

Financial Statements

Bushboard Limited

For the year ended 31 December 2018

Registered number: 03943217



Bushboard Limited

Company Information

Directors

A T Pearson
M Besseling

Company secretary

W J Thesing

Registered number

03943217

Registered office

9-29 Rixon Road
Wellingborough
Northamptonshire
NN8 4BA

Independent auditor

Deloitte LLP
Statutory Auditor
Newcastle-upon-Tyne
United Kingdom

Bankers

HSBC Bank plc
22, Abington Street
Northampton
NN1 2AN

Solicitors

EMW Law LLP
Seebeck House
1 Seebeck Place
Knowlhill
Milton Keynes
MK5 8FR

Bushboard Limited

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Bushboard Limited

Strategic report

Business review and principal activities

The principal activity, undertaken by the company during the period was the manufacture and sale of kitchen worktops, work surfaces, counter tops and related products.

The directors are not aware, at the date of this report, of any material changes in the company's activities in the next year.

As shown in the company's statement of comprehensive income on page 8, the company's result after tax for the year to 31 December 2018 was £ 2.437m (2017 £ 0.259m).

The statement of financial position on page 9 of the Financial Statements shows the company's financial position at the yearend as net assets of £ 14.378m (2017 £ 12.042m).

Key performance indicators	2018 £000	2017* £000	2016 £000
Revenue	25,728	27,702	25,350
EBITDA	3,815	1,348	2,970

* covers 14 month accounting period

2018 saw an increase in annual revenue primarily linked the continuing growth of the Nuance Panel Range. As in the previous year, the financial results continued to be impacted adversely by the combination of unfavourable exchange rates and raw material price inflation. Despite this, operating profitability remained robust due to improved margins linked to the commercial revenue mix and management measures to improve productivity. 2018 was not impacted by the costs associated with the range changes as in 2017.

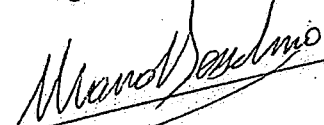
Principal risks and uncertainties

The macro economic climate continues to be the source for the majority of the risk due to its underlying effect on the markets within which the company operates. This has been especially true in the UK Retail sector, where uncertainty linked to the United Kingdom's exit from the European Union has exacerbated underlying demand softness. Other aspects of risk linked to the UK's withdrawal from the EU would be increased in the absence of a withdrawal agreement that has been ratified by Parliament. The impact of disruption to the supply chain is mitigated due by the large proportion of sourced materials being from Wilsonart group companies, many of the potential impacts would be circumvented through the adaptability of group supplier inventory holdings and production planning flexibility. Through this and related measures, risks to end customer service levels would be managed.

Future developments

The expectations of the directors are that the current level of activity will continue, with further prospects for growth and improved profitability into 2019 and beyond. The directors remain committed to product and process development and see this as a vital component in the company's ongoing success.

Approved by the Board of Directors
and signed on behalf of the Board



Marco Besseling
Director
Date 26/09/2019

Bushboard Limited

Directors' Report

The directors present their report on the affairs of the company, together with the financial statements and auditors' report for the year ended 31 December 2018.

Future Developments

Information on principal activities and future developments are presented in the Strategic Report.

Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least twelve months from the signing date of this report. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

Financial risk management objectives and policies

The company's principal financial instruments comprise cash, borrowings from another company within the Wilsonart group and items that arise directly from the company's operations such as trade debtors and trade creditors.

The company's activities expose it to a number of financial risks including credit risk, liquidity risk and foreign currency risk. The directors review and agree policies for managing each of these risks and these are summarised below. The company does not use derivative financial instruments for speculative purposes.

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, provides evidence of a reduction in cash recoverability.

The company has a significant concentration of credit risk with one customer group of related companies. The company and customer group have a long-standing relationship going back over 20 years and maintain an excellent relationship. The customer group is considered an overall low Business Risk and an exceptionally low Failure Score

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company's policy is to ensure that cash is available within the bank current accounts, whilst maintaining short, medium, and long-term funding arrangements within the Wilsonart group.

