	1	1
Tax credit on loss	1	1
The current tax credit for the year is equal to (2015: equal to) the standard effective rate of corporation tax in the UK for the year ended 31 December 2016 of 20.00% (2015: 20.25%).		
Loss on before tax	(5)	(5)
Loss before tax multiplied by the standard rate of corporation tax, 20.00% (2015: 20.25%)	1	1
Total tax credit for the year	1	1

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax assets and liabilities at 31 December 2016 have been calculated based on these rates.

8 Investments

Investments in subsidiaries	£000
At 31 January 2016 and 31 December 2016	1,710

The company's subsidiary, which is 100% owned, is as follows:

Activity	Country of Incorporation
Abberplace Limited	England
The registered office of Abberplace Limited is Amber Way, Halesowen, West Midlands, B62 8WG, UK.	

9 Debtors

	2016 £000	2015 £000
Amounts due within one year:		
Corporation tax recoverable	1	1
	1	1

10 Creditors: amounts falling due within one year

	2016 £000	2015 £000
Amounts owed to ultimate UK parent company	173	169
Amounts owed to fellow subsidiary undertakings	1,736	1,736
	1,909	1,905

The amounts owed to the company's ultimate UK parent company accrue interest at 3.05% per annum (2015: 3.07%) calculated quarterly in arrears, and are unsecured and repayable on demand. The amounts owed to fellow subsidiary undertakings are interest free (2015: free), unsecured and repayable on demand.

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Notes to the financial statements for the year ended 31 December 2016 (*continued*)

11 Deferred taxation

A deferred tax asset of £447,000 calculated at 17% (2015: £473,000 at 18%) in respect of capital losses has not been recognised as it is not clear whether the amount will be utilised in the foreseeable future due to the non-trading status of the company. There are no other unrecognised deferred tax assets or liabilities as at 31 December 2016 (2015: nil).

12 Called up share capital

	31 December 2015 and 2016 £000
Allotted and fully paid	
1,000,000 (2015: 1,000,000) ordinary shares of £1 each	<u>1,000</u>

13 Related parties

The company has taken advantage of the exemption, allowed by paragraph 33.1A of FRS 102, not to disclose transactions and balances with related party undertakings which are wholly owned by the Group.

14 Financial Instruments

The company has the following financial instruments:

	Notes	2016 £000	2015 £000
Financial assets valued through profit or loss		-	-
Financial assets that are debt instruments measured at amortised cost		-	-
Financial liabilities measured at fair value through profit or loss		-	-
Financial liabilities measured at amortised cost			
- Loan from ultimate UK parent company	10	<u>173</u>	<u>169</u>
- Amounts owed to fellow subsidiary undertakings	10	<u>1,735</u>	<u>1,736</u>
		<u>1,908</u>	<u>1,905</u>

15 Ultimate parent company and controlling party

The company's immediate parent company is Lilleshall Ltd, a company registered in England and Wales.

The ultimate parent company and controlling party is SHV Holdings N.V. a company registered in The Netherlands.

The largest group in which the results of the Company are consolidated is that headed by SHV Holdings N.V. Copies of the financial statements of SHV Holdings N.V. may be obtained from the company at the following address:

SHV Holdings N.V.
Rijnkade 1
3511 LC Utrecht
The Netherlands

The smallest group in which they are consolidated is that headed by ERIKS N.V, incorporated in The Netherlands.

Copies of the financial statements of ERIKS N.V. may be obtained from the company at the following address:

ERIKS N.V
P.O. Box 19108
3501 LK Utrecht
The Netherlands