

REGISTERED NUMBER: NI001969 (Northern Ireland)

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

McAleer Jackson Ltd
Chartered Accountants & Statutory Auditors
Arthur House
41 Arthur Street
BELFAST
BT1 4GB



**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	5
Report of the Independent Auditors	7
Consolidated Statement of Comprehensive Income	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Cash Flow Statement	16
Notes to the Consolidated Cash Flow Statement	17
Notes to the Consolidated Financial Statements	18

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS:	Mr W P Alexander Dr R A Peden
SECRETARY:	Mrs C Simmons
REGISTERED OFFICE:	9 Airport Road West BELFAST BT3 9ED
REGISTERED NUMBER:	NI001969 (Northern Ireland)
AUDITORS:	McAleer Jackson Ltd Chartered Accountants & Statutory Auditors Arthur House 41 Arthur Street BELFAST BT1 4GB
BANKERS:	Ulster Bank Ltd 11-19 Donegall Square East BELFAST BT1 5UB
SOLICITORS:	Tughans 30 Victoria Street BELFAST BT1 3GG

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report of the company and the group for the year ended 31 December 2020.

REVIEW OF BUSINESS

During 2020 the group, together with its Parent, Tennants Consolidated Limited ('TCL'), and fellow TCL subsidiaries, took the opportunity to reorganise the corporate ownership of the component companies to ensure each component could actively pursue opportunities to expand the scope of their existing opportunities into new locations and markets. Two subsidiary companies were transferred from the group through that reorganisation process but remain within the wider TCL group.

The management of the component companies remains unchanged, and the capability of the group to provide customers with the goods and commercial expertise to enable them to compete successfully in their respective markets, remains a key factor in the group's success.

We have again made substantial investment in buildings, plant, equipment and training of our staff to facilitate the delivery of an ever-improving service to our customers.

The group remains committed to the ethos of demonstrable continuous improvement in key areas such as health and safety, quality assurance and environmental performance. Full ISO accreditations have been achieved for all activities in the group.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

PRINCIPAL RISKS AND UNCERTAINTIES

The management and the execution of the group's strategy is subject to a number of risks. The key business risks and uncertainties affecting the group are considered to relate to competition from both national and international manufacturers, customer retention and product liability. With the delivery of Brexit still presenting uncertainty, the directors remain vigilant as to the opportunities and threats which may arise.

The Covid-19 pandemic and the measures taken to contain it had a significant impact on our operations during 2020, and the performance for the year demonstrated both the agility of our management teams in responding at speed to the unprecedented event, and the resilience and the cash generative qualities of the underlying business.

Our response to the pandemic was developed around our number one priority which was, and remains, the health and safety of our colleagues and customers. A wide range of health and safety protocols and social distancing measures were implemented throughout our operations.

Trading was affected by the national lockdown and our businesses closed, except for essential services, from the end of March until the beginning of May. Our strong relationships with our key customers and suppliers ensured we maintained good liquidity levels during this challenging period, and their co-operation ensured we reopened our businesses when it was safe to do so, with strong levels of demand and trading activity.

Environment

The group recognises its responsibility to carry out its operations whilst minimising environmental impacts. The directors continued aim is to comply with all applicable environmental legislation, prevent pollution and reduce waste wherever possible.

Health and Safety

The group is committed to achieving the highest practicable standards in health and safety management and strives to make its sites and offices safe environments for employees and customer alike.

Human resources

The group's most important resource is its people, their knowledge and experience are crucial to meeting customer requirements. Retention of key staff is critical.

Financial risk management

The group's operations expose it to a variety of financial risks that include the effects of changes in, price risk, liquidity risk, interest rate risk, foreign currency risk and credit risk.

Liquidity risk

The group actively maintains short-term debt finance that is designed to ensure that the group has sufficient available funds for operations and planned expansions.

Price risk

The group is exposed to commodity price risk as a result of its operations. However, given the size of the group's operations the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the group's operations change in size or nature. The group has no exposure to equity securities price risk as it holds no listed or other equity investments.