Foreign currency risk

The company's activities expose it to the financial risks of changes in foreign currency exchange rates. These risks are mitigated across the Wilsonart group, which maintains operations in a number of currency areas globally.

Dividends

The Directors recommend that no final dividend to be paid for the year. (2017 £nil)

Bushboard Limited

Directors' Report - continued

Directors

The directors who served throughout the year and up to the date of signing were as follows: -

J S Lee (resigned 14 June 2019)

A T Pearson

J H Robb (resigned 2 September 2019)

M Besseling (appointed 2 September 2019)

Political contributions

No political donations were made during the year (2017 £nil).

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings, and company updates and bulletins. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

Auditor

Each of the persons who is a director at the date of approval of this report confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board and signed on its behalf by:



Marco Besseling

Director

Date 26/09/2019

**Bushboard Ltd
9-29 Rixon Road
Wellingborough
Northamptonshire NN8 4BA**

Bushboard Limited

Directors' responsibilities statement

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

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

- Select suitable accounting policies and then apply them consistently,
- Make judgements and 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 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.

Bushboard Limited

Independent auditor's report to the members of Bushboard Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Bushboard Limited ("the Company");

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 22.

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

Basis for opinion

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

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

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

Bushboard Limited

Independent auditor's report to the members of Bushboard Limited - *continued*

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 respect of these matters.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or to 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 an 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 financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of the auditor's report.

Bushboard Limited

Independent auditor's report to the members of Bushboard Limited - *continued*

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of our report

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



David Johnson FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Newcastle-upon-Tyne, United Kingdom

Date 30 September 2019

Bushboard Limited

Statement of Comprehensive Income
For the year ended 31 December 2018

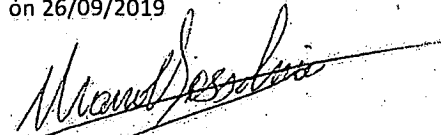
			14 months ended
	Note	2018 £000	2017 £000
Turnover	3	25,728	27,702
Cost of sales		(16,178)	(17,647)
Gross Profit		9,550	10,055
Distribution Costs		(1,942)	(3,501)
Administration expenses		(4,553)	(6,089)
Operating profit	4	3,055	465
Interest payable and expenses	8	(30)	(127)
Profit before tax		3,025	338
Tax on profit	9	(588)	(79)
Profit for the period		2,437	259
Other comprehensive income for the period			
Actuarial gains/(losses) on defined benefit pension scheme	18	(85)	194
Movement of deferred tax relating to pension deficit		(16)	(30)
Other comprehensive income for the period		(101)	164
Total comprehensive income for the period		2,336	423

The notes on pages 11 to 24 form part of these financial statements.

Statement of Financial Position
As at 31 December 2018

	Note	2018 £000	2017 £000
Fixed assets			
Tangible fixed assets	10	<u>2,967</u>	<u>2,813</u>
		2,967	2,813
Current assets			
Stocks	11	3,685	2,475
Debtors: amounts falling due within one year	12	12,794	12,110
Cash at bank and in hand	13	<u>1,200</u>	<u>9</u>
		17,679	14,594
Creditors: amounts falling due within one year	14	(5,167)	(3,936)
Net current assets		<u>12,512</u>	<u>10,658</u>
Total assets less current liabilities		15,479	13,471
Creditors: amounts falling due after more than one year	15	(1,000)	(1,324)
Provisions for liabilities			
Deferred tax	17	<u>(101)</u>	<u>(105)</u>
		(101)	(105)
Pension liability	18	-	-
Net assets		<u>14,378</u>	<u>12,042</u>
Capital and reserves			
Called up share capital	19	3	3
Share premium	20	344	344
Capital contribution	20	4,241	4,241
Profit and loss account	20	9,790	7,454
		<u>14,378</u>	<u>12,042</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26/09/2019



Marco Besseling
Director

The notes on pages 11 to 24 form part of these financial statements.

