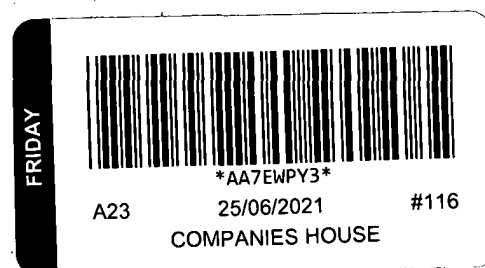


Company registration number 2163844

Etex Building Performance Limited

Report and Financial Statements

31 December 2020



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Company Information

Directors

N A Ash

J E Maycock

J-L Bernard

W-Schelfhout (resigned 11th September 2020)

Secretary

W Schelfhout (resigned 11th September 2020)

J Maycock (appointed 4th November 2020)

Independent Auditors

PricewaterhouseCoopers LLP

Registered Office

Gordano House

Marsh Lane

Easton in Gordano

Bristol

BS20 0NE

Bankers

Lloyds Bank PLC

25 Gresham Street

London

EC2V 7HN

Country of Incorporation and Domicile

United Kingdom

Strategic report

The directors present their strategic report for the year ended 31 December 2020.

Principal activities and review of the business

The principal activity of the company is the manufacture and supply of plasterboard and accessories. The company operates two manufacturing sites in Portbury, near Bristol and Ferrybridge near Leeds. The company supplies primarily builders' merchants and specialist distributors in the UK and Ireland.

	2020	2019
	£000	£000
Turnover	216,370	225,715
Operating profit	52,538	48,411
Profit for the financial year	44,661	38,298
Shareholders' funds	95,371	95,992

The UK construction market declined in 2020 due to COVID-19 pandemic. The company's sales decreased by 4.1% compared to the previous year down to £216.4m. Gross profit has increased from 39.5% in 2019 to 41.7% in 2020. The operating profit has increased from £48.4m in 2019 to £52.5m in 2020.

COVID-19

The COVID-19 virus pandemic has impacted all companies on a global basis and provides uncertainty over the markets in which the company operates. The coronavirus crisis has impacted on our performance in 2020. Nevertheless, the company maintained tight control on costs to secure the present and future of Etex Building Performance considering our strong financial position, available financial resources, and a careful management of our cash position.


Principal risks and uncertainties

The company's activities expose it to financial risks including foreign exchange risk and energy price and supply risk. To reduce these risks the company enters into forward foreign currency contracts and enters into forward purchase supply contracts for gas. The gas contracts are not accounted for as financial instruments as the contracts are settled physically and entered into solely for consumption in own manufacturing process.

Loss of key customers is also a key risk to the business. The company manages this risk by developing and maintaining strong relationships with these customers.

The decision in the UK referendum to leave the EU has created uncertainty which could lead to a contraction in the construction industry in future years and impact the company's growth in the future.

On behalf of the Board



Neil Ash

Director

Date: 17-06-2021

Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the year after taxation amounted to £44,661,000 (2019 – profit of £38,298,000). The directors paid an interim dividend of £45,000,000 (2019: £45,000,000) and do not recommend the payment of any final dividend (2019: nil).

Future developments

The company will continue to focus on growing the business by launching innovative products and systems that bring benefits to installers and end-users of buildings. Alongside this, the company focuses on maintaining manufacturing excellence. The Company has committed to extend the existing operation in Bristol, which will allow for increased capacity of plasterboard.

Going concern

The directors have considered cash flow forecasts for the FY 2021 year and the financial statements are prepared on a going concern basis which the directors believe to be appropriate as the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future.

Post Balance Sheet Events

On 1st March 2021, Etex Building Performance Limited sold its share of subsidiary, EOS Facades Limited to a fellow group company.

Employment policies

The Company seeks to ensure that every employee is treated equally and fairly. Our policies and procedures support our disabled employees.

1. Full and fair consideration of application
2. Continuing employment and training while employed
3. Training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees

Section 172

Each director of the company has taken steps to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of members as a whole, and in doing so have regard (amongst other matters) to the factors summarised below:

- a. The likely consequences of any decision in the long term. The board has made principal decisions impacting the future of the company in line with the long term strategic objectives of the ultimate parent company Etex N.V. The key strategic decisions made in the year were to invest in an expansion programme in Bristol, UK to increase manufacturing capacity.
- b. The interests of the company's employees. Directors have considered employee interests when making principal decisions, for example there is regular engagement with employees with a town hall business review where health and safety, operations and HR topics are presented and the meeting finishes with a question and answer session. The Company fully recognises the responsibilities for the health and safety of all its employees, visitors, contractors and of the community by adopting the health and safety policies of the Parent Company Etex N.V.
- c. The need to foster the company's business relationships with suppliers, customers and others. Key customer reviews are held on a regular basis. Supplier meetings are held during the year as part of the company's quality review process. The outcome of these meetings are presented in the Company's monthly management meeting, and to the Directors at quarterly board meetings. These reviews are documented in the minutes of those meetings.

Directors' report (continued)

Section 172 (continued)

- d. The impact of the company's operations on the community and the environment.
- e. The desirability of the company maintaining a reputation for high standards of business conduct.
- f. The need to act fairly as between members of the company.

SECR: Emissions and energy consumption

1 Introduction

Etex Building Performance Ltd. is fully committed to preventing pollution and making continual improvements to minimise our effect on the environment.