Foreign currency risk

The group manages exposure to Euro transactions through the use of dedicated bank accounts denominated in foreign currencies to which receipts are lodged, and out of which payments are made. The directors monitor movements to the exchange rates on a regular basis, and move funds when rates are favourable.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

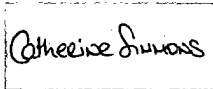
Credit risk

The group's credit risk is primarily attributable to its trade debtors, which is minimised by maintaining strong working relationships with the large number of long established customers, and the group's emphasis on good credit management, which includes the use of appropriate credit insurance cover.

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the group's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the group.

ON BEHALF OF THE BOARD:

A rectangular box containing a handwritten signature in cursive script that reads "Catherine Simmons".

Mrs C Simmons - Secretary

21 April 2021

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

PRINCIPAL ACTIVITIES

The principal activities of the group in the year under review were those of storage, packaging and distribution of fertiliser, building materials, chemicals and the manufacture and distribution of bitumen and bituminous products.

DIVIDENDS

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

DIRECTORS

The directors during the year under review were:

Mr W P Alexander
Dr R A Peden

Other changes in directors holding office are as follows:

Mr A Gingell – resigned 22 April 2020

STREAMLINED ENERGY AND CARBON REPORTING

In the year under review, all subsidiaries in the group met the exemption criteria for reporting under the Streamlined Energy and Carbon Reporting framework.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

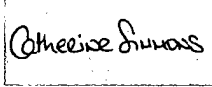
**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 group'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 group's auditors are aware of that information.

ON BEHALF OF THE BOARD:

A rectangular box containing a handwritten signature in cursive script that reads "Catherine Simmons".

Mrs C Simmons - Secretary

21 April 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED

Opinion

We have audited the financial statements of Charles Tennant and Company (Northern Ireland) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 December 2020 and of the group's 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.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page five, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the Group's remuneration policies, and performance targets;
- results of our enquiries of management and other key persons about the Group's own identification and assessment of the risks of irregularities, including those that may occur either as a result of fraud or error, and matters we identified from our review of the Group's policies, procedures and internal controls; and
- the matters discussed among the audit engagement team regarding potential indicators of fraud and where it might occur in the financial statements.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, pensions and tax legislation, together with provisions of other laws and regulations that do not have a direct effect on the financial statements, but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty.

From the above procedures, and in common with all audits under ISAs (UK), we identified the disclosure of adjusting items as a key audit matter with respect to the potential risk of fraud, particularly in areas where management is required to exercise significant judgement.

We tailored our response to those identified risks to include enquiring of management and external legal advisors concerning actual and potential litigation and claims, performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud, and reviewing correspondence with HMRC and other regulatory bodies.

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.

Whilst our engagement team were fully briefed on the fraud risks and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit, we draw attention to inherent limitations in the scope of audit procedures since fraud, by its nature, may involve deliberate concealment, misrepresentation or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED

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 a Report of the Auditors 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.



MICHAEL BARNETT (Senior Statutory Auditor)
for and on behalf of McAleer Jackson Ltd
Chartered Accountants & Statutory Auditors
Arthur House
41 Arthur Street
BELFAST BT1 4GB

Date: 21 April 2021

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
TURNOVER	4	48,305,461	72,540,650
Cost of sales		<u>38,990,558</u>	<u>55,988,570</u>
GROSS PROFIT		9,314,903	16,552,080
Distribution costs		400,513	1,958,653
Administrative expenses		<u>6,833,067</u>	<u>11,015,477</u>
		<u>7,233,580</u>	<u>12,974,130</u>
		2,081,323	3,577,950
Other operating income		<u>489,648</u>	<u>17,496</u>
OPERATING PROFIT	6	2,570,971	3,595,446
EXCEPTIONAL ITEM			
Loss on disposal of subsidiaries	7	<u>3,983,557</u>	-
		(1,412,586)	3,595,446
Interest receivable and similar income	8	<u>78,491</u>	<u>34,266</u>
		(1,334,095)	3,629,712
Interest payable and similar expenses	9	-	<u>1,869</u>
(LOSS)/PROFIT BEFORE TAXATION		(1,334,095)	3,627,843
Tax on (loss)/profit	10	<u>556,038</u>	<u>655,688</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(1,890,133)	2,972,155
OTHER COMPREHENSIVE INCOME			
Currency differences on consolidation		554	(138,671)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,889,579)</u>	<u>2,833,484</u>
(Loss)/profit attributable to: Owners of the parent		<u>(1,890,133)</u>	<u>2,972,155</u>
Total comprehensive income attributable to: Owners of the parent		<u>(1,889,579)</u>	<u>2,833,484</u>

