

Registration Number: 01292982

Monier (China) Holdings Limited
Annual Report and Financial Statements
For The Year Ended 31 December 2018



Monier (China) Holdings Limited

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Monier (China) Holdings Limited

Officers and professional advisers

Directors

Mr J Bradley (resigned 11.02.2019)
Mr R Broekmans (resigned 21.12.2018)
Mr M Russell (resigned 21.12.2018)
Dr J Schmidt-Schultes (appointed 21.12.2018)
Mr T Anderson (appointed 21.12.2018)
Mr C K Douglas (appointed 30.09.2019)

Registered office

BMI House
2 Pitfield
Kiln Farm
Milton Keynes
MK11 3LW

Banker

DBS Bank (Hong Kong) Limited
1209-1218 12th Floor Miramar Tower
132-134 Nathan Road Tsimshatsui
Kowloon, Hong Kong
SAR

Deutsche Bank AG
6 Bishopsgate
London
EC2N 4DA

Independent auditor

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Monier (China) Holdings Limited

Directors' report

The directors submit their annual report and the audited financial statements of the Company for the year ended 31 December 2018.

Principal Activity

The company's principal activity is as a holding company for roofing manufacturing companies in China and it holds investments in five manufacturing plants in China. The company expects to continue in this activity for the foreseeable future.

Based on the forecasts performed by local management combined with analysis of local market operating conditions there is nothing to indicate that the business will not continue with its operating activities for the foreseeable future and can therefore be deemed to be a going concern.

Directors

The directors who held office throughout the year are as follows:

Mr R Broekmans (resigned 21.12.2018)

Mr J Bradley (resigned 11.02.2019)

Mr M Russell (resigned 21.12.2018)

Mr T Anderson (appointed 21.12.2018)

Dr J Schmidt-Schultes (appointed 21.12.2018)

Mr C K Douglas (appointed 30.09.2019)

Dividends

No interim or final dividend has been paid or proposed for the year (2017: £nil).

Political contributions

The Company made no political donations and did not incur any political expenditure during the year (2017: £nil).

Issue of shares

In 2018, the Company issued additional 7,540 ordinary shares of £1.00 each ranking pari passu in all respects with the existing ordinary shares of the Company.

Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Ernst & Young LLP were re-appointed as auditor during the year.

This report was approved by the board on 30 September 2019 and signed on its behalf.



C K Douglas
Director

Monier (China) Holdings Limited

Strategic report

Business Review

The company's profit after tax for the year was £5,000 (2017: loss £109,000). As at 31 December 2018, the Company has net assets of £22,686,000 (2017: £22,673,000).

The company's key financial and other performance indicators during the year are as follows:

| | 2018 (£'000) | 2017 (£'000) |
|--------------------------|-----------------|-----------------|
| Operating loss | (27) | (119) |
| Profit/(loss) before tax | 7 | (102) |

Principal Risks and Uncertainties

The company's activities expose it to a number of financial risks including foreign exchange risk, interest risk and liquidity risk. The use of financial derivatives is governed by the Group's policies approved by the board of directors of BMI Group Holdings UK Limited, the Company's intermediate parent company, who provide written principles on the use of financial derivatives to manage such risks. The company does not hold derivative financial instruments for speculative purposes.

Foreign Exchange Risk

All investments are in the local currency of the subsidiaries and so there is exposure to changes in the exchange rate that could impact the value of the holding. As these investments are long term no hedging is deemed to be appropriate.

Interest Rate Risk

The company receives and pays interest on cash balances pooled with other UK companies in the Group headed by the intermediate parent company. Interest is calculated based on the overall pooled cash balance and allocated to group companies based on their cash balance.

Liquidity Risk

Following the refinancing of the Group in 2016, management believe that the Group has a stable and long term financial platform upon which it can continue to build in the future.

This report was approved by the board on 30 September 2019 and signed on its behalf.


C K Douglas
Director

Monier (China) Holdings Limited

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Monier (China) Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONIER (CHINA) HOLDINGS LIMITED

Opinion

We have audited the financial statements of Monier (China) Holdings Limited for the year ended 31 December 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2018 and of its profit 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 Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

Monier (China) Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONIER (CHINA) HOLDINGS LIMITED (continued)

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

Monier (China) Holdings Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONIER (CHINA) HOLDINGS LIMITED (continued)

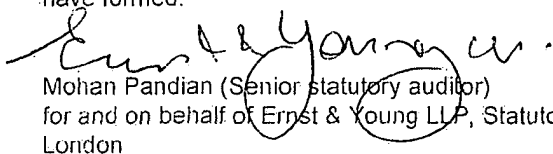
Auditor's responsibilities for the audit of the financial statements

