

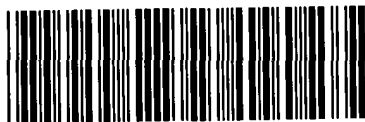
Christeyns UK Limited

Registered number: 00847863

Annual report and financial statements

For the year ended 31 December 2019

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CHRISTEYNS UK LIMITED

COMPANY INFORMATION

Directors	Christeyns NV PGVC Bostoan D Aveyard JMJ Wittouck NJ Garthwaite JS Roberts S Wilson J Kerlake
Company secretary	JS Roberts
Registered number	00847863
Registered office	Rutland Street Bradford West Yorkshire BD4 7EA
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 5th Floor 3 Wellington Place Leeds LS1 4AP
Bankers	The Royal Bank of Scotland 45-47 Bank Street Bradford BD1 1TS
Solicitors	Irwin Mitchell 2 Wellington Place Leeds West Yorkshire LS1 4BZ

CHRISTEYNS UK LIMITED

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Introduction

The directors present their Strategic report for the year ended 31 December 2019.

Business review

The Company continued its principal activities which is the manufacture of industrial laundry products in both liquid and powder form, concrete and construction admixtures and speciality additives and general contract manufacturing.

Principal risks and uncertainties

Market risk – Like all companies we are exposed to competition in the market. We manage this by providing an excellent service and helping our customers to develop their businesses.

Operational risk – As a manufacturer we are exposed to many different risks. These are mitigated by the management controls we have in place. We have accreditation for the quality standard ISO9001, this ensures we have procedures in place to work efficiently and ensure quality throughout the business. We are also accredited for ISO14001, which ensures we are environmentally responsible. Compliance with the above standards are independently audited. We take the issue of Health and Safety very seriously in all respects as well as the overall "well being" of all of our employees, we have continued to raise the profile of H&S within the company by the introduction of a number of initiatives which will lead to even higher standards being achieved. During the year we introduced a mental health at work policy.

Recruitment and retention risk – The retention and recruitment of key personnel is seen as an important aspect of the company's culture; evidence of the importance we attach to our employees has already been stated earlier. We continue with our initiative, which we call "The Christeyns Way", which essentially covers – A way to work, a way to behave and a way to improve, strongly themed within this is our focus on people and the management of talent within the business.

Reputational risk – The continued excellent reputation of Christeyns is the key to the success of the business, the accreditations of course help us to manage these risks but it is our people that make it happen. During 2019 we continued to work towards the Company's vision for the future, following our core values and strategic quality goals. We continue to promote a "customer first culture" with strong emphasis on customer retention and growth.

All risks are monitored by the board regularly, with the prime focus being on performance and strategy issues surrounding the mitigation and management of the above risks at an acceptable level.

During 2019 we have considered the potential impacts on the business of the UK leaving the E.U. (Brexit), a working team have met regularly and taken actions to try and mitigate the risks of a "no deal" Brexit on the basis that this would be the worst case scenario. The mitigation activities include increasing stock holdings of both raw materials and finished goods, training a number of staff on the import and export documentation requirements should we enter the WTO rules. The company considers that it has done all that is sensible and prudent.

The Company has considerable financial resources together with strong relationships with a number of customers and suppliers across different geographic areas and industries. The Company is also a member of the Algimo NV group that has a strong presence in markets across Europe. As a consequence, the directors believe that the company is well placed to manage its business risks successfully in the current economic climate.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus we continue to adopt the going concern basis of accounting in preparing the financial statements.

CHRISTEYNS UK LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Financial key performance indicators

The Company in Bradford use the "Balanced Score Card" (BSC) approach to analysing the overall performance of the business, focussing on the core topics of:

- Customer;
- People;
- Process; and
- Finance.

Budgets are agreed at group level and results monitored throughout the year; analysis of variance takes place regularly and where appropriate actions taken to mitigate.

Capital expenditure is budgeted for and can only be authorised by a Director.

Debtor days form part of the BSC approach to measurement, credit limits are enforced and all customers are checked for credit suitability.