The notes form part of these financial statements

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED (REGISTERED NUMBER: NI001969)**

**CONSOLIDATED BALANCE SHEET
31 DECEMBER 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	12	1,360,605	1,569,929
Tangible assets	13	3,404,281	5,567,822
Investments	14	-	-
		4,764,886	7,137,751
CURRENT ASSETS			
Stocks	15	3,430,783	5,126,579
Debtors	16	14,099,209	15,159,453
Cash at bank and in hand		10,829,784	9,730,108
		28,359,776	30,016,140
CREDITORS			
Amounts falling due within one year	17	8,877,102	10,999,256
NET CURRENT ASSETS		19,482,674	19,016,884
TOTAL ASSETS LESS CURRENT LIABILITIES		24,247,560	26,154,635
CREDITORS			
Amounts falling due after more than one year	18	65,056	82,552
NET ASSETS		24,182,504	26,072,083
CAPITAL AND RESERVES			
Called up share capital	21	300,000	300,000
Retained earnings	22	23,882,504	25,772,083
SHAREHOLDERS' FUNDS		24,182,504	26,072,083

The financial statements were approved by the Board of Directors and authorised for issue on 21 April 2021 and were signed on its behalf by:

W. P. Alexander

Mr W P Alexander - Director

Robert A Peden

Dr R A Peden - Director

The notes form part of these financial statements

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED (REGISTERED NUMBER: NI001969)**

**COMPANY BALANCE SHEET
31 DECEMBER 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	12	-	-
Tangible assets	13	1,782,466	1,909,534
Investments	14	<u>4,905,035</u>	<u>4,905,038</u>
		6,687,501	6,814,572
CURRENT ASSETS			
Stocks	15	2,306,906	2,932,330
Debtors	16	9,833,907	9,479,340
Cash at bank and in hand		<u>10,287,553</u>	<u>7,265,424</u>
		22,428,366	19,677,094
CREDITORS			
Amounts falling due within one year	17	<u>7,146,158</u>	<u>5,692,288</u>
NET CURRENT ASSETS		<u>15,282,208</u>	<u>13,984,806</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		21,969,709	20,799,378
CREDITORS			
Amounts falling due after more than one year	18	<u>65,056</u>	<u>82,552</u>
NET ASSETS		<u>21,904,653</u>	<u>20,716,826</u>
CAPITAL AND RESERVES			
Called up share capital	21	300,000	300,000
Retained earnings	22	<u>21,604,653</u>	<u>20,416,826</u>
SHAREHOLDERS' FUNDS		<u>21,904,653</u>	<u>20,716,826</u>
Company's profit for the financial year		<u>1,187,827</u>	<u>1,068,776</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 April 2021 and were signed on its behalf by:

W. P. Alexander

Mr W P Alexander - Director

Robert A Peden

Dr R A Peden - Director

The notes form part of these financial statements

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	300,000	22,938,599	23,238,599
Changes in equity			
Total comprehensive income	-	2,833,484	2,833,484
Balance at 31 December 2019	300,000	25,772,083	26,072,083
Changes in equity			
Total comprehensive income	-	(1,889,579)	(1,889,579)
Balance at 31 December 2020	300,000	23,882,504	24,182,504

The notes form part of these financial statements

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	300,000	19,348,050	19,648,050
Changes in equity			
Total comprehensive income	<u>-</u>	<u>1,068,776</u>	<u>1,068,776</u>
Balance at 31 December 2019	<u>300,000</u>	<u>20,416,826</u>	<u>20,716,826</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>1,187,827</u>	<u>1,187,827</u>
Balance at 31 December 2020	<u><u>300,000</u></u>	<u><u>21,604,653</u></u>	<u><u>21,904,653</u></u>

