

Registered number  
09329395

**Ibstock Building Products Limited**  
Annual Report and Financial Statements  
For the year ended 31 December 2023

# **Ibstock Building Products Limited**

## **Reports and financial statements for the year ended 31 December 2023**

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# **Ibstock Building Products Limited**

## **Company Information**

### **Directors**

J H Hudson  
C M McLeish

### **Company Secretary**

N D M Giles (resigned 27 January 2023)  
R A Parker (appointed 27 January 2023)

### **Auditor**

Deloitte LLP  
Statutory Auditor  
Four Brindleyplace  
Birmingham  
West Midlands  
United Kingdom  
B1 2HZ

### **Bankers**

Lloyds Bank Plc  
7 High Street  
Leicester  
United Kingdom  
LE1 9FS

### **Registered office**

Leicester Road  
Ibstock  
Leicestershire  
LE67 6HS  
United Kingdom

### **Registered number**

09329395

# **Ibstock Building Products Limited**

## **Strategic Report**

The Directors present the strategic report of Ibstock Building Products Limited ('the Company') for the year ended 31 December 2023.

### **Principal activities**

The Company is a direct subsidiary of, and is included within the consolidated financial statements of, Ibstock Plc ('the ultimate parent' and 'the Group'). Its principal activity during the year was that of an intermediate holding company. The Directors do not expect that to change in the foreseeable future.

### **Results and dividends**

The profit for the year, after taxation, amounted to £25,981,000 (2022: profit £25,288,000).

The Company had net assets of £303,048,000 as at 31 December 2023 (net assets of £277,067,000 as at 31 December 2022).

There are no other financial or non-financial performance indicators were used by the Directors to manage the business.

### **Review of business and future developments**

The increase in the Company's profit from 2022 to 2023 is due to the increased interest income received from its direct subsidiary arising as a result of the higher debt level.

The Company's indirect trading subsidiaries delivered a resilient performance against a challenging market backdrop for the year ended 31 December 2023 and a robust year-end balance sheet position. With the factory network running at lower levels of utilisation, the Group will retain a level of fixed cost in 2024, which preserves our ability to build back quickly as markets recover.

Further details of the results of the Company's investments are set out within the Ibstock Plc Annual Reports and Accounts 2023.

The Company expects to continue in operation as a holding company and to earn interest income on its existing loan to its direct subsidiary.

### **Principal risks and uncertainties**

The Directors of the Company's ultimate parent consider the principal risks and uncertainties of the Group with assistance from its Audit Committee. The principal risks facing the Company are outlined below with full detail being included on pages 22 to 26 of the 2023 Annual Report and Accounts of Ibstock Plc, which does not form part of this report. The principal risks include business continuity, regulatory and compliance, people and talent management, cyber and information system, health, safety and environment, economic conditions, financial risk management, maintaining customer relationships and market reputation, climate change, anticipating product demand and innovation and major project delivery.

The Company's key financial risk management objective and policy are as per the below:

#### **Financial risk management**

The Company's key financial risk management objective and policy are as per the below:

#### **Credit Risk**

The Company's principal financial assets are intercompany receivables and investments. The Company's credit risk is primarily attributable to intercompany balances. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. No allowances have been recognised as at 31 December 2023 or 31 December 2022.

# Ibstock Building Products Limited

## Strategic Report (continued)

### Stakeholder statements

#### Other stakeholders

From the perspective of the Directors, as a result of the Group's governance structure, the ultimate parent Company's Board has taken the lead in carrying out the duties of the Directors in respect of the Company's other stakeholders. The Directors have also considered relevant matters, where appropriate. An explanation of how the Directors on the ultimate parent Company's Board have considered the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including the principal decisions taken by the Company during the financial year, is set out (for the Group and for this entity) on pages 38 to 43 of the Annual Report and Accounts 2023 of Ibstock Plc, which does not form part of this report.

Further details also can be found in the section 172(1) statement below.