This report details the environmental impact of our production, office, and transport activities in the UK in line with the Streamlined Energy and Carbon Reporting (SECR) scheme.

As well as meeting legal obligations, there are direct benefits to measuring and reporting of environmental performance including the ability to set targets and formulate action plans, lower energy costs, and have a clearer understanding of exposure to the risks of climate change.

2 Environmental Policy

As a manufacturer of gypsum products and supplier of fire protection products and building systems, Etex Building Performance seeks to be a leader in dry construction. Environmental protection is reflected in the goal of zero harm and forms part of the Company's core values of Passion for Excellence, Pioneer to Lead, and Connect & Care.

Etex Building Performance Ltd. prevents pollution, complying with all relevant legislation and other stakeholder requirements. Where feasible, the Company integrates environmental considerations into the business processes, improving sustainability and product stewardship.

All employees and contractors are responsible for respecting this policy and their education and training is provided. The Company maintains an environmental management system (EMS) complying with EN ISO 14001 to ensure its environmental objectives are met. The Company will continuously improve its environmental performance by:

- Maximising the efficient use of energy in our business and progressively reducing the climate impact of our activities.
- Minimising the use of non-renewable resources and, when feasible and safe, replacing them with secondary raw materials or alternative fuels.
- Minimising waste, re-using and recycling materials where possible, disposing of waste responsibly.
- Conserving water and minimising the risks of accidental releases to air, water and land.
- Respecting the natural environment surrounding our sites; limiting noise and progressively improving their visual aspect.
- Minimising the environmental risks to our employees and surrounding communities.
- Requiring our suppliers to adhere to similar environmental principles through our procurement processes.
- Adhering to environmental commitments defined by Etex Group and Etex Building Performance.

Directors' report (continued)

SECR: Emissions and energy consumption (continued)

Senior management set and review targets to further these objectives. Good stakeholder relations are promoted through active engagement and communication. Employees play a key role in the implementation and success of this policy and internal communication will encourage their involvement and engagement.

3 Energy Efficiency Actions

Etex Building Performance Ltd. completed Phase 2 of the Energy Saving Opportunity Scheme (ESOS), which is an energy assessment and energy saving identification scheme. The process identified a range of energy and carbon saving opportunities across production sites and office space. Opportunities identified include:

- Reducing compressed air system operating pressure,
- Identifying and repairing leaking compressed air lines,
- Potential Combined Heat & Power (CHP),
- Implementation of a holistic monitoring and targeting strategy.

3.1 Etex Building Performance Ltd (Direct Sites)

During this reporting period, 01/01/20 – 31/12/20, the Company has implemented several improvements that were suggested in the ESOS report. At both the Bristol and Ferrybridge plants, the Company has implemented an energy monitoring system which feeds back performance to machine operators, this enables the operator to optimise the process control in real time. The implementation of this strategy has also included an investment in improving the monitoring equipment to ensure that control decisions are based on accurate information.

During 2020, the Company has prioritised energy efficiency efforts on the Bristol factory. This decision was based on the ESOS report identifying the Bristol factory as the largest energy consumer. Following the site audit in 2019, the Company addressed some of the 'quick wins' identified. These included recovering waste heat from the air compressors. This waste heat has been utilised in the site thermal processes thus reducing the gas consumption. The Company is also trialling differing mixing technologies which reduces the site's water and drying requirements. 100% renewable electricity has been used with effect from 01/04/20.

During the next reporting period (01/01/21-31/12/21) both Bristol and Ferrybridge are focusing their efforts on exploring further waste heat recovery opportunities. Recovering and utilising heat within the thermal process will reduce the gas consumption.

3.2 Subsidiary Companies

Eos Framing Ltd. Also switched to 100% renewable electricity as of 01/04/20. This is evidenced by corresponding Renewable Energy Guarantees of Origin (REGO). FSI Ltd. has replaced old lighting technology in the factory with higher efficiency LED equivalent, where reasonably possible. No action was taken at Crucible Gypsum Recycling Ltd. As previously stated, improvement resources are prioritised in proportion to energy consumption therefore the focus is primarily on the two manufacturing sites at Bristol and Ferrybridge. Currently there are no new planned energy efficiency measures for Eos Framing Ltd FSI Ltd nor Crucible Gypsum Recycling Ltd for the next reporting period (01/01/21 - 31/12/21). Energy efficiency strategies for these sites are however reviewed periodically; in total they account for less than 0.5% of the total UK entity energy consumption.

Directors' report (continued)

SECR: Emissions and energy consumption (continued)

3.3 Renewable Energy Guarantees of Origin (REGOs)

Green Electricity can be bought from an Energy Supplier via renewable energy contracts. The supply comes from 100% renewable energy sources, such as wind or hydro-electric power, which produce zero carbon emissions and do not deplete finite natural resources. The origin of renewable electricity is fully certified by UK Renewable Energy Guarantees of Origin (REGOs), meaning that all purchased electricity is fully traceable to specific renewable generators.

For the purpose of PAS 2060:2014, REGOs count towards carbon neutrality. For the purpose of SECR, Scope 2 emissions are reported as 'location-based'; therefore, the grid factor is used for the reporting figures. However, we take the opportunity to report on renewable electricity covered by REGOs under a Scope 2 'market-based' heading. During the reporting period this applied to Etex Building Performance Ltd and Eos Framing Limited as shown in the tables below, representing a market-based Scope 2 carbon saving of 74%, equivalent to 2531 tCO₂e.