The notes form part of these financial statements

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	4,784,391	2,295,304
Interest paid		-	(1,869)
Tax paid		<u>(750,945)</u>	<u>(849,300)</u>
Net cash from operating activities		<u>4,033,446</u>	<u>1,444,135</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(699,989)	(2,785,296)
Sale of tangible fixed assets		13,900	65,180
Disposal of subsidiaries		(2,326,172)	-
Interest received		<u>78,491</u>	<u>34,266</u>
Net cash from investing activities		<u>(2,933,770)</u>	<u>(2,685,850)</u>
 Increase/(decrease) in cash and cash equivalents		 1,099,676	 (1,241,715)
Cash and cash equivalents at beginning of year	2	<u>9,730,108</u>	<u>10,971,823</u>
 Cash and cash equivalents at end of year	2	 <u><u>10,829,784</u></u>	 <u><u>9,730,108</u></u>

The notes form part of these financial statements

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
(Loss)/profit before taxation	(1,334,095)	3,627,843
Depreciation charges	986,146	1,154,484
Profit on disposal of fixed assets	(13,900)	(61,069)
Loss on disposal of subsidiaries	3,983,557	-
Currency differences on consolidation	554	(138,671)
Government grants	(17,496)	(17,496)
Finance costs	-	1,869
Finance income	(78,491)	(34,266)
	<u>3,526,275</u>	<u>4,532,694</u>
Decrease/(increase) in stocks	679,944	(285,973)
Decrease/(increase) in trade and other debtors	325,251	(2,158,129)
(Decrease)/increase in trade and other creditors	<u>252,921</u>	<u>206,712</u>
Cash generated from operations	<u><u>4,784,391</u></u>	<u><u>2,295,304</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2020

	31.12.20 £	1.1.20 £
Cash and cash equivalents	<u><u>10,829,784</u></u>	<u><u>9,730,108</u></u>

Year ended 31 December 2019

	31.12.19 £	1.1.19 £
Cash and cash equivalents	<u><u>9,730,108</u></u>	<u><u>10,971,823</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>9,730,108</u>	<u>1,099,676</u>	<u>10,829,784</u>
	<u>9,730,108</u>	<u>1,099,676</u>	<u>10,829,784</u>
Total	<u><u>9,730,108</u></u>	<u><u>1,099,676</u></u>	<u><u>10,829,784</u></u>

The notes form part of these financial statements

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Charles Tennant and Company (Northern Ireland) Limited is a private company, limited by shares, registered in Northern Ireland. 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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

Basis of consolidation

These consolidated financial statements incorporate those of Charles Tennant and Company (Northern Ireland) Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

Any subsidiary undertakings or associates sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively.

Where control of a subsidiary is lost, the gain or loss is recognised in the consolidated income statement. The cumulative amounts of any exchange differences on translation recognised in equity, are not included in the gain or loss on disposal and are transferred to retained earnings. The gain or loss also includes amounts included in other comprehensive income that are required to be reclassified to profit or loss but excludes those amounts that are not required to be reclassified.

All financial statements are made up to 31 December 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover derives principally from the continuing manufacture and distribution of fertilisers, the supply of building materials and chemicals and the manufacture of bitumen and bituminous products. Turnover represents the fair value of consideration received and receivable for goods supplied to customers excluding intra-group sales and after deducting sales allowances, rebates and value added taxes. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the customer, the revenue and costs incurred in respect of the transactions can be measured reliably and collectability is reasonably assured. This is usually at the point when goods have been delivered to the customer and signed for.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2017, is being amortised evenly over its estimated useful life of ten years.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land & buildings	- in accordance with the property
Plant & machinery	- at varying rates on cost
Motor vehicles	- 25% straight line

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provisions for impairment.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Investments in subsidiaries

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. ACCOUNTING POLICIES - continued

Stocks

Stock is valued at the lower of cost and net realisable value. Cost comprises expenditure incurred in the normal course of business in bringing the stocks to their present location and condition and, in the case of finished goods, an appropriate addition for production overheads.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES – continued

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied, and the hedge is a cash flow hedge. Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Foreign currencies

In the financial statements of the individual entities in the group, transactions in currencies other than the functional currency of the entity are recognised at the exchange rates ruling on the dates of the transactions or at an average rate where this approximates as the actual rate.