#### Section 172(1) statement

The Company is a holding company for the principal subsidiaries as set out in note 7 of the Company's Annual Report and Financial Statements and has no suppliers, customers, communities, direct investors or employees. The Company's only stakeholders are therefore the Group, its subsidiaries/subsidiary, and Government & Regulators.

The Group's executive directors sit on the boards of each of the Company, the ultimate parent company and the Company's subsidiaries. This forms the primary communication between stakeholders and facilitates effective open, transparent and two-way engagement, any appropriate feedback from which forms part of each board's strategic discussions. This structure supports the board in performing its duties in compliance with the matters set out in section 172(1) of Companies Act 2006 ('s172').

The Directors ensure legislative and regulatory compliance with access to subject matter expertise and training as part of the on-going Group's compliance programme.

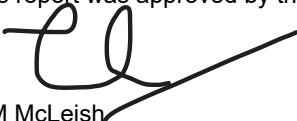
During the year, the Board continued to ensure that the Company and Group's strategy remained appropriate to deliver the long-term success of the Company, and oversaw Management's execution of the strategy. The Board carefully evaluated the likely consequences of its decisions, challenging management where necessary to ensure that the impact of any decisions over the long-term would be of benefit to the Company.

The Board remains committed to ensuring the business operates with the highest standards of integrity, and continually reviews and tests the compliance arrangements in place. A significant part of the Board's leadership responsibility is to ensure that the Company's purpose, strategy and culture remain aligned, and it recognises that a robust and transparent culture is a solid foundation for maintaining the Company and the Group's reputation for high standards of business conduct. Over the course of the year, the Board has overseen and supported the initiatives undertaken on culture.

It is acknowledged that it is not possible for all of the Board's decisions to result in a positive outcome for every stakeholder group. When making decisions, the Board considers the Company's purpose, vision and values, together with its strategic priorities and takes account of its role as a responsible business. By doing this, the aim is to ensure that decisions are robust and sustainable and drive long-term success for the Company.

To the extent necessary for an understanding of the development, performance and position of the entity, an explanation of how the ultimate parent Company's Board has considered the matters set out in s172 (for the Group and for the entity) is set out on page 42 and 43 of the Annual Report and Accounts 2023 of Ibstock Plc, which does not form part of this report.

This report was approved by the Board on 4 July 2024 and signed on its behalf by:



C M McLeish

**Director**

04 July 2024

**Directors' Report**

The Directors present their report and audited financial statements for the year ended 31 December 2023.

The Company has chosen, in accordance with Section 414 C(11) of the Companies Act 2006, to include certain matters in its Strategic report that would otherwise be required to be disclosed in this Directors' report. Details of the Company's Shareholder statements, financial risk management policies and principle activities and future developments, can be found in the Strategic report on pages 2 to 3 and form part of this report by cross reference.

**Directors**

The following persons served as Directors during the year and up to the date of approval of the financial statements:

C M McLeish  
J H Hudson

**Energy and carbon reporting**

The Company has taken advantage of the disclosure exemptions available to it as it meets the definition under Schedule 7 (1A) of the Large and medium-sized companies and Groups (Accounts and Reports) Regulations. The Company is an indirect subsidiary of, and is included within the consolidated financial statements of, Ibstock Plc, which has the same financial year end as the Company.

**Auditor**

Deloitte LLP have expressed their willingness to continue in office as auditors and appropriate arrangements are being made for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

**Disclosure of information to auditors**

Each person who was a Director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the 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.

**Going concern**

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements. This is based on an expectation that the Company and its ultimate parent group ('the Group') have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements.

From the Company's perspective, the Group has confirmed to the Directors that it will support the Company until at least 12 months from the date of this report in meeting its liabilities as they fall due, to the extent that money is not otherwise available to meet such liabilities.

In arriving at their conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources available within the Group are sufficient to accommodate the principal risks and uncertainties faced by the Company.

The Group has financing arrangements, comprising £100 million of private placement notes with maturities of between 7 and 12 years and a £125 million RCF for an initial four-year tenor, with an enacted one year extension option, both of which were arranged in 2021. At 31 December 2023 the Group had drawn £25 million under the RCF.