Coronavirus (COVID-19) pandemic

Since March 2020 the world has faced the Coronavirus (COVID-19) global pandemic, Christeyns of course has not been immune to its effects. We took decisive action at the end of March to adjust our operations across the UK to balance the work requirements, utilising the government support schemes where appropriate. For a short period of time the Company went onto short time working and implemented a restructuring of the business in order to prepare for the emergence out of the COVID-19 crisis and of course be ready and able to meet demands from 2021 onwards.

During all this time the Company adopted and adapted the organisation to ensure COVID-19 security for staff throughout the organisation.

In August we returned to full time working with only a handful of people on furlough or part time furlough, we have used the Governments various schemes in order to protect the company and the employees wherever possible.

Some of our business sectors have returned to a good level of business, notably construction but our Laundry hygiene business continues to operate at a significantly lower level, and this is expected to continue into 2021. During this crisis the business has performed well thanks to the systems and processes we had already put in place, there have been severe challenges for many of our colleagues for all manner of reasons and we are particularly proud of how colleagues have responded to the Company's needs and also to the needs of their work colleagues.

The Company is in a strong position with net current assets of £6.7m, net assets of £29.3m and a strong cash position meaning it is able to face any future challenges.

This report was approved by the board on Oct 20, 2020 and signed on its behalf.

Nick Garthwaite

Nick Garthwaite (Oct 20, 2020 09:13 GMT+1)

NJ Garthwaite
Director

CHRISTEYNS UK LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present their report and the financial statements for the year ended 31 December 2019.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activity of the Company is the manufacture of industrial laundry products in both liquid and powder form, concrete and construction admixtures and speciality additives and general contract manufacturing.

Results and dividends

The profit for the year, after taxation, amounted to £2,804,576 (2018 - £3,554,670).

Directors

The directors who served during the year were:

Christeyns NV
PGVC Bostoen
D Aveyard
EJMG De Vos (resigned 8 October 2020)
JMJ Wittouck
NJ Garthwaite
JS Roberts
S Wilson
J Kerslake (appointed 1 October 2019)
D Kilgallon (resigned 30 September 2019)

CHRISTEYNS UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Future developments

The Company will continue with its focus on its core activities and aims to be the partner and employer of choice, being ahead of our competitors with innovation, creativity and entrepreneurial flair, adhering to the core values that become enshrined within the DNA of the business. We will continue to grow organically and through carefully identified acquisitions which are complimentary to the principal activities.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report. The Strategic Report outlines the Company's objectives, policies and procedures for managing capital; its financial risk management objectives and its exposure to credit risk and liquidity.

The Company has sufficient financial resources together with clearly defined performance objectives. It has the strong support of its parent company and fellow subsidiary members in working towards meeting its financial objectives. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current economic outlook.

The Directors of the Company have undertaken a robust forecasting exercise taking into account the probable and possible business impacts associated with the COVID-19 Coronavirus pandemic. The period of assessment covers a period of at least 12 months from the date of the audit report. The Company is in a strong position giving the Directors a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that it is able to face future challenges. As such the Directors are satisfied that the Company remains a going concern and the financial statements have been prepared on the going concern basis.

Matters covered in the strategic report

Certain information not shown in the Directors' Report is shown in the Strategic Report on page 1 instead in accordance with Section 414C(11) of the Companies Act 2006. This includes a business review and principal risks and uncertainties.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

CHRISTEYNS UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019**

Post balance sheet events

COVID-19 Coronavirus pandemic

On 11 March 2020 the World Health Organisation ("WHO") declared Coronavirus COVID-19 a pandemic. Many countries like the UK imposed significant lockdown restrictions to limit movement and reduce the spread of the virus. This has had a significant detrimental impact on the UK and Global economy and due to its nature it is not currently possible to evaluate all the potential implications of COVID-19 to the Company and the Company's trade, customers and suppliers and the wider economy. The Directors recognise that there is wider economic uncertainty which may impact the Company's performance in the future and have factored this into their going concern assessment as noted on page 4.

Deferred consideration payable

An additional £1.05m was paid in consideration post year end in relation to the acquisition of Clover Chemicals Limited.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on Oct 20, 2020 and signed on its behalf.

Nick Garthwaite

Nick Garthwaite (Oct 20, 2020 09:13 GMT+1)

NJ Garthwaite
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTEYNS UK LIMITED

Opinion

We have audited the financial statements of Christeyns UK Limited (the 'Company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 state of the Company's affairs as at 31 December 2019 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. 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.