At the end of each reporting period, monetary items denominated in foreign currencies are converted into sterling at exchange rates ruling at the year end.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Non-monetary items that are measured at fair value in a foreign currency are converted into sterling at the rate ruling when the fair value was determined.

Exchange differences are recognised in the income statement in the period in which they arise.

In the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

The assets and liabilities of the group's overseas subsidiaries are converted into sterling at exchange rates ruling at the year end. Income and expenses are translated using the average rate for the period. Exchange differences arising on the translation of group companies are recognised in other comprehensive income.

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.

Pension costs and other post-retirement benefits

The group participates in the Tennants Consolidated Limited Pension Fund operated by the ultimate parent company. The group operates two types of pension scheme.

Defined Contribution Scheme:

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Defined Benefit Scheme:

Since it is not possible for the company to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution scheme.

In the financial statements of Tennants Consolidated Limited, the Pension Scheme assets are measured using market values and liabilities on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. Actuarial valuations are obtained triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred taxation, is presented separately after other net assets on the face of the balance sheet in the financial statements of Tennants Consolidated Limited.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Investment income

Interest on loans and bank deposits is taken into account on an accruals basis. Income from other investments is accounted for when received. Profits on realisation of investments are credited to the profit and loss account.

Grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Other income

Other income includes group income, commission received and insurance proceeds and is recognised in the period that it is receivable.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Recoverability of debtors

Estimates are made in respect of the recoverable value of trade and other debtors. When assessing the level of provisions required, factors including current trading experience, historical experience and the aging profile of debtors are considered.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical conditions of the assets.

Carrying value of stock

Stock represents goods for resale and is measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. Provision is made for obsolete and slow moving stock based on historical experience.

4. TURNOVER

The turnover and loss (2019 - profit) before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	2020	2019
	£	£
Sale of goods	46,832,077	69,897,196
Provision of services	1,443,496	2,603,084
Commission	29,888	40,370
	<u>48,305,461</u>	<u>72,540,650</u>

An analysis of turnover by geographical market is given below:

	2020	2019
	£	£
United Kingdom	46,685,693	47,495,263
Ireland	1,619,768	25,045,387
	<u>48,305,461</u>	<u>72,540,650</u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

5. EMPLOYEES AND DIRECTORS

	2020	2019
	£	£
Wages and salaries	3,587,206	4,456,301
Social security costs	377,370	458,562
Other pension costs	385,305	325,199
	<u>4,349,881</u>	<u>5,240,062</u>

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

	2020	2019
Management and administration	18	24
Distribution and sales	42	52
Production	32	34
	<u>92</u>	<u>110</u>

	2020	2019
	£	£
Directors' remuneration	<u>195,724</u>	<u>191,886</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	=	<u>1</u>
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6. OPERATING PROFIT

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

	2020	2019
	£	£
Hire of plant and machinery	147,961	240,808
Other operating leases	192,143	288,121
Depreciation - owned assets	776,822	945,160
Profit on disposal of fixed assets	(13,900)	(61,069)
Goodwill amortisation	209,324	209,324
Auditors' remuneration	33,100	42,951
Foreign exchange differences	<u>(165,217)</u>	<u>186,265</u>

7. EXCEPTIONAL ITEMS

	2020	2019
	£	£
Loss on disposal of subsidiaries	<u>(3,983,557)</u>	<u>-</u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020	2019
	£	£
Bank interest received	9,177	17,842
Other interest received	<u>69,314</u>	<u>16,424</u>
	<u><u>78,491</u></u>	<u><u>34,266</u></u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Other interest paid	<u>-</u>	<u>1,869</u>