3.4 Carbon Reduction Targets

In 2020 Etex Building Performance Ltd. as a company successfully exceeded its medium-term target of 35% carbon emissions reduction measured against a base line year of 1990. It also successfully achieved the UK gypsum products sector target of 10% carbon reduction from a base line year of 2010. Further discussions for future short-, medium- and long-term targets are ongoing.

As a policy decision, all manufacturing is now switched to renewable electricity sources as contracts renew.

4 Energy Consumption & GHG Emissions Breakdown

GHG emissions and energy use data for year 1 January 2020 to 31 December 2020

		Total UK Entity	Etex BP Limited*
Energy Consumption			
Natural Gas	kWh	484,781,297	484,605,913
Bulk Diesel	kWh	1,861,353	1,657,613
Company Car Diesel	kWh	637,891	144,469
Company Car Petrol	kWh	47,702	47,702
Propane	kWh	3,180,110	2,918,212
Sub-total of all fuels	kWh	490,508,353	489,373,909
Electricity Grid	kWh	42,614,767	41,284,310
Electricity covered by REGO's	kWh	31,431,184	31,296,777
		Total UK Entity	Etex BP Limited*
Carbon Emissions			
Natural Gas	tCO ₂ e	89,137	89,104

Etex Building Performance Limited

<i>Bulk Diesel</i>	tCO ₂ e	448	399
<i>Company Car Diesel</i>	tCO ₂ e	153	28
<i>Company Car Petrol</i>	tCO ₂ e	11	11
<i>Propane</i>	tCO ₂ e	682	626
<i>Sub-total of all fuels</i>	tCO ₂ e	90,431	90,168

GHG emissions and energy use data for year 1 January 2020 to 31 December 2020 (continued)

		Total UK Entity	Etex BP Limited*
<i>Electricity Grid</i>	kWh	42,614,767	41,284,310
<i>Electricity covered by REGO's</i>	kWh	31,431,184	31,296,777
<i>Carbon Emissions</i>			
<i>Natural Gas</i>	tCO ₂ e	89,137	89,104
<i>Bulk Diesel</i>	tCO ₂ e	448	399
<i>Company Car Diesel</i>	tCO ₂ e	153	28
<i>Company Car Petrol</i>	tCO ₂ e	11	11
<i>Propane</i>	tCO ₂ e	682	626
<i>Sub-total of all fuels</i>	tCO ₂ e	90,431	90,168
<i>Electricity Grid</i>	tCO ₂ e	9,935	9,625
<i>Electricity covered by REGO's</i>	tCO ₂ e	7,404	7,297
<i>Market based Scope 2 Carbon Saving</i>	%	74.5%	75.8%
<i>Totals & Ratios</i>			
<i>Scope 1 emissions</i>	tCO ₂ e	90,431	90,168
<i>Scope 2 emissions (location based)</i>	tCO ₂ e	9,935	9,625
<i>Total gross Scope 1 & Scope 2 emissions</i>	tCO ₂ e	100,366	99,792
<i>Scope 2 emissions (market based)</i>	tCO ₂ e	2,531	2,329
<i>Total Energy Consumption</i>	kWh	533,123,120	530,658,219
<i>Turnover</i>	£	250,693,514	216,170,120
<i>Primary Intensity ratio (scope 1 & scope 2)</i>	tCO ₂ e/£ ('000s)	0.400	0.462
<i>Production</i>	tonnes		697,455
<i>Secondary Intensity ratio (scope 1 & scope 2)</i>	kgCO ₂ e/tonne		143.08

*Etex Building Performance Ltd includes Bristol, Ferrybridge and Gordano House sites. Total UK Entity includes all sites within scope as listed on page 8.

Directors' report (continued)

SECR: Emissions and energy consumption (continued)

Energy Consumption & GHG Emissions of Subsidiaries

	Eos Framing Ltd		Crucible Gypsum Recycling Ltd		FSI Ltd	
	kWh	tCO ₂ e	kWh	tCO ₂ e	kWh	tCO ₂ e
Natural Gas	86,128		-		89,256	
Bulk Diesel	-		194,850		8,890	
Company Car Diesel	103,092		180,757		239,572	
Company Car Petrol	-		-		-	
Propane	71,988		-		189,910	
Sub-total of all fuels (scope 1)	261,208	56	375,607	90	527,628	117
Electricity Grid (scope 2)	182,590	43	264,891	62	882,976	206
Total (scope 1 & scope 2)	443,798	99	640,498	152	1,410,604	323
Electricity covered by REGO's	134,407	32	-	0	-	0

5 Methodology

1. This assessment has been made in line with The Environmental Reporting Guidelines: including Streamlined Energy and Carbon Reporting Guidance (2019).
2. Etex Building Performance Ltd. has opted to use the **Operational Control boundary** definition to define the carbon footprint boundary:
3. The GHG Protocol Corporate Accounting and Reporting Standard (revised edition) has been followed.
4. The conversion factors used in this report are taken from the annually released Government emission conversion factors for greenhouse gas reporting by the Department for Business, Energy & Industrial Strategy (BEIS); please see 6 below.
5. Each section details which sites are within the scope.
6. Figures are based on the reporting year 01/01/2020 to 31/12/2020.
7. Utility data for both scope 1 and 2 were obtained for each site.
8. REGO's for the sites apply from the 1st April 2020.
9. Primary Intensity factor for the UK entity is by turnover
10. Secondary intensity factor is production (tonnes) and applies to Etex Building Performance Ltd only.

