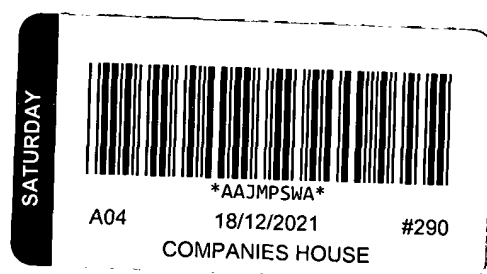


REGISTERED NUMBER: 03288952 (England and Wales)

**Directors' Report and
Financial Statements for the Year Ended 31 December 2020
for
Addev Materials Uk Limited**



Addev Materials Uk Limited

**Contents of the Financial Statements
for the Year Ended 31 December 2020**

	Page
Company Information	1
Directors' Report	2
Independent Auditors' Report	4
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10

Addev Materials Uk Limited
Company Information
for the Year Ended 31 December 2020

DIRECTORS:

O Commelin
J Duvanel
P Nadobny
N C Robins
G R Yates
J C Rowbotham

REGISTERED OFFICE:

Towngate House
2-8 Parkstone Road
Poole
Dorset
BH15 2PW

REGISTERED NUMBER:

03288952 (England and Wales)

INDEPENDENT AUDITORS :

Constantin
Chartered Accountants and Statutory Auditor
25 Hosier Lane
London
EC1A 9LQ

Addev Materials Uk Limited
Directors' Report
for the Year Ended 31 December 2020

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

DIVIDENDS

The directors recommend the payment of an ordinary dividend of £nil. (31 December 2019 - £3,000,000).

GOING CONCERN

These financial statements have been prepared on a going concern basis. The Directors have considered the financial position of the Company for a period of at least twelve months from the date of signing these financial statements and have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the Company to continue as a going concern.

POST BALANCE SHEET EVENTS

There have been no events since the balance sheet date that would have had a material impact on the financial statements.

PRINCIPAL ACTIVITY

The principal activity of the company is that of a holding company which provides management, finance, IT facilities, human resources and business development support to its subsidiaries, Paint Services Group Limited, Pexa Limited & Andpak Ltd.

The principal activities of the company's main subsidiary companies continued to be that of paint stockists and distributors.

IMPACT OF CORONAVIRUS

The Coronavirus pandemic has had a significant impact on the global aviation market, with a reduction in demand for new aircraft of approximately 40%, and a recovery back to pre-Coronavirus levels expected to take between 3 and 5 years. However, the Directors took immediate actions in 2020 to resize the business, and focus on development of markets outside of commercial aerospace, which are not impacted to the same extent, as well as maintaining the excellent levels of support & customer service it has always provided to its customers.

Impact of Brexit

Brexit has had an impact on both imports & exports both in terms of higher costs & greater administrative burden. However, the Directors have taken the necessary steps to mitigate this impact, specifically around the flow of goods from Suppliers and to Customers.

As such, the Directors do not consider that Brexit will have a material adverse impact on the Company in the foreseeable future.

FUTURE DEVELOPMENT

Business growth is hoping to be achieved by remaining focused on custom packaging opportunities in all industrial sectors, especially automotive, with a specific target on new customers plus an anticipated upturn in business from 3 existing clients.

STRATEGIC REPORT EXEMPTION

The company is considered a small company within Part 15 of the Companies Act 2006, and is not required to prepare a Strategic Report in accordance with section 414B (b) of the act.

SMALL COMPANIES NOTE

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Addev Materials Uk Limited
Directors' Report
for the Year Ended 31 December 2020

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

J Duvanel
P Nadobny
N C Robins
J C Rowbotham

G R Yates and O Commelin ceased to be directors after 31 December 2020 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 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 Financial Reporting Standard 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 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.


STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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.