Emphasis of matter - Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the Company financial statements, which is not modified, we draw your attention to the directors' view on the impact of the COVID-19 as disclosed on page 2, and the consideration in the going concern basis of preparation on page 4 and non- adjusting post balance sheet events on page 5.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19, the potential impact of COVID-19 became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The impact of COVID-19 continues to evolve and, based on the information available at this point in time, the directors have assessed the impact of COVID-19 on the business and have concluded that COVID-19 is a non-adjusting post balance sheet event and that adopting the going concern basis for preparation of the financial statements is appropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTEYNS UK LIMITED

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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 this 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 the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTEYNS UK LIMITED

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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 intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit 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.

Ian Wrightson

Ian Wrightson [Oct 20, 2020 09:58 GMT+1]

Ian Wrightson (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: Oct 20, 2020

CHRISTEYNS UK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £	2018 £
Turnover	4	37,496,930	34,232,089
Cost of sales		(25,890,429)	(22,866,178)
Gross profit		<u>11,606,501</u>	<u>11,365,911</u>
Distribution costs		(1,356,066)	(1,315,863)
Administrative expenses		(6,890,851)	(6,471,253)
Exceptional administrative expenses	13	-	(537,134)
Operating profit	5	<u>3,359,584</u>	<u>3,041,661</u>
Income from fixed assets investments		-	1,295,843
Interest receivable and similar income	10	29,746	249
Interest payable and expenses	11	(109,427)	(19,814)
Profit before tax		<u>3,279,903</u>	<u>4,317,939</u>
Tax on profit	12	(475,327)	(763,269)
Profit for the financial year		<u><u>2,804,576</u></u>	<u><u>3,554,670</u></u>

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 12 to 37 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	14	175,732	161,964
Tangible assets	15	4,652,338	6,132,570
Investments	16	18,726,240	18,394,921
		<u>23,554,310</u>	<u>24,689,455</u>
Current assets			
Stocks	17	4,156,420	3,018,015
Debtors: amounts falling due after more than one year	18	1,178,909	380,561
Debtors: amounts falling due within one year	18	7,548,219	9,760,798
Cash at bank and in hand	19	436,426	92,264
		<u>13,319,974</u>	<u>13,251,638</u>
Creditors: amounts falling due within one year	20	(6,594,939)	(10,346,324)
Net current assets		<u>6,725,035</u>	<u>2,905,314</u>
Total assets less current liabilities		<u>30,279,345</u>	<u>27,594,769</u>
Creditors: amounts falling due after more than one year	21	(970,000)	(1,090,000)
Net assets		<u><u>29,309,345</u></u>	<u><u>26,504,769</u></u>
Capital and reserves			
Called up share capital	25	2,047,030	2,047,030
Capital redemption reserve	26	252,970	252,970
Profit and loss account	26	27,009,345	24,204,769
		<u>29,309,345</u>	<u>26,504,769</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Nick Garthwaite

Nick Garthwaite (Oct 20, 2020 09:13 GMT+1)

Oct 20, 2020

NJ Garthwaite
Director

The notes on pages 12 to 37 form part of these financial statements.

CHRISTEYNS UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	2,047,030	252,970	24,204,769	26,504,769
Comprehensive income for the year				
Profit for the year	-	-	2,804,576	2,804,576
At 31 December 2019	<u>2,047,030</u>	<u>252,970</u>	<u>27,009,345</u>	<u>29,309,345</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2018	2,047,030	252,970	20,650,099	22,950,099
Comprehensive income for the year				
Profit for the year	-	-	3,554,670	3,554,670
At 31 December 2018	<u>2,047,030</u>	<u>252,970</u>	<u>24,204,769</u>	<u>26,504,769</u>

The notes on pages 12 to 37 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. General information

Christeyns UK Limited is a private company which is limited by shares. It is incorporated in England and Wales. The registered office can be found on the company information page.

The principal activity is the manufacture of industrial laundry products in both liquid and powder form, concrete and construction admixtures and speciality additives and general contract manufacturing

2. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.1 Financial reporting standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d); and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Algimo NV as at 31 December 2019 and these financial statements may be obtained from Algimo NV, Coupure 10, 9000, Gent, Belgium.