Directors' report (continued)

SECR: Emissions and energy consumption (continued)

6 Carbon Factors used for Scope 1 & Scope 2 Emissions Calculations

Fuel	Factor	Unit
Gas	0.18387	kg CO ₂ e/kWh
Electricity Grid	0.23314	kg CO ₂ e/kWh
Electricity T&D	0.02005	kg CO ₂ e/kWh
Diesel (average biofuel blend)	2.54603	kg CO ₂ e/litre
	0.24057	kg CO ₂ e/kWh
	10.5833	kWh/litre
Petrol (average biofuel blend)	2.16802	kg CO ₂ e/litre
	0.2292	kg CO ₂ e/kWh
	9.4591	kWh/litre
LPG	2.54603	kg CO ₂ e/litre
	0.24057	kg CO ₂ e/kWh
	10.5833	kWh/litre

7 Breakdown of GHG Emissions

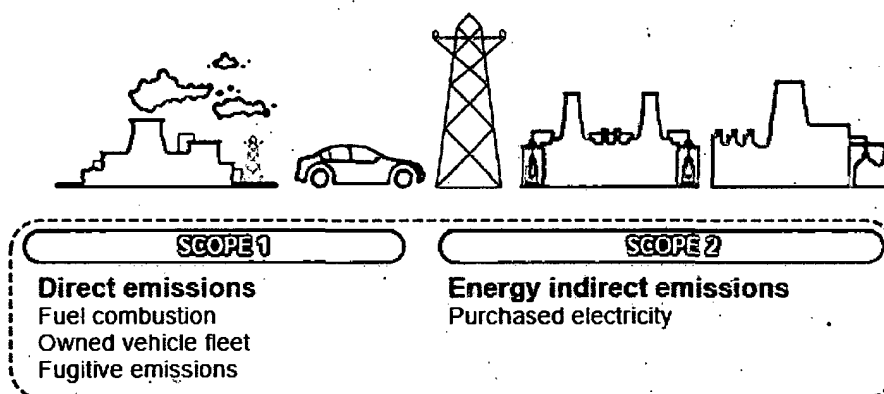


Figure 1 - Scope 1 and Scope 2 Emissions

Directors' report (continued)

SECR: Emissions and energy consumption (continued)

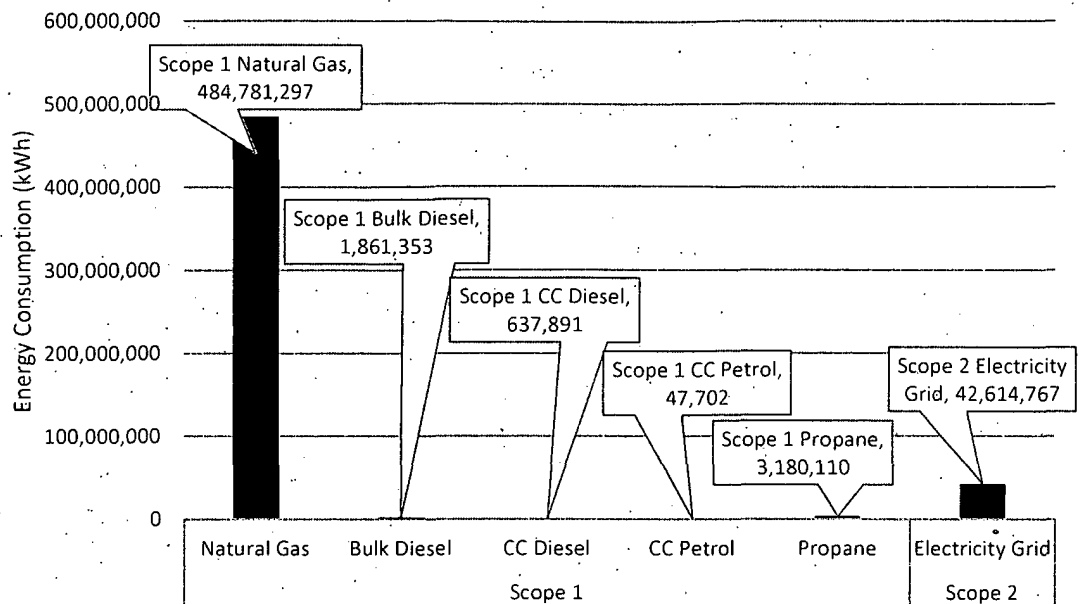


Figure 2 - GHG Emissions breakdown across Scope 1 and 2 (Total UK Entity)

Directors

The directors who served the company during the year were as follows:

N Ash
 J E Maycock
 J-L Bernard
 W Schelfhout (resigned 11th September 2020)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its report, of which the auditors are unaware. Having made enquiries of fellow directors and the company's auditors, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the Board

Neil Ash
 Director

Date: 17-06-2021

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

Independent auditors' report to the members of Etex Building Performance Limited

Report on the audit of the financial statements

Opinion

In our opinion, Etex Building Performance Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2020; the Statement of Comprehensive Income, and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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 an auditors' 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.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to corporation tax, and indirect taxes including PAYE and VAT, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulating balances and enhancing profits in order to remain in line with forecasts. Audit procedures performed by the engagement team included:

- reading board minutes to identify any breaches or non-compliance with laws and regulations;
- identifying any journal entries posted to unusual account combinations and obtaining evidence to support any such entries identified;
- testing compliance with PAYE regulations; and
- making enquiries of management in respect of compliance with laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

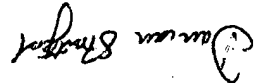
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Duncan Stratford (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
17 June 2021

Statement of Comprehensive Income

for the year ended 31 December 2020

	Note	2020 £000	2019 £000
Turnover	2	216,370	225,715
Cost of sales		(126,221)	(136,657)
Gross profit		90,150	89,058
Distribution costs		(27,414)	(30,169)
Administrative expenses		(10,161)	(10,430)
Other operating income		-	-
Other operating charges		(37)	(48)
Operating profit	3	52,538	48,411
Interest receivable and similar income		0	136
Interest payable and similar expenses		(1,294)	(1,270)
Profit before taxation		51,244	47,277
Tax on profit	6	(6,583)	(8,979)
Profit for the financial year		44,661	38,298
Other Comprehensive income/(expense)		-	-
Movement on forward currency derivative contracts subject to deferred tax		186	-
Movement in deferred tax relating to forward currency derivative contracts	6(c)	(35)	-
Total other comprehensive income/(expense) for the financial year, net of tax		151	-
Total comprehensive income for the financial year		44,812	38,298

All amounts relate to continuing activities.

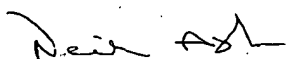
Registered No. 2163844

Statement of Financial Position

at 31 December 2020

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	8	1,072	-
Goodwill	9	15,000	15,000
Tangible assets	10	67,969	70,212
Right-of-use assets	11	23,678	25,732
Investments	12	19,845	4,070
		<u>127,564</u>	<u>115,014</u>
Current assets			
Stocks	13	13,492	15,813
Debtors	14	68,576	62,981
Cash at bank and in hand		1,344	3,622
		<u>83,412</u>	<u>82,416</u>
Creditors: amounts falling due within one year	15	<u>(90,290)</u>	<u>(74,834)</u>
Net current (liabilities)/assets		<u>(6,878)</u>	<u>7,582</u>
Total assets less current liabilities		<u>120,686</u>	<u>122,596</u>
Creditors: amounts falling due after more than one year	16	<u>(22,848)</u>	<u>(24,479)</u>
Deferred tax liabilities	6(c)	(2,467)	(2,075)
Provisions for liabilities	18	-	(50)
Net assets		<u>95,371</u>	<u>95,992</u>
Capital and reserves			
Called up share capital	17	60,000	60,000
Profit and loss account		35,804	35,992
Other reserves		433	-
Total Shareholders' funds		<u>95,371</u>	<u>95,992</u>

The financial statements on pages 15 to 33 were approved by the board of directors and authorised for signature on their behalf by:



Neil Ash

Director

Date: 17-06-2021

Statement of changes in equity

For the year ended 31 December 2020

	Note	Share capital	Other reserves	Profit and loss account	Total equity
		£000	£000	£000	£000
As at 1 January 2019		60,000	-	42,694	102,694
Profit for the year and total comprehensive income		-	-	38,298	38,298
Dividend payment	7	-	-	(45,000)	(45,000)
At 31 December 2019		60,000	-	35,992	95,992
Profit for the year and total comprehensive income		-	-	44,812	44,812
Dividend payment	7	-	-	(45,000)	(45,000)
Movement on forward currency derivative contracts subject to deferred tax		-	(531)	-	(531)
Movement on deferred tax relating to forward derivative contracts		-	98	-	98
At 31 December 2020		60,000	(433)	35,804	95,371

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting Policies

1.1 General information

Etex Building Performance Limited is a private company limited by shares, incorporated and domiciled in England and Wales. The registered office is located at:

Gordano House
Marsh Lane
Easton in Gordano
Bristol BS20 0NE

1.2 Basis of preparation

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated. The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements as it is a wholly owned subsidiary of Etex N.V. PassPort Building, Luchthaven Brussels Nationaal, Gebouw 1K, 1930 Zaventem, Belgium which prepare consolidated financial statements.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and are in accordance with applicable accounting standards.

The financial statements have been prepared on a going concern basis, under the historical cost convention; and in accordance with Companies Act 2006.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 79 (a)(iv) of IAS 1;
 - (ii) paragraph 73 (e) of IAS 16 Property, Plant and Equipment;
- (d) the requirements of paragraphs 10 (d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of IAS 7 Statement of Cash Flows.
- (f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (h) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which a party to the transaction is wholly owned by such a member; and
- (i) the requirements of paragraphs 134 (d) - 134(f) and 135(c) - 135(e) of IAS 36 Impairment of Assets

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting Policies (Continued)

1.3 New standards, amendments and IFRIC interpretations

There are no amendments to accounting standards or IFRIC interpretations that are effective for the year ended 31 December 2020 that have had a material impact on the Company.

1.4 Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements.

1.5 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. The judgements and key sources of estimation uncertainty which have the most significant impact on the financial statements are as follows:

- i) provision for excess and slow-moving inventory

1.6 Significant accounting policies

The significant accounting policies adopted by the company are as follows:

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The company recognises revenue when performance obligations have been satisfied and for the company this is when the Plasterboard related goods or services have transferred to the customer and the customer has control of these. The company's activities are described in detail below. The company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sales of goods

The company manufactures and sells a range of plasterboard and its associated products into merchant and distribution businesses (the customer). Sales are recognised when control of the products has transferred, being when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for acceptance have been satisfied.