AUDITORS

The auditors, Constantin, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
N C Robins - Director

Date: 8/12/21

**Independent Auditors' Report to the Members of
Addév Materials Uk Limited**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Addév Materials Uk Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies ; and
- the related notes 1 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Independent Auditors' Report to the Members of Addev Materials Uk Limited

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

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

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

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

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

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

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

**Independent Auditors' Report to the Members of
Addev Materials Uk Limited**

- 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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



Mark Bathgate FCA (Senior Statutory Auditor)
for and on behalf of Constantin
Chartered Accountants and Statutory Auditor
25 Hosier Lane
London
EC1A 9LQ

Date:8 December 2021

Addev Materials Uk Limited
Statement of Comprehensive
Income
for the Year Ended 31 December 2020

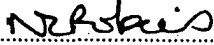
		Year Ended 31.12.20 £	Period 1.4.19 to 31.12.19 £
	Notes		
TURNOVER		1,701,606	1,276,933
Administrative expenses		(1,890,347)	(918,225)
OPERATING (LOSS)/PROFIT	4	(188,741)	358,708
Income from fixed asset investments		3,300,000	4,150,000
		3,111,259	4,508,708
Interest payable and similar expenses	5	(36,017)	(27,106)
PROFIT BEFORE TAXATION		3,075,242	4,481,602
Tax on profit	6	(118,390)	(69,457)
PROFIT FOR THE FINANCIAL YEAR		2,956,852	4,412,145
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,956,852</u>	<u>4,412,145</u>

The notes on pages 10 to 19 form part of these financial statements

Statement of Financial Position
31 December 2020

	Notes	31.12.20 £	31.12.19 £
FIXED ASSETS			
Tangible assets	8	2,718,878	2,517,536
Investments	9	1,511,975	2,313,975
		<u>4,230,853</u>	<u>4,831,511</u>
CURRENT ASSETS			
Debtors	10	2,956,246	2,877,790
Cash in hand		373,568	313,180
		<u>3,329,814</u>	<u>3,190,970</u>
CREDITORS			
Amounts falling due within one year	11	(3,472,133)	(3,283,290)
NET CURRENT LIABILITIES		<u>(142,319)</u>	<u>(92,320)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,088,534</u>	<u>4,739,191</u>
CREDITORS			
Amounts falling due after more than one year	12	(897,494)	(908,378)
PROVISIONS FOR LIABILITIES	15	(70,321)	(31,500)
NET ASSETS		<u>3,120,719</u>	<u>3,799,313</u>
CAPITAL AND RESERVES			
Called up share capital	16	120,294	120,294
Share premium		3,194,839	3,194,839
Retained earnings		(194,414)	484,180
SHAREHOLDERS' FUNDS		<u>3,120,719</u>	<u>3,799,313</u>

The financial statements were approved by the Board of Directors and authorised for issue on 8/12/21 and were signed on its behalf by:


N C Robins - Director

Addev Materials Uk Limited

**Statement of Changes in Equity
for the Year Ended 31 December 2020**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2019	-	(927,965)	3,194,839	2,266,874
Changes in equity				
Issue of share capital	120,294	-	-	120,294
Dividends	-	(3,000,000)	-	(3,000,000)
Total comprehensive income	-	4,412,145	-	4,412,145
Balance at 31 December 2019	<u>120,294</u>	<u>484,180</u>	<u>3,194,839</u>	<u>3,799,313</u>
Changes in equity				
Dividends	-	(3,650,250)	-	(3,650,250)
Total comprehensive income	-	2,956,852	-	2,956,852
Balance at 31 December 2020	<u>120,294</u>	<u>(209,218)</u>	<u>3,194,839</u>	<u>3,105,915</u>

The notes on pages 10 to 19 form part of these financial statements

Addev Materials Uk Limited
Notes to the Financial Statements
for the Year Ended 31 December 2020

1. STATUTORY INFORMATION

Addev Materials Uk Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Addev Materials SAS as at 31 December 2019 and these financial statements may be obtained from 30, quai Perrache Lyon, 69002, France.

Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

Going concern

The Financial statements have been prepared on the basis of a going concern.

Judgements in applying accounting policies and key sources of estimation

The Company's significant accounting policies are stated in note 2. Not all of these significant policies require the management to make difficult, subjective or complex judgements or estimates. The following is intended to provide an understanding of the policies the management considers critical because of their complexity, judgement and estimation involved in their application and their impact on these financial statements.

Judgements and estimates are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgements involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The following are critical judgements, that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of fixed assets

Determining whether fixed assets are impaired requires an initial analysis of the asset, considering if there are any indicators of impairment. If there is such indication, the value of the asset's cash generating unit is compared to the carrying amount of the asset's cash generating unit.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Addev Materials Uk Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 50 years straight line
Leashold improvements	- Over the term of the lease
Plant and machinery	- 20% - 33% straight line
Fixtures and fittings	- 20% - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

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

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Provisions for liabilities

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

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. ACCOUNTING POLICIES - continued

Current tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

Foreign currencies translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

All foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'administrative expenses'.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Addev Materials Uk Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

2. ACCOUNTING POLICIES - continued

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

Finance Cost

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instruments.

Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the period in which they are incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

3. EMPLOYEES AND DIRECTORS

	Year Ended 31.12.20 £	Period 1.4.19 to 31.12.19 £
Wages and salaries	316,382	345,906
Social security costs	13,672	39,844
Other pension costs	23,620	15,500
	<u>353,674</u>	<u>401,250</u>

Addev Materials Uk Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

3. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	Year Ended 31.12.20	Period 1.4.19 to 31.12.19
Average	<u>6</u>	<u>6</u>

	2020 £	2019 £
Directors' emoluments	213,963	232,909
Company contributions to defined contribution pension schemes	<u>12,985</u>	<u>8,557</u>
	<u>226,948</u>	<u>241,466</u>

The highest paid director received remuneration of £127,605 (2019 - £122,635).

The value of the company's contribution paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £12,985 (2019 - £8,557).

4. OPERATING (LOSS)/PROFIT

The operating loss (2019 - operating profit) is stated after charging/(crediting):

	Year Ended 31.12.20 £	Period 1.4.19 to 31.12.19 £
Other operating leases	32,279	27,796
Depreciation - owned assets	169,304	139,742
Auditor remuneration	8,125	7,000
Foreign exchange differences	<u>614</u>	<u>(736)</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.12.20 £	Period 1.4.19 to 31.12.19 £
Other loan interest payable	<u>36,017</u>	<u>27,106</u>

Addev Materials Uk Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	Year Ended 31.12.20 £	Period 1.4.19 to 31.12.19 £
Current tax:		
UK corporation tax	79,569	75,803
Origination and reversal of timing differences	38,821	(6,346)
Tax on profit	<u>118,390</u>	<u>69,457</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.20 £	Period 1.4.19 to 31.12.19 £
Profit before tax	<u>3,075,242</u>	<u>4,481,602</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	584,296	851,504
Effects of:		
Expenses not deductible for tax purposes	157,388	626
Depreciation in excess of capital allowances	-	12,173
Short term timing difference leading to an increase (decrease) in taxation	-	(6,346)
Dividends from UK companies	(627,000)	(788,500)
Remeasurement of deferred tax for changes in tax rates	3,706	-
Total tax charge	<u>118,390</u>	<u>69,457</u>

7. DIVIDENDS

	Year Ended 31.12.20 £	Period 1.4.19 to 31.12.19 £
Ordinary shares shares of 1 each		
Dividends paid	<u>3,650,250</u>	<u>3,000,000</u>

Addev Materials Uk Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

8. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2020	2,497,695	740,165	3,237,860
Additions	45,800	324,846	370,646
	<hr/>	<hr/>	<hr/>
At 31 December 2020	2,543,495	1,065,011	3,608,506
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2020	166,560	553,764	720,324
Charge for year	40,527	128,777	169,304
	<hr/>	<hr/>	<hr/>
At 31 December 2020	207,087	682,541	889,628
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2020	2,336,408	382,470	2,718,878
	<hr/>	<hr/>	<hr/>
At 31 December 2019	2,331,135	186,401	2,517,536
	<hr/>	<hr/>	<hr/>

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2020	2,313,975
Impairments	(802,000)
	<hr/>
At 31 December 2020	1,511,975
	<hr/>
NET BOOK VALUE	
At 31 December 2020	1,511,975
	<hr/>
At 31 December 2019	2,313,975
	<hr/>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Paint Services Group Limited