2.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-UK state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.3 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report. The Strategic Report outlines the Company's objectives, policies and procedures for managing capital; its financial risk management objectives and its exposure to credit risk and liquidity.

The Company has sufficient financial resources together with clearly defined performance objectives. It has the strong support of its parent company and fellow subsidiary members in working towards meeting its financial objectives. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current economic outlook.

The Directors of the Company have undertaken a robust forecasting exercise taking into account the probable and possible business impacts associated with the COVID-19 Coronavirus pandemic. The period of assessment covers a period of at least 12 months from the date of the audit report. The Company is in a strong position giving the Directors a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that it is able to face future challenges. As such the Directors are satisfied that the Company remains a going concern and the financial statements have been prepared on the going concern basis.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.5 Revenue

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

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.8 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.9 Finance costs

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

2.10 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.11 Pensions

Defined contribution pension plan

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.13 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.14 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	5	years
Software	-	5	years

2.15 Tangible fixed assets

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

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives as follows:

Depreciation is provided on the following basis:

Freehold property	-	2%	straight line
Leasehold improvements	-	10 - 25%	straight line
Plant and machinery	-	10 - 33%	straight line
Other fixed assets	-	25%	straight line
Assets under construction	-		Not depreciated

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

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

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.18 Debtors

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

2.19 Cash and cash equivalents

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

2.20 Creditors

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

2.21 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.22 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Critical judgements in applying the Company's accounting policies

The critical judgements that the directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability and where applicable, the ability of the asset to be operated as planned.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a heightened possibility of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimating value in use of investments

Where an indication of impairment exists, the directors have carried out an impairment review to determine the recoverable amount of the asset, which is the higher of fair value less cost to sell and value in use. The value in use calculation has required the directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and determine a suitable discount rate in order to calculate present value.

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors have considered factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

(iii) Stock provision

Management apply a provision to stock to ensure that stock is correctly valued at the lower of cost and net realisable value.

There is uncertainty in terms of future sales of specific stock lines. As such management use judgement to estimate the required stock provision based on the information available to them.

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. Turnover

Analysis of turnover by country of destination:

	2019	2018
	£	£
United Kingdom	34,204,319	31,130,474
Rest of Europe	3,227,012	3,023,537
Rest of the World	65,599	78,078
	<u>37,496,930</u>	<u>34,232,089</u>

An analysis of turnover by class of business is as follows:

	2019	2018
	£	£
Laundry	28,011,860	24,786,667
Construction	9,485,070	9,445,422
	<u>37,496,930</u>	<u>34,232,089</u>

5. Operating profit

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

	2019	2018
	£	£
Amortisation of intangible fixed assets	46,994	22,076
Exchange differences	(272,722)	(123,342)
Depreciation of tangible fixed assets	1,848,985	1,946,006
Defined contribution pension scheme costs	247,403	212,707
	<u>247,403</u>	<u>212,707</u>

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Auditor's remuneration

	2019	2018
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	24,750	22,500
Fees payable to the Company's auditor and its associates in respect of:		
Preparation of financial statements and provision of iXBRL services	4,750	4,650
Other services relating to taxation	5,000	4,150
	<u>9,750</u>	<u>8,800</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2019	2018
	£	£
Wages and salaries	5,903,875	5,429,525
Social security costs	675,311	585,642
Cost of defined contribution scheme	247,403	212,707
	<u>6,826,589</u>	<u>6,227,874</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2019	2018
	No.	No.
Manufacturing	51	48
Selling and distribution	67	57
Administration	29	29
	<u>147</u>	<u>134</u>

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Directors' remuneration

	2019 £	2018 £
Directors' emoluments	704,469	655,636
Company contributions to defined contribution pension schemes	39,348	30,397
	<u>743,817</u>	<u>686,033</u>

During the year retirement benefits were accruing to 4 directors (2018 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £179,351 (2018 - £177,753).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £18,015 (2018 - £16,447).