The plasterboard and associated products are often sold with retrospective volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the price

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting Policies (continued)

1.6 Significant accounting policies (continued)

specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in creditors: amounts falling due within one year) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Intangible assets

Intangible assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Software – 10 years

The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land and assets under the course of construction until they are brought into use, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Short leasehold buildings – 50 years
Plant and equipment – 20 years
Motor vehicles – 4 years

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

Investments

Shares in other companies are stated at cost less any provision for impairment in value. Management tests investments for impairments if there are indicators that investments may be impaired. The recoverable amounts are determined based on expected performance of the business in future years, considering historical profits.

Stocks

Finished Goods are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting Policies (continued)

1.6 Significant accounting policies (continued)

completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised, without discounting, in respect of temporary differences between the treatment of certain items for taxation and accounting purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The carrying amount of deferred income tax assets is reviewed at each balance sheet date.

Foreign currencies

Amounts denominated in foreign currencies are included in the financial statements at rates ruling on the date of the transactions. At the balance sheet date, assets and liabilities are retranslated at the rates ruling at that date. Any gain or loss on translation is taken to the profit and loss account for the year.

Pensions

All employees are offered membership of the Etex UK pension scheme (The EM Pension Scheme) which is a defined contribution scheme. Contributions to the defined contributions scheme are recognised in the profit and loss account in the period in which they become payable.

Provisions

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Derivative financial instruments

The Company uses derivative financial instruments in the form of forward currency exchange contracts to hedge its risks associated with foreign currency fluctuations arising from the Company's operations. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. Gains or losses on re-measurement to fair value are recognised immediately in the

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting Policies (continued)

1.6 Significant accounting policies (continued)

income statement unless the derivative qualifies for hedge accounting whereby recognition is dependent on the nature of the item being hedged.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve (other reserves) within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/losses. When forward contracts are used to hedge forecast transactions, the Company designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward

contracts are recognised within equity. The change in the forward element of the contract that relate to the hedged element is recognised in OCI within equity.

Derivatives and hedging activities

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that are effective are recognised in equity. Where the firm commitment results in the recognition of a non-financial asset, the gains or losses previously recognised in equity are transferred from equity and included in the initial measurement of the non-financial asset or liability. Otherwise, amounts recognised in equity are transferred to the income statement and classified as revenue or expense in the same periods during which the cash flows, such as interest payments, or hedged firm commitments, affect the income statement.

Any ineffective portion is reported immediately in the income statement. When a hedging instrument is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the committed transaction ultimately is recognised in the income statement. However, if a committed transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Leases

The Company leases various buildings, plant, vehicles & equipment to support operational needs. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting Policies (continued)

1.6 Significant accounting policies (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the company under residual value guarantees;
- The exercise price of a purchase option if the company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar environment with similar terms and conditions.

Lease payments are allocated between principal and finance costs. The finance costs are charged to the statement of comprehensive income over the period of the lease to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Goodwill

Goodwill is evaluated for impairment annually. Where the carrying value of an asset exceeds the recoverable amount, an impairment loss is recognised in profit and loss. The recoverable amount is defined as the higher of fair value less cost to sell and the value in use; where the value in use is the present value of future cash flows.

Notes to the financial statements

For the year ended 31 December 2020

2. Turnover

The turnover is wholly attributable to the principal activity of the company and arises predominantly in the United Kingdom. The analysis of turnover by geographical destination is as follows:

	2020 £000	2019 £000
United Kingdom	206,451	218,124
Other European countries	9,919	7,591
	<u>216,370</u>	<u>225,715</u>

3. Operating profit

This is stated after charging:

	2020 £000	2019 £000
Cost of stocks recognised as an expense (included in cost of sales)	73,198	83,926
Auditors' remuneration		
— for the audit of the company's annual financial statements	<u>70</u>	<u>70</u>
Depreciation and impairment — tangible assets	5,030	5,200
Exchange loss	<u>823</u>	<u>739</u>

4. Directors' remuneration

	2020 £000	2019 £000
Aggregate remuneration in respect of qualifying services	<u>180</u>	<u>619</u>
Company contributions paid to defined contribution pension schemes	<u>21</u>	<u>20</u>
Remuneration of highest paid director:		
	£000	£000
Remuneration	<u>180</u>	<u>339</u>

The above details of directors' remuneration do not include the remuneration of Mr Ash & Mr Bernard, which are paid by the parent company (fellow subsidiary) and recharged to the company as part of a management charge. This management charge, which in 2020 amounted to €3,160,624, also includes a recharge of administration costs borne by the parent company (fellow subsidiary) on behalf of the company and it is not possible to identify separately the amount of Mr Ash's and Mr Bernard's remuneration.