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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



Mohan Pandian (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

30 September 2019

Monier (China) Holdings Limited

Profit and loss account

For the year ended 31 December 2018

| | <i>Notes</i> | 2018 £'000 | 2017 £'000 |
|--|--------------|---------------|---------------|
| Administrative costs | | (27) | (119) |
| Operating loss | 2 | (27) | (119) |
| Income from investments in subsidiary undertakings | 3 | - | - |
| Interest income | 4 | 34 | 17 |
| Profit/(loss) before tax | | 7 | (102) |
| Tax charge on profit/loss | 6 | (2) | (7) |
| Profit/(loss) for the financial year | | 5 | (109) |

The results shown above are in respect of continuing operations. There is no other comprehensive income in 2017 or 2018.

The notes on pages 11 to 17 form part of these financial statements.

Monier (China) Holdings Limited

Balance Sheet At 31 December 2018

| | Notes | 2018 £'000 | 2017 £'000 |
|---|-------|---------------|---------------|
| Non-current assets | | | |
| Investments | 7 | 19,316 | 17,009 |
| Current assets | | | |
| Debtors: amounts falling due within one year (including £74,000 (2017: £95,000) due after more than one year) | 8 | 106 | 98 |
| Cash at bank | 9 | 3,805 | 6,105 |
| | | 3,911 | 6,203 |
| Creditors: amounts falling due within one year | 10 | (541) | (539) |
| Net current assets | | 3,370 | 5,664 |
| Total net assets | | 22,686 | 22,673 |
| Capital and reserves | | | |
| Called-up share capital | 12 | 18,858 | 18,850 |
| Profit and loss account | | 3,828 | 3,823 |
| Total shareholders' funds | | 22,686 | 22,673 |

The notes on pages 11 to 17 form part of these financial statements.

The financial statements of Monier (China) Holdings Limited, registered number 01292982, were approved by the board of directors on 30 September 2019 and signed on its behalf by:



C K Douglas
Director

Monier (China) Holdings Limited

Statement of Changes in Equity For the year ended 31 December 2018

| | Called-up share capital £'000 | Profit and loss account £'000 | Total equity £'000 |
|------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| Balance at 1 January 2017 | 18,850 | 3,932 | 22,782 |
| Loss for the year | - | (109) | (109) |
| Balance at 31 December 2017 | <u>18,850</u> | <u>3,823</u> | <u>22,673</u> |
| Balance at 1 January 2018 | 18,850 | 3,823 | 22,673 |
| Issue of shares | 8 | - | 8 |
| Profit for the year | - | 5 | 5 |
| Balance at 31 December 2018 | <u>18,858</u> | <u>3,828</u> | <u>22,686</u> |

Called-up share capital

Called-up share capital represents the issued and fully paid up equity share capital of the Company.

In 2018, the Company issued additional 7,540 ordinary shares of £1.00 each ranking pari passu in all respects with the existing ordinary shares of the Company.

Profit and loss account

Profit and loss account represents the cumulative total comprehensive income attributable to the Company.

The notes on pages 11 to 17 form part of these financial statements.

Monier (China) Holdings Limited

Notes to the financial statements For the year ended 31 December 2018

1 Accounting policies

Monier (China) Holdings Limited is a company limited by shares and incorporated and domiciled in the UK.

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000 unless otherwise stated.

The Company's intermediate parent undertaking, BMI Group Holdings UK Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of BMI Group Holdings UK Limited are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Communications Department, 5th Floor, 20 Air Street, London W1B 5AN. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes;
- Related party transactions; and
- Key management personnel compensation.

As the consolidated financial statements of BMI Group Holdings UK Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 14.

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Monier (China) Holdings Limited

Notes to the financial statements For the year ended 31 December 2018

1 Accounting policies (*continued*)

Taxation (*continued*)

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

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.

Basic financial instruments

Trade and other debtors / creditors

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

Investments in subsidiaries

These are separate financial statements of the company. Investments in subsidiaries are carried at cost less impairment. Dividends from group companies are accounted for on a receipts basis.

Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Monier (China) Holdings Limited

Notes to the financial statements For the year ended 31 December 2018

1 Accounting policies (*continued*)

Cash and cash equivalents

Cash and short term deposits in the statement of financial position normally comprise cash at banks and at hand and short term deposits with an original maturity of three months or less, if the term is longer to qualify as cash and cash equivalents the deposit must be subject to insignificant penalties on early termination.

Going concern

The financial statements have been prepared on a going concern basis which assumes the Company will continue in operational existence for the foreseeable future. The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review of the Strategic Report on page 3.