9. Income from investments

	2019 £	2018 £
Dividends received from subsidiary companies	-	1,295,843
	<u>-</u>	<u>1,295,843</u>

10. Interest receivable

	2019 £	2018 £
Other interest receivable	29,746	249
	<u>29,746</u>	<u>249</u>

11. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	66,006	80
Loans from group undertakings	43,421	19,734
	<u>109,427</u>	<u>19,814</u>

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Taxation

	2019	2018
	£	£
Corporation tax		
Current tax on profits for the year	739,123	755,489
Adjustments in respect of previous periods	(189,689)	-
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(74,107)	7,780
	<u> </u>	<u> </u>
Taxation on profit on ordinary activities	<u> </u>	<u> </u>
	475,327	763,269

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	3,279,903	4,317,939
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	623,182	820,408
Effects of:		
Expenses not deductible for tax purposes	17,386	26,376
Expenses not deductible in relation to impairment charge	-	102,055
Fixed asset differences	12,984	2,505
Adjustments to tax charge in respect of prior periods	(189,689)	-
Dividends from UK companies	-	(246,210)
Deferred tax charge at 17%	11,464	-
Deferred tax not recognised	-	56,231
Other differences leading to an increase (decrease) in the tax charge	-	1,904
Group relief	-	(208,848)
Purchase of intercompany losses	-	208,848
Total tax charge for the year	475,327	763,269

Factors that may affect future tax charges

In the 2016 Budget, the government announced a reduction to the Corporation Tax main rate for the year starting 1 April 2020, setting the rate at 17%. However, the proposed rate change was dropped post year end and the rate therefore remains at 19%.

13. Exceptional items

	2019 £	2018 £
Impairment of investment in subsidiary	-	537,134

CHRISTEYNS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

14. Intangible assets

	Software £	Goodwill £	Total £
Cost			
At 1 January 2019	117,275	100,299	217,574
Additions	60,762	-	60,762
At 31 December 2019	<u>178,037</u>	<u>100,299</u>	<u>278,336</u>
Amortisation			
At 1 January 2019	55,610	-	55,610
Charge for the year	26,934	20,060	46,994
At 31 December 2019	<u>82,544</u>	<u>20,060</u>	<u>102,604</u>
Net book value			
At 31 December 2019	<u>95,493</u>	<u>80,239</u>	<u>175,732</u>
At 31 December 2018	<u>61,665</u>	<u>100,299</u>	<u>161,964</u>

CHRISTEYNS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

15. Tangible fixed assets

	Freehold property £	Leasehold improvements £	Plant and machinery £	Assets under construction £	Engineering installations £	Total £
Cost or valuation						
At 1 January 2019	1,836,859	-	3,415,372	703,908	9,552,907	15,509,046
Additions	88,579	48,870	344,559	529,499	-	1,011,507
Disposals	-	-	(2,390)	-	(4,570,173)	(4,572,563)
Transfers between classes	-	-	-	(1,164,845)	1,164,845	-
At 31 December 2019	<u>1,925,438</u>	<u>48,870</u>	<u>3,757,541</u>	<u>68,562</u>	<u>6,147,579</u>	<u>11,947,990</u>
Depreciation						
At 1 January 2019	880,966	-	2,105,514	-	6,389,996	9,376,476
Charge for the year on owned assets	63,646	4,692	332,695	-	1,447,952	1,848,985
Disposals	-	-	(1,499)	-	(3,928,310)	(3,929,809)
At 31 December 2019	<u>944,612</u>	<u>4,692</u>	<u>2,436,710</u>	<u>-</u>	<u>3,909,638</u>	<u>7,295,652</u>
Net book value						
At 31 December 2019	<u>980,826</u>	<u>44,178</u>	<u>1,320,831</u>	<u>68,562</u>	<u>2,237,941</u>	<u>4,652,338</u>
At 31 December 2018	<u>955,893</u>	<u>-</u>	<u>1,309,858</u>	<u>703,908</u>	<u>3,162,911</u>	<u>6,132,570</u>

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019	19,704,055
Additions	331,319
At 31 December 2019	<u>20,035,374</u>
Impairment	
At 1 January 2019	1,309,134
At 31 December 2019	<u>1,309,134</u>
Net book value	
At 31 December 2019	<u>18,726,240</u>
At 31 December 2018	<u>18,394,921</u>

During the year the company recognised an increase to its investment in Clover Chemicals Limited as a result of contingent consideration due.