Statement of Changes in Equity

For the 14 months ended 31 December 2017

	Called up Share capital	Share Premium account	Capital contribution received	Profit and Loss account	Total equity
	£000	£000	£000	£000	£000
At 1 November 2016	3	344	-	7,031	7,378
Comprehensive income for the period					
Profit for the period	-	-	-	259	259
Actuarial gain on pension scheme	-	-	-	164	164
Total comprehensive income for the period	-	-	-	423	423
Capital contribution received	-	-	4,241	-	4,241
At 31 December 2017	3	344	4,241	7,454	12,042

Statement of Changes in Equity

For the year ended 31 December 2018

	Called up Share capital	Share Premium account	Capital contribution received	Profit and Loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2018	3	344	4,241	7,454	12,042
Comprehensive income for the period					
Profit for the period	-	-	-	2,437	2,437
Actuarial gain on pension scheme	-	-	-	(101)	(101)
Total comprehensive income for the period	-	-	-	2,336	2,336
At 31 December 2018	3	344	4,241	9,790	14,378

The notes on pages 11 to 24 form part of these accounts.

Bushboard Limited

Notes to the Financial Statements

For the year ended 31 December 2018

1. Accounting policies

The accounts for the company cover a period of 12 months from 1 January 2018 to 31 December 2018. Comparative figures are for a period of fourteen months and therefore not strictly comparable.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the previous period.

General information and basis of accounting

Bushboard Limited ('the Company') is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company information page. The nature of the Company's operations and its principal activities are set out in the strategic report on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of these financial statements.

The Company is consolidated in the financial statements of its parent Wilsonart LLC, which may be obtained at Wilsonart LLC, 13413 Galleria Circle, Suite 200, Austin, Texas. 78738. Exemptions have been taken in these financial statements in relation to share based payments, financial instruments, cash flow statement, remuneration of key management personnel and related parties.

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 Business Review which forms part of the strategic report. The directors' report also describes the financial position of the company, its cash flows, liquidity position and borrowing facilities, its financial risk management objectives, details of its financial instruments and its exposure to credit risk and liquidity risk. The company meets its day to day working capital requirements by ensuring that sufficient liquidity is available to meet foreseeable needs. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current funding. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of a minimum of twelve months from the date of approval of these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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.

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

Notes to the Financial Statements – (continued)

For the year ended 31 December 2018

1. Accounting policies – (continued)

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 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.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows: -

Leasehold improvements	- 20%
Plant & machinery	- 8% to 25%
Office equipment	- 12.5% to 50%
Computer equipment	- 12.5% to 50%

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first in, first out) method. Provision is made for obsolete, slow moving or defective items where appropriate.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised on profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after mutual recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

1. Accounting policies – (continued)

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing differences. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deducted for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle liability simultaneously.

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

1. Accounting policies – (continued)

Deferred tax assets and liabilities are offset only if a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities, and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Pensions

Defined contributions 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 obligation.

The assets of the plan are held separately from the company in independently administered funds.

Defined benefits pension plan

The company operates a defined benefits plan for certain employees. A defined benefit plan defines the pension benefits that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The scheme is closed to future benefit accrual, and the company does not have an unconditional right to any surplus. Therefore, any surplus is not recognisable under FRS102. This has given rise to an effect "of asset ceiling".

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of the plan assets is measured in accordance with the FRS102 fair value hierarchy and in accordance with the company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from the employee service during the period and,
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

1. Accounting policies – (continued)

Turnover

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Where a delivery has only been partially completed at the balance sheet date turnover represents the fair value of the goods provided to date based on the stage of completion of the order at the balance sheet date. Where payments are received from customers in advance of goods provided, the amounts are recorded as deferred income and included as part of the creditors due within one year.

Employee benefits

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

Foreign currency translations

The company's functional and presentational currency is GBP.

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". All other foreign exchange gains and losses are presented in the Statement of comprehensive income within "other operating income".

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. In the process of applying the Company's accounting policies, the directors have not made any critical judgements, nor are there any key sources of estimation uncertainty, that would have a significant effect on the amounts recognised in the Financial Statements.