The Group's financial planning and forecasting process consists of a budget for the next year followed by a medium term projection. The Directors have reviewed and robustly challenged the assumptions about future trading performance, operational and capital expenditure and debt requirements within these forecasts including the Group's liquidity and covenant forecasts, and stress testing within their going concern assessment.

**Directors' Report (continued)**

**Going concern (continued)**

The key uncertainty faced by the Group is the industry demand for its products in light of macroeconomic factors. Accordingly, the Group has modelled financial scenarios which see reduction in the industry demands for its products thereby stress testing the Group's resilience. Further detail on the Group's scenario modelling is included on page 70 of the Annual report and accounts 2023 of Ibstock Plc.

Having taken account of the various scenarios modelled, and in light of the mitigations available to the Group, the Directors are satisfied that the Company has sufficient resources and support of its parent to continue in operation for a period of not less than 12 months from the date of approval of this report. Accordingly, the financial information are prepared on a going concern basis.

**Dividends**

No dividend was paid in the current or preceding period. The Directors do not recommend the payment of dividend after the balance sheet date.

**Subsequent events and future outlook**

No subsequent events requiring disclosure or adjustments to these financial statements have been identified since the balance sheet date.

This report was approved by the Board on 4 July 2024 and signed on its behalf by:



C M McLeish  
**Director**  
04 July 2024

## **Ibstock Building Products Limited**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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; 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



## Ibstock Building Products Limited

### Income Statement

for the year ended 31 December 2023

	Notes	2023 £000	2022 £000
<b>Revenue</b>	2	33,785	31,220
Cost of sales		-	-
<b>Gross profit</b>		<u>33,785</u>	<u>31,220</u>
Administrative expenses		(1)	-
<b>Operating profit</b>	3	<u>33,784</u>	<u>31,220</u>
Interest receivable and similar income	5	210	-
Interest payable and similar expenses	6	(32)	-
<b>Profit before taxation</b>		<u>33,962</u>	<u>31,220</u>
Tax on profit	7	(7,981)	(5,932)
<b>Profit for the financial year</b>		<u><u>25,981</u></u>	<u><u>25,288</u></u>

All activities arise from continuing operations.

The notes on pages 10 to 15 form an integral part of the financial statements.

There are no other items of comprehensive income or loss in the current or prior year other than those included in the Income Statement and accordingly no separate statement of other comprehensive income has been presented.

**Statement of Financial Position**

as at 31 December 2023

	Notes	2023 £000	2022 £000
<b>Fixed assets</b>			
Investments	8	124,547	124,297
<b>Current assets</b>			
Debtors	9	464,451	438,714
Cash at bank and in hand		10	28
		<u>464,461</u>	<u>438,742</u>
<b>Creditors: amounts falling due within one year</b>	10	(285,960)	(285,972)
<b>Net current assets</b>		<u>178,501</u>	<u>152,770</u>
<b>Total assets less current liabilities</b>		<u>303,048</u>	<u>277,067</u>
<b>Net assets</b>		<u><b>303,048</b></u>	<u><b>277,067</b></u>
<b>Capital and reserves</b>			
Called-up share capital	11	10,500	10,500
Share premium account	11	94,500	94,500
Other reserves	11	98,250	98,250
Profit and loss account	11	99,798	73,817
<b>Total shareholders' funds</b>		<u><b>303,048</b></u>	<u><b>277,067</b></u>

The notes on pages 10 to 15 form an integral part of the financial statements.