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Fixed asset investments (continued)**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Christeyns Portugal SA	Manufacturing cleaning chemicals	Ordinary	100%
Christeyns Italia srl	Manufacturing cleaning chemicals	Ordinary	90%
Christeyns Espana SA	Manufacturing cleaning chemicals	Ordinary	100%
Alex Reid Limited	Non-trading	Ordinary A	100%
Christeyns Food Hygiene Limited	Manufacturing cleaning chemicals	Ordinary	100%
Cole and Wilson Limited	Dormant	Ordinary	100%
Adcrete Limited	Sale of building materials	Ordinary A	70%
Clover Chemicals Limited	Manufacturing cleaning chemicals	Ordinary A	100%

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

16. Fixed asset investments (continued)

Subsidiary undertakings (continued)

The following are indirect subsidiaries of Christeyns UK Limited:

- Christeyns Italy Professional Hygiene srl (50% indirect holding) - the principal activity of the company is the manufacture of cleaning chemicals;
- Christeyns Italy Food Hygiene srl (90% indirect holding) - the principal activity of the company is the manufacture of cleaning chemicals.
- Anti-Germ (UK) Limited (100% indirect holding) - the company remains dormant;
- Klenzan Direct Limited (100% indirect holding) - the company remains dormant; and
- In Site Control Limited (100% indirect holding) - the company remains dormant.

The registered address of Christeyns Portugal SA is: Christeyns Portugal SA, Estrada de Paço de Arcos, Zoom Business Park - Edifício E, Escritório 12735-307 CACÉM, Portugal.

The registered addresses of Christeyns Italia srl, Christeyns Italy Professional Hygiene srl and Christeyns Italy Food Hygiene srl are: Via Aldo Moro 30, 20060 Pessano con Bornago, Italy.

The registered address of Christeyns Espania SA is: Christeyns Espana SA, Avenida Mediterraneo, 11, 28007 Madrid, Spain.

The registered address of Alex Reid Limited is: Christeyns UK Limited, Rutland Street, East Bowling, Bradford, West Yorkshire, BD4 7EA, UK.

The registered addresses of Christeyns Food Hygiene Limited, Anti-Germ (UK) Limited and Klenzan Direct Limited are: Cameron Court 2, Warrington, Cheshire, WA2 8RE, UK.

The registered address of Clover Chemicals Limited is: Clover House, Macclesfield Road, Whaley Bridge, High Peak, Derbyshire, SK23 7DQ

The registered address of Adcrete Limited is: 31 Enterprise House Lisburn Enterprise Centre, 6 Enterprise Crescent, Ballinderry Road, Lisburn, County Antrim, Northern Ireland, BT28 2BP

The registered address of Cole & Wilson Limited is: Nabbs Lane Chemical Works, Slaithwaite, Nr Huddersfield, HD7 5AT.

The registered address of In Site Control Limited is: Christeyns UK Limited, Rutland Street, Bradford, England, BD4 7EA.

CHRISTEYNS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

17. Stocks

	2019 £	2018 £
Raw material	1,635,250	1,327,784
Work in progress	149,712	260,682
Finished goods	2,371,458	1,429,549
	<u>4,156,420</u>	<u>3,018,015</u>

18. Debtors

	2019 £	2018 £
Due after more than one year		
Trade debtors	1,178,909	380,561
	<u>1,178,909</u>	<u>380,561</u>

	2019 £	2018 £
Due within one year		
Trade debtors	6,697,453	8,430,846
Amounts owed by group undertakings	389,684	831,153
Other debtors	35,234	57,442
Prepayments and accrued income	262,064	351,680
Deferred taxation	163,784	89,677
	<u>7,548,219</u>	<u>9,760,798</u>

19. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	436,426	92,264
Less: bank overdraft	-	(3,155)
	<u>436,426</u>	<u>89,109</u>

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

20. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Bank overdraft	-	3,155
Bank loans	120,000	60,000
Trade creditors	1,086,459	2,189,519
Amounts owed to group undertakings	1,549,698	1,922,227
Corporation tax	384,123	191,063
Other taxation and social security	455,519	479,883
Invoice discounting account	2,085,094	2,484,837
Other creditors	27,613	1,590,452
Accruals and deferred income	886,433	1,425,188
	<u>6,594,939</u>	<u>10,346,324</u>

Bank facilities and invoice finance facilities are secured by a debenture and legal charge incorporating a fixed and floating charge over all current and future assets of the company as well as all monies due or to become due to the company.