10. TAXATION

Analysis of the tax charge

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	643,811	481,413
Foreign tax	<u>-</u>	<u>199,200</u>
Total current tax	643,811	680,613
Deferred tax	<u>(87,773)</u>	<u>(24,925)</u>
Tax on (loss)/profit	<u><u>556,038</u></u>	<u><u>655,688</u></u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2020 £	2019 £
(Loss)/profit before tax	<u>(1,334,095)</u>	<u>3,627,843</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	<u>(253,478)</u>	689,290
Effects of:		
Expenses not deductible for tax purposes	11,365	16,287
Depreciation in excess of capital allowances	1,504	(12,433)
Other tax adjustments	-	(77,228)
Amortisation of goodwill	39,772	39,772
Adjustment in respect of disposal of subsidiaries	<u>756,875</u>	<u>-</u>
Total tax charge	<u><u>556,038</u></u>	<u><u>655,688</u></u>

11. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

12. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 January 2020 and 31 December 2020	<u>2,093,239</u>
AMORTISATION	
At 1 January 2020	523,310
Amortisation for year	<u>209,324</u>
At 31 December 2020	<u>732,634</u>
NET BOOK VALUE	
At 31 December 2020	<u>1,360,605</u>
At 31 December 2019	<u>1,569,929</u>

13. TANGIBLE FIXED ASSETS

Group

	Land & buildings £	Plant & machinery £	Motor vehicles £	Totals £
COST				
At 1 January 2020	4,987,747	6,175,848	1,949,829	13,113,424
Additions	-	205,847	494,142	699,989
Disposals	<u>(1,860,577)</u>	<u>(676,199)</u>	<u>(241,334)</u>	<u>(2,778,110)</u>
At 31 December 2020	<u>3,127,170</u>	<u>5,705,496</u>	<u>2,202,637</u>	<u>11,035,303</u>
DEPRECIATION				
At 1 January 2020	975,832	5,289,188	1,280,582	7,545,602
Charge for year	28,604	383,742	364,476	776,822
Eliminated on disposal	<u>-</u>	<u>(515,027)</u>	<u>(176,375)</u>	<u>(691,402)</u>
At 31 December 2020	<u>1,004,436</u>	<u>5,157,903</u>	<u>1,468,683</u>	<u>7,631,022</u>
NET BOOK VALUE				
At 31 December 2020	<u>2,122,734</u>	<u>547,593</u>	<u>733,954</u>	<u>3,404,281</u>
At 31 December 2019	<u>4,011,915</u>	<u>886,660</u>	<u>669,247</u>	<u>5,567,822</u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13. TANGIBLE FIXED ASSETS - continued

Company	Land & buildings £	Plant & machinery £	Motor vehicles £	Totals £
COST				
At 1 January 2020	1,881,565	4,905,807	1,061,849	7,849,221
Additions	-	136,673	258,720	395,393
Disposals	-	(9,296)	(27,950)	(37,246)
At 31 December 2020	<u>1,881,565</u>	<u>5,033,184</u>	<u>1,292,619</u>	<u>8,207,368</u>
DEPRECIATION				
At 1 January 2020	865,435	4,320,405	753,847	5,939,687
Charge for year	5,700	313,966	202,795	522,461
Eliminated on disposal	-	(9,296)	(27,950)	(37,246)
At 31 December 2020	<u>871,135</u>	<u>4,625,075</u>	<u>928,692</u>	<u>6,424,902</u>
NET BOOK VALUE				
At 31 December 2020	<u>1,010,430</u>	<u>408,109</u>	<u>363,927</u>	<u>1,782,466</u>
At 31 December 2019	<u>1,016,130</u>	<u>585,402</u>	<u>308,002</u>	<u>1,909,534</u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

14. FIXED ASSET INVESTMENTS

Company

	Shares in group undertaking £
COST	
At 1 January 2020	4,905,038
Disposals	<u>(3)</u>
At 31 December 2020	<u>4,905,035</u>
NET BOOK VALUE	
At 31 December 2020	<u>4,905,035</u>
At 31 December 2019	<u>4,905,038</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Walls & Ceilings International Limited

Registered office: England

Nature of business: Manufacture & distribution of building products

Class of shares:	%
Ordinary	holding 100.00

During the year, and as part of the ultimate parent company's reorganisation of its subsidiaries based in the Republic of Ireland, the company transferred its ownership of the entire issued share capital of Tennants Building Products Limited and Charles Tennant & Company (Cork) Limited (together, the "Shares") at book value to Tennants Consolidated Ireland Ltd. For all economic purposes, the reorganisation was effective from 1 January 2020 and the beneficial ownership of the Shares is deemed to have passed on that date.