As at 31 December 2018, the Company has net assets of £22,686,000 (31 December 2017: £22,673,000). In the 2018 year the company made a profit after tax of £5,000 (2017: loss £109,000).

In preparing the financial statements careful consideration has been given to the likely trading environment over the next twelve months. There is no indication or reason to believe that the business will not be a going concern moving forwards. Budgets are prepared and reviewed by local and regional management ensuring that the business has adequately analysed, considered and understood its operating environment for the next 12 months.

Having considered all of the above factors, the company's Board concluded that it is appropriate to assume that the group's covenants will be met and therefore the guarantee secured on the company's assets will not be called upon. For this reason, they have adopted the going concern basis in preparing the financial statements. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

The directors have also received the commitment from its intermediate parent company, BMI Group Holdings UK Limited, in writing to provide adequate financial support to the Company, if required, for a period of at least 12 months from the approval date of the balance sheet to enable it to meet its liabilities as and when they fall due.

Contingent liabilities

Substantially all assets of the company are granted as security to the lenders of the Brass Monier Building Group SA under the amended Senior Facility Agreement dated April 9th 2014.

2 Expenses and auditor's remuneration

Included in profit/loss is auditor's remuneration of £4,818 (2017: £4,500).

3 Income from investments in subsidiary undertakings

There was no dividend income received from subsidiary undertakings in 2018 (2017: £nil)

4 Interest income

| | 2018 £'000 | 2017 £'000 |
|--|---------------|---------------|
| Interest income from parent undertakings | <u>34</u> | <u>17</u> |

Monier (China) Holdings Limited

Notes to the financial statements For the year ended 31 December 2018

5 Information regarding directors and employees

The remuneration of directors was borne by other group companies in the year and is inconsequential to the accounts.

| | Number 2018 | Number 2017 |
|---|----------------|----------------|
| Average number of persons employed | | |
| Administration (excluding directors) | <u>0</u> | <u>0</u> |
| | 2018 | 2017 |
| | £'000 | £'000 |
| Staff costs during the year | | |
| Wages and salaries | - | 107 |
| Social security costs | - | 10 |
| | <u>-</u> | <u>117</u> |

No contribution was made to money purchase pension scheme during the year (2017: £nil).

6 Taxation

| | 2018 £'000 | 2017 £'000 |
|---|---------------|---------------|
| <i>Current tax</i> | | |
| Current tax on income for the year | - | 3 |
| Adjustments in respect of prior periods | 3 | 12 |
| Foreign taxation | - | - |
| Total current tax | <u>3</u> | <u>15</u> |
| <i>Deferred tax (see Note 11)</i> | | |
| Origination and reversal of timing differences | 1 | 2 |
| Effect of tax rate change on opening balance | (2) | (10) |
| Total deferred tax | <u>(1)</u> | <u>(8)</u> |
| Total tax on profit on ordinary activities | <u>2</u> | <u>7</u> |
| Factors affecting tax charge for the year | | |
| | 2018 £'000 | 2017 £'000 |
| (Loss)/profit on ordinary activities before tax | <u>7</u> | <u>(102)</u> |
| Tax on profit on ordinary activities at standard rate 19.00% (PY: 19.25%) | 1 | (19) |
| <i>Effects of:</i> | | |
| Imputed Income | - | 25 |
| Adjustments to tax charge in respect of previous periods | (2) | - |
| Adjust opening deferred tax to average of rate of 19.00% | (12) | - |
| Adjustments to tax charge in respect of previous periods | 3 | 1 |
| Adjust closing deferred tax to average rate of 19.00% | <u>12</u> | <u>-</u> |
| Total tax charge for year | <u>2</u> | <u>7</u> |

Monier (China) Holdings Limited

Notes to the financial statements continued For the year ended 31 December 2018

6 Taxation (continued)

Reductions in the rate of UK Corporation Tax to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2017. This will reduce the company's future current tax charges accordingly. The deferred tax asset at 31 December 2018 has been calculated based on these rates.

7 Investments

Shares in subsidiary undertakings:

| | 2018 £'000 | 2017 £'000 |
|-----------------------|---------------|---------------|
| Cost | | |
| At 1 January | 17,009 | 18,667 |
| Additions | 2,307 | - |
| Disposals | - | (1,658) |
| At 31 December | 19,316 | 17,009 |
| Net Book Value | | |
| At 31 December | 19,316 | 17,009 |

Details of group undertakings are as follows:

The investments represent the cost of investment in subsidiary companies that trade, and are registered in, The People's Republic of China.