21. Creditors: Amounts falling due after more than one year

	2019	2018
	£	£
Bank loan	<u>970,000</u>	<u>1,090,000</u>

The bank loan is secured by a debenture and legal charge incorporating a fixed and floating charge over all current and future assets of the company as well as all monies due or to become due by the company.

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

22. Loans

Analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due within one year		
Bank loan	120,000	60,000
Amounts falling due 2-5 years		
Bank loan	480,000	480,000
Amounts falling due after more than 5 years		
Bank loan	490,000	610,000
	<u>1,090,000</u>	<u>1,150,000</u>

The Company's bank loans carry an interest rate of 3%.

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

23. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	19,162,666	18,487,185
Financial assets that are debt instruments measured at amortised cost	8,301,280	9,700,002
	<u>27,463,946</u>	<u>28,187,187</u>
Financial liabilities		
Other financial liabilities measured at fair value through profit or loss	(2,085,094)	(2,487,992)
Financial liabilities measured at amortised cost	(4,640,203)	(8,277,180)
	<u>(6,725,297)</u>	<u>(10,765,172)</u>

Financial assets measured at fair value through profit or loss comprise of cash and cash equivalents and fixed asset investments.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Other financial liabilities measured at fair value through profit or loss comprise of bank overdrafts and invoice finance facilities.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, amounts owed to group undertakings, other creditors and accruals.

24. Deferred taxation

	2019 £
At beginning of year	89,677
Charged to profit or loss	74,107
At end of year	<u>163,784</u>

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

24. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	157,479	80,144
Short term timing differences	6,305	9,533
	<u>163,784</u>	<u>89,677</u>

25. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
40,940,595 (2018 - 40,940,595) Ordinary shares shares of £0.05 each	<u>2,047,030</u>	<u>2,047,030</u>

26. Reserves**Capital redemption reserve**

This reserve represents the nominal value of previous share repurchases.

Profit and loss account

This reserve represents cumulative profits and losses, less dividends paid.

27. Capital commitments

At 31 December 2019 the Company had capital commitments as follows:

	2019 £	2018 £
Contracted for but not provided in these financial statements	<u>256,638</u>	<u>-</u>

28. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £247,403 (2018 - £212,707). Contributions totalling £17,237 (2018 - £31,703) were payable to the fund at the balance sheet date.

CHRISTEYNS UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

29. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	460,874	415,105
Later than 1 year and not later than 5 years	513,509	445,209
Later than 5 years	131,697	-
	<u>1,106,080</u>	<u>860,314</u>

During the period £491,089 (2018- £409,518) was charged to the Statement of Comprehensive Income in relation to operating leases.

30. Other financial commitments

As at the year end the company had entered into forward contracts to purchase €1,500,000 (2018: €3,450,000) and \$50,000 (2018: \$125,000). The fair value adjustment to the contracts is not material and thus have not been incorporated into the financial statements.

31. Transactions with directors

At the year end £21,359 was owed by directors of the company (2018: £31,133). During the period repayments were made totalling £9,774 (2018: £7,536).

32. Related party transactions

The company has taken advantage of the exemption available in section 33 of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" related party disclosures from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company. The consolidated financial statements of Algimo NV can be obtained from Algimo NV, Coupure 10, 9000, Gent, Belgium.

There are no other related party transactions to disclose.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

33. Post balance sheet events

COVID-19 Coronavirus pandemic

On 11 March 2020 the World Health Organisation ("WHO") declared Coronavirus COVID-19 a pandemic. Many countries like the UK imposed significant lockdown restrictions to limit movement and reduce the spread of the virus. This has had a significant detrimental impact on the UK and Global economy and due to its nature it is not currently possible to evaluate all the potential implications of COVID-19 to the Company and the Company's trade, customers and suppliers and the wider economy. The Directors recognise that there is wider economic uncertainty which may impact the Company's performance in the future and have factored this into their going concern assessment as noted on page 4.

Deferred consideration payable

An additional £1.05m was paid in consideration post year end in relation to the acquisition of Clover Chemicals Limited.

34. Controlling party

The ultimate parent company is Algimo NV, a company registered in Belgium.

The immediate parent company is Christeyns NV, a company registered in Belgium.