Bushboard Limited

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

		14 months ended
3. Turnover	2018	2017
	£000	£000
Sales	<u>25,728</u>	<u>27,702</u>
Analysis of turnover by country of destination		
	2018	2017
	£000	£000
United Kingdom	24,541	27,216
EU Community	486	482
Rest of the world	701	4
	<u>25,728</u>	<u>27,702</u>
4. Operating profit	2018	2017
	£000	£000
The operating profit is stated after charging/(crediting):		
Depreciation of tangible fixed assets:		
owned by the company	760	880
Operating lease rentals:		
plant and machinery	4	9
other operating leases	549	602
Foreign exchange loss/(gain)	(3)	126
	<u></u>	<u></u>
5. Auditor's remuneration	2018	2017
	£000	£000
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements.	35	33
	<u></u>	<u></u>
6. Employees	2018	2017
	£000	£000
Staff costs, not including directors' remuneration, were as follows: - (see note 7)		
Wages and salaries	3,056	3,572
Social security costs	262	352
Cost of defined contribution scheme	125	163
	<u>3,443</u>	<u>4,087</u>

Bushboard Limited

Notes to the Financial Statements – (continued)

For the year ended 31 December 2018

6. Employees – continued

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

	2018 No:	14 months ended 2017 No:
Administration	10	13
Production	70	73
Selling	22	15
	<u>102</u>	<u>101</u>

7. Directors' remuneration

In the period ending 31 December 2018 the Directors received remuneration for their services as directors of the Company through Wilsonart Ltd, a fellow group company. It is not practical to allocate their fees as directors of Bushboard Ltd.

8. Interest payable and similar charges

	2018 £000	2017 £000
Interest and similar charges payable to group company	30	127
	<u>30</u>	<u>127</u>

9. Taxation

	2018 £000	2017 £000
Corporation tax		
Current tax on profits for the year	627	143
Adjustments in respect of previous periods	(20)	(13)
Total current tax	<u>607</u>	<u>130</u>
Deferred tax		
Origination and reversal of timing differences	(34)	(58)
Adjustment in relation to prior years	15	7
Total deferred tax	<u>(19)</u>	<u>(51)</u>
Total tax on profit	<u>588</u>	<u>79</u>

Bushboard Limited

Notes to the Financial Statements – (continued)

For the year ended 31 December 2018

9. Taxation – continued

Factors affecting tax charge for the year

14 months
ended

Being the difference between total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows: -

	2018	2017
	£000	£000
Profit on ordinary activities before tax	3,025	338
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK 19% (2017 – 19.4%)	575	65
Effects of:		
Expenses not deductible for tax purposes	14	(9)
Adjustments to tax charge in respect of prior periods	(5)	(5)
Short-term timing differences leading to an increase (decrease) in taxation	-	21
Effects in changes in tax rate	4	7
Total tax charge for the year	588	79

Finance Act 2017 introduced a reduction in the main rate of corporation tax to 17% from 1 April 2020. Accordingly, deferred tax assets and liabilities have been calculated at the tax rates which will be in force when the underlying temporary differences are expected to reverse.

10. Tangible fixed assets

	Short Leasehold Property £000	Plant & machinery £000	Office equipment £000	Computer equipment £000	Assets under construction £000	Total £000
Cost or valuation						
At 1 January 2018	229	9,083	71	468	179	10,030
Additions	-	892	-	22	-	914
Transfers	-	179	-	-	(179)	-
At 31 December 2018	229	10,154	71	490	-	10,944
Depreciation						
At 1 January 2018	147	6,642	44	384	-	7,217
Charge for the period on owned assets	18	673	19	50	-	760
At 31 December 2018	165	7,315	63	434	-	7,977
Net book value						
At 31 December 2017	82	2,441	27	84	179	2,813
At 31 December 2018	64	2,839	8	56	-	2,967

Bushboard Limited

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

11. Stocks

	2018 £000	2017 £000
Raw materials and consumables	2,788	1,851
Finished goods and goods for resale	897	624
	<u>3,685</u>	<u>2,475</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

12. Debtors: -amounts falling due within one year

	2018 £000	2017 £000
Trade debtors	6,853	5,833
Amounts owed by group undertakings	5,372	5,484
Prepayments and accrued income	182	368
Other debtors	387	319
Corporation tax	-	106
	<u>12,794</u>	<u>12,110</u>

The amount owed by group undertakings is repayable on demand and accordingly is classified as an amount due within one year.