Registered office: Towngate House, 2-8 Parkstone Road, Poole, Dorset, BH15 2PW

Nature of business: Non-specialised wholesale trade

Class of shares:	%
Ordinary	holding 100.00

ADDEV Materials Aerospace Limited

Registered office: Towngate House, 2-8 Parkstone Road, Poole, Dorset, BH15 2PW

Nature of business: Manufacture of paints

Class of shares:	%
Ordinary	holding 100.00

Addev Materials Uk Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

9. FIXED ASSET INVESTMENTS - continued

Graytone Consulting Limited

Registered office: Towngate House, 2-8 Parkstone Road, Poole, Dorset, BH15 2PW

Nature of business: Other business support service activities

Class of shares:	%
Ordinary	holding 100.00

Pexa Aerospace Materials Private India Limited

Registered office: Towngate House, 2-8 Parkstone Road, Poole, Dorset, BH15 2PW

Nature of business: Manufacture of paints

Class of shares:	%
Ordinary	holding 100.00

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Trade debtors	273,547	184,554
Amounts owed by group undertakings	2,623,665	2,623,664
Prepayments and accrued income	59,034	69,572
	<u>2,956,246</u>	<u>2,877,790</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts (see note 13)	47,204	83,524
Trade creditors	147,507	79,706
Amounts owed to group undertakings	2,925,839	2,892,910
Tax	54,500	75,803
Social security and other taxes	236,277	60,357
Other creditors	3,239	5,873
Accruals and deferred income	57,567	85,117
	<u>3,472,133</u>	<u>3,283,290</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans (see note 13)	<u>897,494</u>	<u>908,378</u>

13. LOANS

An analysis of the maturity of loans is given below:

	31.12.20	31.12.19
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>47,204</u>	<u>83,524</u>

Addev Materials Uk Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

13. LOANS - continued

	31.12.20	31.12.19
	£	£
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>188,816</u>	<u>334,138</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>708,678</u>	<u>574,240</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.20	31.12.19
	£	£
Within one year	15,156	55,276
Between one and five years	11,599	55,553
In more than five years	<u>3,171</u>	<u>3,871</u>
	<u>29,926</u>	<u>114,700</u>

15. PROVISIONS FOR LIABILITIES

	31.12.2020	31.12.2019
At beginning of year	(31,500)	(37,846)
Charged to profit or loss	(38,821)	6,346
At end of year	(70,321)	(31,500)

The provision for deferred taxation is made up as follows :

	31.12.2020	31.12.2019
Accelerated capital allowances	(70,321)	(31,500)
	(70,321)	(31,500)

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.12.20	31.12.19
Number:	Class:	Nominal value:	£	£
114,489	Ordinary shares	1	114,489	114,489
3,870	Ordinary shares	1.50	<u>5,805</u>	<u>5,805</u>
			<u>120,294</u>	<u>120,294</u>

Addev Materials Uk Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2020

16. CALLED UP SHARE CAPITAL - continued

Each of the Ordinary shares has equal rights to receive notice of, attend and vote at general meetings of the company and to vote on shareholder resolutions with 1 vote per share. Also to participate in dividends and on any return of capital the holders of Ordinary shares are entitled to receive the proceeds being distributed *pari passu* with other Ordinary shareholders. Ordinary shares are not redeemable or convertible.

The A Ordinary shares have the right as a class to exercise 5% of all the votes capable of being exercised at any general meeting of the company and for the purposes of any shareholder written resolutions. A Ordinary shares also have the right to participate in any dividends declared on the A Ordinary shares. Subject to the foregoing, the A Ordinary shares will rank *pari passu* with the Ordinary shares of £1 each.

17. PENSION COMMITMENTS

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £23,620 (31 December 2019 - £15,500). Contribution totalling £1,789 (31 December 2019 - £2,214) were payable to the fund at the balance sheet date are included in creditors.

18. GUARANTEES AND CONTINGENCIES

The total amount of guarantees not included in the balance sheet is £nil (31 December 2019 - £1,0611,902).

19. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is Addev Material SAS. Consolidated financial statements can be found at 30, quai Perrache Lyon, 69002, France.

20. FINANCIAL INSTRUMENTS

	31 December 2020 £	31 December 2019 £
Financial assets		
Financial assets measured at fair value through profit or loss	373,568	313,180

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

21. POST BALANCE SHEET EVENTS

BREXIT

Brexit has had an impact on both imports & exports both in terms of higher costs & greater administrative burden. However, the Directors have taken the necessary steps to mitigate this impact, specifically around the flow of goods from Suppliers and to Customers.

As such, the Directors do not consider that Brexit will have a material adverse impact on the Company in the foreseeable future.

The Directors have therefore considered the effects of Covid-19 and Brexit on the financial position of the Company and have no reason to believe there to be a significant impact which would cast doubt on the Company to continue as a going concern. Accordingly the Directors have a reasonable expectation that the Company will continue in operational existence and thus the going concern basis of accounting for preparing the financial statements is adopted.