The companies are:

| Name | Registered address | Registered number | Principal activity | Class of shares | Beneficial interest (%) |
|---|---|--------------------|--------------------------------|-----------------|-------------------------|
| Monier Roofing Systems (Foshan) Co. Limited | Zuo Tian Development Zone, Xinan Street, Sanshui District, Foshan, Guangdong Province | 91440600617643911T | Sale of construction materials | Ordinary | 100% |
| Monier Roofing Systems (Shaoxing) Co. Limited | Yong Ren, Chang An Men Wai, Yuecheng District, Shaoxing | 9133060060911186X | Sale of construction materials | Ordinary | 100% |
| Monier Roofing Systems (Beijing) Co. Limited | Lu Cheng Industrial Development Zone, Huangcun Town, Daxing District, Beijing | 91110115600069431U | Sale of construction materials | Ordinary | 100% |
| Monier Roofing Systems (Suzhou) Co. Limited | No. 1188 Yinzhong Road (S), Hedong Industrial Park, Wuzhong Development Zone, Suzhou | 913205007746986921 | Sale of construction materials | Ordinary | 100% |
| Monier (Shanghai) Management Co. Limited | Room 1205 – 1207, Summit Center, 1088 Yanan An Xi Road, Shanghai | 91310000672696485R | Management | Ordinary | 100% |
| Monier Roofing Systems (Chengdu) Limited | No. 292 Yingbin Road, Zhao Town, Jintang, Chengdu | 91510121720306470G | Sale of construction materials | Ordinary | 100% |

Monier (China) Holdings Limited

Notes to the financial statements For the year ended 31 December 2018

8 Debtors: amounts falling due within one year

| | 2018 £'000 | 2017 £'000 |
|---|---------------|---------------|
| Deferred tax asset (see Note 11) | 96 | 95 |
| Amounts owed by fellow group undertakings | 10 | 3 |
| | <u>106</u> | <u>98</u> |

It is estimated that £74,000 relating to the deferred tax asset will reverse after more than one year.

9 Cash at bank

Cash at bank includes the following amounts:

| | 2018 £000 | 2017 £000 |
|--------------|--------------|--------------|
| Cash at bank | 3,805 | 6,105 |
| | <u>3,805</u> | <u>6,105</u> |

The balance is pooled with Monier (UK) Holdings Limited. As per the cash pool arrangement, the balance of the Company is held within the pool and used to offset the amounts withdrawn by other group entities. The net balance is transferred to the intermediate parent company.

10 Creditors: amounts falling due within one year

| | 2018 £'000 | 2017 £'000 |
|-----------------|---------------|---------------|
| Corporation tax | 7 | - |
| Other creditors | 534 | 539 |
| | <u>541</u> | <u>539</u> |

Monier (China) Holdings Limited

Notes to the financial statements For the year ended 31 December 2018

11 Deferred tax

| | 2018 £'000 | 2017 £'000 |
|------------------------------------|---------------|---------------|
| Deferred tax asset brought forward | 95 | 87 |
| Movement: charge for the year | 1 | 8 |
| Deferred tax asset carried forward | <u>96</u> | <u>95</u> |
| Deferred tax assets: | | |
| Fixed asset timing differences | - | - |
| Short term timing differences | <u>96</u> | <u>95</u> |
| | <u>96</u> | <u>95</u> |

The deferred tax asset is carried forward on the basis that sufficient taxable profits will be made in the future.

12 Called-up share capital

| | 2018 £'000 | 2017 £'000 |
|--|---------------|---------------|
| Authorised, allotted and fully paid: | | |
| 18,858,000 (2017: 18,850,000) Ordinary shares of £1 each | <u>18,858</u> | <u>18,850</u> |
| Allotted on 21st December 2018 for cash | | |

In 2018, the Company issued additional 7,540 ordinary shares of £1.00 each ranking pari passu in all respects with the existing ordinary shares of the Company.

13 Ultimate parent company and controlling entity

The company is jointly owned by Monier Roofing GmbH, incorporated in Germany, and Monier Yapi Cozumleri San. Ve. Tic AS incorporated in Turkey. Each parent company has equal voting rights.

BMI Group Holdings UK Limited is the smallest parent undertaking to consolidate the accounts of the company. The largest company parent to prepare consolidated financial statements is Standard Industries Inc., a company incorporated in the USA. Copies of the Group accounts for BMI Group Holdings UK Limited may be obtained from Communications Department, 5th Floor, 20 Air Street, London W1B 5AN.

14 Accounting estimates and judgements

In preparing the financial statements certain assumptions have been made about the future and judgements made about the potential impact of those assumptions. In so far as the business is concerned, there are no external events likely to have a significant impact on the assets, liabilities or subsidiary investments of the business. The management are comfortable with current valuations.