13. Cash and cash equivalents

	2018 £000	2017 £000
Cash at bank and in hand	1,200	9
	<u>1,200</u>	<u>9</u>

14. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Bank overdrafts	62	465
Trade creditors	2,698	1,800
Other taxation and social security	456	316
Corporation Tax	339	-
Other creditors	744	363
Accruals and deferred income	564	670
Amounts owed to group undertakings	304	322
	<u>5,167</u>	<u>3,936</u>

The amounts owed to group undertakings are repayable on demand and carry interest at LIBOR + 2%

Bushboard Limited

Notes to the Financial Statements - (continued)
For the year ended 31 December 2018

15. Creditors: Amounts falling due after more than one year	2018	2017
	£000	£000
Amounts owed to group undertakings	1,000	1,324
	<u>1,000</u>	<u>1,324</u>

The amount owed to group undertakings is in respect of a group loan dated 1 November 2016 and is repayable on or by 31 October 2023. Interest on the loan is charged at LIBOR + 2%.

16. Financial instruments	2018	2017
	£000	£000
Financial assets		
Financial assets measured at fair value through profit or loss	-	-
Financial assets that are debt instruments measured at amortised cost	13,811	11,657
	<u>13,811</u>	<u>11,657</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(5,372)	(4,943)
	<u>(5,372)</u>	<u>(4,943)</u>

Financial assets measured at fair value through profit or loss comprise forward exchange contracts. There were none in the current year.

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors.

17. Deferred taxation	2018	2017
	£000	£000
At the beginning of the year	(105)	(104)
Charged to profit and loss	34	58
Charged to Other Comprehensive Income	(16)	(51)
Adjustments in respect of prior years	(14)	(8)
At the end of the year	<u>(101)</u>	<u>(105)</u>

The provision for deferred taxation is made up as follows:	2018	2017
	£000	£000
Accelerated capital allowances	(87)	(106)
Other timing differences	(14)	1
	<u>(101)</u>	<u>(105)</u>

There is no expiry date on timing differences, unused tax losses or tax credits.

Bushboard Limited

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

18. Pension commitments

The company is a participating employer of a defined benefit pension scheme and two defined contribution pension schemes.

The schemes are tax approved retirement benefit schemes to which the company makes contributions. In respect of the defined contribution schemes the contributions are in line with the scale of contributions laid down in the scheme rules. In the case of the defined benefit scheme the level of contribution is in accordance with the recommendations of the Actuary.

The assets of the scheme are held under trust separately from those of the company.

Defined contributions schemes

The Bushboard Limited Money Purchase Scheme is a contracted-in defined contribution scheme. The company pays contributions at varying rates between 3% and 6% and the employees pay contributions of between 1.5% and 3%.

The Bushboard Limited Group Personal Pension Scheme is a contracted-out defined contribution scheme. The company pays contributions of 12.3% and the employees pay contributions of 4%.

Defined benefits scheme

The company operates a Defined benefit pension scheme.

On 5 April 2004 the defined benefit pension scheme was closed to future accruals of benefits. Existing benefits earned within the scheme were converted to paid-up form, and new pension arrangements on a defined contributions basis, by way of a new group personal pension plan (known as the Bushboard Limited Group Personal Pension Scheme), were established to provide future benefits.

The costs, assets and liabilities of the defined benefit scheme are periodically assessed by actuarial valuations. The latest full triennial actuarial valuation was carried out as at 31 December 2017 by a qualified independent actuary.