Notes to the financial statements

For the year ended 31 December 2020

5. Staff costs

	2020	2019
	£000	£000
Wages and salaries	18,725	19,824
Social security costs	2,180	2,210
Other pension costs	1,884	1,108
	<u>22,789</u>	<u>23,142</u>

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

	2020	2019
	No.	No.
Administration	37	32
Manufacturing and distribution	433	442
Total	<u>470</u>	<u>474</u>

6. Tax on profit

(a) Tax on profit

The tax charge is made up as follows:

	2020	2019
	£000	£000
Current tax:		
UK corporation tax on the profit for the year	9,813	8,854
Adjustments in respect of prior years	(3,570)	(109)
Total current tax	<u>6,243</u>	<u>8,745</u>
Deferred tax:		
Origination and reversal of timing differences	159	164
Impact of change in rate	0	201
Adjustments to the estimated recoverable amounts of deferred tax assets arising in previous periods	181	(131)
Total deferred tax (note 6c)	<u>340</u>	<u>234</u>
Tax on profit	<u>6,583</u>	<u>8,979</u>

Notes to the financial statements

For the year ended 31 December 2020

7. Tax on profit (continued)

(b) Tax charge included in other comprehensive income/(Expense)

	2020	2019
	£000	£000
<i>Deferred tax:</i>		
On net gain on forward currency contract derivatives	(35)	-
Total charge in the statement of comprehensive income	35	8,745

(c) Factors affecting the total tax charge for the year

The tax charge for the year differs from the standard rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	2020	2019
	£000	£000
Profit before tax	51,244	47,277
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2019 – 19%)	9,736	8,983
<i>Effects of:</i>		
Expenses not deductible for tax purposes	280	196
Other adjustments	(204)	(325)
Adjustments relating to prior year	(3,570)	(109)
Current tax for the year (note 6(a))	6,242	8,745

(c) Deferred tax

A deferred tax liability/(asset) is recognised at 19% (2019 – 19%) in the financial statements as follows:

	2020	2019
	£000	£000
Accelerated capital allowances	2,415	2,075
Other	(66)	-
Total deferred tax liability/(asset)	2,349	2,075

Notes to the financial statements

For the year ended 31 December 2020

6. Tax on profit (continued)

(d) Factors that may affect future tax charges

The standard rate of tax fell from 20% to 19% with effect from 1 April 2017. Budget 2016 the government announced an additional reduction to 17% for the financial year beginning 1 April 2020. Finance Bill 2020 amended the corporation tax rate to remain at 19% from 1 April 2020 until March 2022. Deferred tax at 31 December 2019 has been calculated based on the rate of 19%.

7. Dividends

Amounts recognised as distributions to equity holders in the year:

	2020 £000	2019 £000
<i>Declared and paid during the year:</i>		
Interim dividend 75.00p (2019 – 75.00p) per ordinary share	45,000	45,000

8. Intangible assets

	Emission rights £000	Software £000	Total £000
Cost:			
At 1 January 2020	-	-	-
Adjustment to opening balance	-	2,140	2,140
Additions	715	-	715
At 31 December 2020	715	2,140	2,855
Accumulated depreciation:			
At 1 January 2020	-	-	-
Adjustment to opening balance	-	1,605	1,605
Charge for the year	-	178	178
At 31 December 2020	-	1,783	1,783
Net book value:			
At 31 December 2020	715	357	1,072
At 31 December 2019	-	-	-

Notes to the financial statements

For the year ended 31 December 2020

9. Goodwill

	2020 £000	2019 £000
Cost:		
At 1 January	15,000	15,000
Additions	-	-
At 31 December	15,000	15,000

10. Tangible assets

	Short leasehold buildings £000	Plant and equipment £000	Total £000
Cost:			
At 1 January 2020	43,960	117,793	161,753
Additions	-	3,147	3,147
Transfer	5,071	(5,071)	-
Disposals	-	(15)	(15)
Adjustment to opening balance	-	(2,140)	(2,140)
At 31 December 2020	49,031	113,714	162,745
Accumulated depreciation:			
At 1 January 2020	19,469	72,072	91,541
Charge for the year	760	4,091	4,851
Disposals	-	(11)	(11)
Adjustment to opening balance	-	(1,605)	(1,605)
At 31 December 2020	20,229	74,726	94,776
Net book value:			
At 31 December 2020	28,802	39,523	67,969
At 31 December 2019	24,491	45,721	70,212

Notes to the financial statements

For the year ended 31 December 2020

11. Leases

The company has lease contracts for various offices, warehouse and equipment used in operations.

The amounts recognised in the financial statements in relation to the leases are as follows:

i. Amounts recognised in the statement of financial position

	31 Dec 2020	31 Dec 2019
	£000	£000
Right-of-use assets		
Land and buildings	22,256	23,989
Equipment	1,385	1,665
Vehicles	8	36
Others	29	42
	<u>23,678</u>	<u>25,732</u>
Lease Liabilities		
Current	1,631	1,665
Non-current	22,848	24,479
	<u>24,479</u>	<u>26,144</u>

Additions to the right-of-use assets during the 2020 financial year were nil (2019: £1,690,000).

ii. Amounts recognised in the statement of comprehensive income

	2020	2019
	£000	£000
Depreciation charge of right-of-use assets		
Land and buildings	(1,734)	(1,979)
Equipment	(280)	(25)
Vehicles	(28)	(79)
Others	(12)	(11)
	<u>(2,054)</u>	<u>(2,094)</u>
Lease Liabilities		
Interest expense (included in finance cost)	(1,003)	(1,023)
Future minimum lease payments as at 31 December 2020 are:		
Not later than one year	2,572	2,668
Later than one year and not later than five years	9,652	9,840
Later than five years	23,076	25,460
Total gross payments	<u>35,300</u>	<u>37,968</u>
Impact of finance expenses	<u>(10,821)</u>	<u>(11,824)</u>
Carrying amount of liability	<u>24,479</u>	<u>26,144</u>

Total cash outflow for leases in 2020 was £2,668,000 (2019: £2,668,000).