15. STOCKS

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Raw materials and consumables	2,415,095	2,952,522	1,291,218	1,774,125
Finished goods & goods resale	<u>1,015,688</u>	<u>2,174,057</u>	<u>1,015,688</u>	<u>1,158,205</u>
	<u>3,430,783</u>	<u>5,126,579</u>	<u>2,306,906</u>	<u>2,932,330</u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	7,684,326	12,426,786	4,629,242	5,042,643
Amounts owed by group undertakings	4,226,175	690,000	4,382,122	3,990,495
Other debtors	1,608,597	1,559,337	431,019	245,093
Deferred tax asset	287,147	254,182	232,825	162,896
Prepayments	292,964	229,148	158,699	38,213
	<u>14,099,209</u>	<u>15,159,453</u>	<u>9,833,907</u>	<u>9,479,340</u>

Deferred tax asset

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax	<u>287,147</u>	<u>254,182</u>	<u>232,825</u>	<u>162,896</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	2,445,876	5,704,009	1,103,719	2,008,694
Amounts owed to group undertakings	3,957,515	3,800,686	3,736,740	2,778,720
Corporation tax	63,354	177,911	18,457	83,531
Social security and other taxes	659,110	776,008	573,358	405,350
Accruals	1,751,247	540,642	1,713,884	415,993
	<u>8,877,102</u>	<u>10,999,256</u>	<u>7,146,158</u>	<u>5,692,288</u>

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Grants	<u>65,056</u>	<u>82,552</u>	<u>65,056</u>	<u>82,552</u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	112,890	265,703
Between one and five years	451,560	1,027,734
In more than five years	<u>346,807</u>	<u>953,116</u>
	<u>911,257</u>	<u>2,246,553</u>

Company

	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	57,800	57,800
Between one and five years	231,200	231,200
In more than five years	<u>178,217</u>	<u>236,017</u>
	<u>467,217</u>	<u>525,017</u>

20. DEFERRED TAX

Group

	£
Balance at 1 January 2020	(254,182)
Transfer on disposal of subsidiaries	54,808
Provided during year	<u>(87,773)</u>
Balance at 31 December 2020	<u>(287,147)</u>

Company

	£
Balance at 1 January 2020	(162,896)
Credit to Statement of Comprehensive Income during year	<u>(69,929)</u>
Balance at 31 December 2020	<u>(232,825)</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019
Number:	Class:		£	£
300,000	Ordinary share capital	1	<u>300,000</u>	<u>300,000</u>

**CHARLES TENNANT AND COMPANY (NORTHERN
IRELAND) LIMITED**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

22. RESERVES

Group

	Retained earnings £
At 1 January 2020	25,772,083
Deficit for the year	(1,890,133)
Other comprehensive income	<u>554</u>
At 31 December 2020	<u><u>23,882,504</u></u>

Company

	Retained earnings £
At 1 January 2020	20,416,826
Profit for the year	<u>1,187,827</u>
At 31 December 2020	<u><u>21,604,653</u></u>

23. PENSION COMMITMENTS

	2020 £	2019 £
Charge to profit or loss in respect of defined contribution schemes	<u>312,849</u>	<u>325,199</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24. CAPITAL COMMITMENTS

	2020 £	2019 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>322,000</u>

25. CONTROLLING PARTY

The ultimate parent and controlling company is Tennants Consolidated Limited, a company incorporated in the United Kingdom. This is the largest group of undertakings for which group accounts are drawn up. The address of the registered office of the parent is 12 Upper Belgrave Street, London, SW1X 8BA.