Reconciliation of present value of plan liabilities:

	2018 £000	2017 £000
At the beginning of the year	1,036	2,553
Interest expense	24	45
Past service cost	10	-
Benefits paid	(91)	(1,284)
Re-measurements arising from experience	17	(286)
Re-measurement arising from change in assumptions	(75)	8
At the end of the year	<u>921</u>	<u>1,036</u>

Bushboard Limited

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

18. Pension commitments - continued

	2018 £000	2017 £000
Movement in the fair value of scheme assets were as follows:		
At the beginning of the year	1,180	2,251
Actual return on plan assets	(78)	60
Interest income	28	36
Contributions	100	117
Benefits paid	(91)	(1,284)
At the end of the year	<u>1,139</u>	<u>1,180</u>
Total plan assets	2018 £000	2017 £000
Fair value of plan assets	(1,139)	(1,180)
Present value of plan liabilities	921	1,036
Net defined benefit (asset)	<u>(218)</u>	<u>(144)</u>
Effect of asset ceiling	218	144
Recognised defined benefit liability/(asset)	<u>-</u>	<u>-</u>
The amounts recognised in profit or loss are as follows:		
	2018 £000	2017 £000
Total net interest (expense) / income	<u>1</u>	<u>(9)</u>
Amounts recognised in Other Comprehensive Income:	2018 £000	2017 £000
Remeasurement of defined benefit obligation	(58)	(278)
Return on plan assets	78	(60)
Change in effect of asset ceiling	65	144
Total recognised in Other Comprehensive Income	<u>85</u>	<u>(194)</u>

The company contributed £100k into the Defined Benefit Pension Scheme (2017 - £117k)

Bushboard Limited

Notes to the Financial Statements - (continued)

For the year ended 31 December 2018

18. Pension commitments – continued

Principal actuarial assumptions at the Statement of financial position date (expressed as weighted averages):

	2018	2017
	%	%
Discount rate	2.8	2.4
Future pension increases	3.0	3.0
Inflation assumption – CPI	2.5	2.5
Inflation assumption – RPI	3.4	3.4

Mortality rates	2018	2017
	Years	years
- for a male member aged 65 now	21.1	21.1
- at 65 for a male member aged 45 now	22.3	22.3
- for a female member aged 65 now	23.0	23.0
- at 65 for a female member aged 45 now	24.5	24.5

Assets class split	2018	2017
	%	%
Equities	55	63
Property	16	16
Corporate Bonds	12	11
Gilts	10	7
Cash	7	3

19. Share capital	2018	2017
	£000	£000
Shares classified as equity	-	-
Allotted, called up and fully paid	-	-
345,965 Ordinary shares of £0.01 each (31 December 2017 345,965)	<u>3</u>	<u>3</u>

Bushboard Limited

Notes to the Financial Statements - (continued) For the year ended 31 December 2018

20. Reserves

Capital contribution

Includes any amounts received on issue of share capital and transactions in respect of the acquisition by Wilsonart Group. Any transaction costs associated with the issuing of shares is deducted from capital contribution.

Capital redemption reserve

The capital redemption reserve includes transfers from share capital upon the acquisition by the Wilsonart Group.

Profit and loss account

Includes all current and prior period retained profits and losses.

21. Commitments under operating lease

At 31 December 2018 the company had future minimum lease payments under non-cancellable operating leases as follows:

Land and buildings	2018 £000	2017 £000
Within 1 year	524	518
Between 2 and 5 years	2,442	1,930
After more than 5 years	2,864	3,751
	<u>5,830</u>	<u>6,199</u>

Capital commitments amounted to £nil at 31 December 2018 for capital equipment contracts placed and outstanding but not provided for in these accounts. (31 December 2017 - £683k).

22. Controlling Party

The immediate parent company is Bushboard Holdings Limited, incorporated in England and Wales, which has a parent company Wilsonart Limited. The smallest and largest group of which Bushboard Limited is a member which produces consolidated financial statements is Wilsonart LLC, incorporated in the USA. The financial statements of Wilsonart LLC are publicly available and can be obtained from Wilsonart LLC, 13413 Galleria Circle, Suite 200, Austin, Texas, USA, 78738 which is also the registered office.

In the opinion of the directors, the ultimate controlling party is Clayton Dubilier & Rice (private equity) investors, who owns 51% of Wilsonart International Holdings LLC.