Notes to the financial statements

For the year ended 31 December 2020

12. Investments

	2020 £000	2019 £000
Cost and net book value:		
At 1 January	4,070	4,070
Adjustment to previous consideration paid		-
Additions	15,775	-
At 31 December	19,845	4,070

On 23 September 2020 Etex Building Performance Limited acquired 100% of the shares in FSI Limited a manufacturer of passive fire-protection products based in Measham, England. The total purchase consideration including deferred payments was £15,775,000

The subsidiary companies at 31st December 2020, all of which are owned either directly or indirectly, are listed below:

Company Name	% ownership, of ordinary shares	Registered Office	Activity
EOS Framing Limited	100%	Esh Business Park, Heighington Lane, Aycliffe Business Park, Newton Aycliffe, DL5 6QG	Design, manufacture and supply of bespoke steel framing systems for the offsite markets.
Crucible Gypsum Recycling Limited	100%	Gordano House Marsh Lane, Easton-In-Gordano, Bristol, BS20 0NE	Collects and recycles plasterboard waste into gypsum powder for use in plasterboard manufacture
FSI Limited	100%	Westminster Industrial Estate, Tammworth Road, Measham, DE12 7DS	Manufacture of passive fire-protection products

13. Stocks

	2020 £000	2019 £000
<i>Amounts due within one year</i>		
Raw materials	2,963	3,432
Engineering stores	2,246	2,196
Finished goods and goods for resale	8,283	10,185
	13,492	15,813

The stock figure includes £1,539,000 (2019: £2,043,000) recognised as inventory provision.

Notes to the financial statements

For the year ended 31 December 2020

14. Debtors

	2020	2019
	£000	£000
<i>Amounts due within one year</i>		
Trade debtors	10,054	5,705
Amounts owed by group undertakings	52,788	56,425
Corporation tax	4,607	-
Prepayments and accrued income	740	851
Deferred tax asset	117	-
Derivative financial instrument	270	-
	<u>68,576</u>	<u>62,981</u>

15. Creditors: amounts falling due within one year

	2020	2019
	£000	£000
Trade creditors	18,631	13,765
Amounts owed to group undertakings	6,236	3,708
Accruals and deferred income	5,688	8,940
Corporation tax	-	4,061
Other taxes and social security costs	14,424	6,008
Lease liabilities	1,631	1,665
Other creditors	43,062	36,687
Derivative financial instrument	618	-
	<u>90,290</u>	<u>74,834</u>

16. Creditors: amounts falling due after more than one year

	2020	2019
	£000	£000
Lease liabilities	22,848	24,479

17. Called up share capital

	No.	2020 £000	No.	2019 £000
Authorised				
Ordinary shares of £1 each	180,000,000	<u>180,000</u>	180,000,000	<u>180,000</u>
Called up, allotted and fully paid				
Ordinary shares of £1 each	60,000,000	<u>60,000</u>	60,000,000	<u>60,000</u>

Notes to the financial statements

For the year ended 31 December 2020

18. Provisions for liabilities

	<i>Onerous lease</i>	<i>Total Provision</i>
	<i>£000</i>	<i>£000</i>
At 1 January 2020	50	50
Release to profit and loss account	(50)	(50)
Utilisation of provision	-	-
At 31 December 2020	-	-

The onerous lease provision relates to the early termination of a lease and related dilapidation costs.

19. Obligations under leases

At 31st December 2020 the Company has rentals payable under lease arrangements as follows:

	<i>2020</i>	<i>2019</i>
	<i>£000</i>	<i>£000</i>
Not later than one year	2,572	2,668
After one year but not more than five years	9,652	9,840
After five years	23,076	25,460
	<u>35,300</u>	<u>37,968</u>

Future minimum lease payments as at 31 December 2020 are as follows:

	<i>2020</i>	<i>2019</i>
	<i>£000</i>	<i>£000</i>
Not later than one year	2,572	2,668
Later than one year and not later than five years	9,652	9,840
Later than five years	23,076	25,460
Total gross payments	<u>35,300</u>	<u>37,968</u>
Impact of finance expenses	<u>(10,821)</u>	<u>(11,824)</u>
Carrying amount of liability	<u>24,479</u>	<u>26,144</u>
Of which:		
Current	1,631	1,665
Non-current	<u>22,848</u>	<u>24,479</u>
	<u>24,479</u>	<u>26,144</u>

Notes to the financial statements

For the year ended 31 December 2020

20. Pensions

Employees are offered membership of the Etex UK pension scheme (The "EM Pension Scheme") which is a defined contribution scheme.

The total cost charged to income of £1,884,000 (2019 – £1,108,000) represents contributions payable to this scheme by the company at rates specified in the rules of the plan.

21. Ultimate parent undertaking and controlling party

Etex SA, incorporated in Belgium, is regarded by the directors as being the company's ultimate parent undertaking and controlling party.

The largest and smallest group of undertakings for which group financial statements are drawn up and of which this company is a member is that headed by:

	<i>Address</i>
Etex SA	PassPort Building, Luchthaven Brussels Nationaal, Gebouw 1K
Incorporated in Belgium	1930 Zaventem
	Belgium

Copies of the group financial statements may be obtained from the address shown above.

22. Post Balance sheet event

On 1st March 2021, the company sold its subsidiary EOS Framing Limited to a group company for a consideration of £15m.