These financial statements were approved by the Board and authorised for issue on 4 July 2024 and signed on its behalf by:



C M McLeish  
**Director**  
 04 July 2024

## Ibstock Building Products Limited

### Statement of Changes in Equity

for the year ended 31 December 2023

	<b>Called-up share capital £000</b>	<b>Share premium account £000</b>	<b>Other reserves £000</b>	<b>Profit and loss account £000</b>	<b>Total £000</b>
<b>At 1 January 2022</b>	10,500	94,500	98,250	48,529	251,779
Profit for the financial year	-	-	-	25,288	25,288
Total comprehensive income	-	-	-	25,288	25,288
<b>At 31 December 2022</b>	<b>10,500</b>	<b>94,500</b>	<b>98,250</b>	<b>73,817</b>	<b>277,067</b>
<b>At 1 January 2023</b>	10,500	94,500	98,250	73,817	277,067
Profit for the financial year	-	-	-	25,981	25,981
Total comprehensive income	-	-	-	25,981	25,981
<b>At 31 December 2023</b>	<b>10,500</b>	<b>94,500</b>	<b>98,250</b>	<b>99,798</b>	<b>303,048</b>

The notes on pages 10 to 15 form an integral part of the financial statements.

# Ibstock Building Products Limited

## Notes to the Financial Statements

for the year ended 31 December 2023

### 1 Summary of material accounting policies

#### **Statement of compliance**

Ibstock Building Products Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Registered Office is Leicester Road, Ibstock, Leicestershire, United Kingdom, LE67 6HS.

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 December 2023.

The company's principle activities are disclosed within the strategic report.

#### **Basis of preparation**

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards. The financial statements are prepared in Sterling which is the functional currency of the Company and rounded to the nearest £'000.

Under s400 (2) of the Companies Act 2006, the Company has not presented consolidated financial statements as these are included in the consolidated financial statements of the ultimate parent undertaking. Accordingly, the financial statements present information regarding the Company as an individual undertaking and not as a Group.

#### **Reduced disclosure exemptions**

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to presentation of a cash flow statement and remuneration of key management personnel.

#### **Investments**

Investments are stated at the lower of cost or recoverable amount. The carrying values of investments are reviewed for impairment in years if events or changes in circumstances indicate that the carrying value may not be recoverable. At the year end a review was performed comparing the net carrying value of investments within the financial statements, to the level of shareholder funds held within the subsidiary undertaking. This review resulted in there being no impairment required for the year ended 31 December 2023. The Directors do not anticipate a significant risk of material impairment during the year ended 31 December 2024.

#### **Going concern**

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements. This is based on an expectation that the Company and its ultimate parent group ('the Group') have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements.

From the Company's perspective, the Group has confirmed to the Directors that it will support the Company until at least 12 months from the date of this report in meeting its liabilities as they fall due, to the extent that money is not otherwise available to meet such liabilities.

In arriving at their conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources available within the Group are sufficient to accommodate the principal risks and uncertainties faced by the Company.

The Group has financing arrangements, comprising £100 million of private placement notes with maturities of between 7 and 12 years and a £125 million RCF for an initial four-year tenor, with an enacted one year extension option, both of which were arranged in 2021. At 31 December 2023 the Group had drawn £25 million under the RCF.

The Group's financial planning and forecasting process consists of a budget for the next year followed by a medium term projection. The Directors have reviewed and robustly challenged the assumptions about future trading performance, operational and capital expenditure and debt requirements within these forecasts including the Group's liquidity and covenant forecasts, and stress testing within their going concern assessment.

The key uncertainty faced by the Group is the industry demand for its products in light of macroeconomic factors. Accordingly, the Group has modelled financial scenarios which see reduction in the industry demands for its products thereby stress testing the Group's resilience. Further detail on the Group's scenario modelling is included on page 70 of the Annual report and accounts 2023 of Ibstock Plc.

Having taken account of the various scenarios modelled, and in light of the mitigations available to the Group, the Directors are satisfied that the Company has sufficient resources and support of its parent to continue in operation for a period of not less than 12 months from the date of approval of this report. Accordingly, the financial information are prepared on a going concern basis.

#### **Debtors**

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

# Ibstock Building Products Limited

## Notes to the Financial Statements

for the year ended 31 December 2023

### 1 Summary of material accounting policies (continued)

#### **Turnover**

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income, including income other financial instruments, is recognised using the effective interest method.

#### **Borrowing costs**

Borrowing costs are expensed as incurred, except for borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes substantial period of time to get ready for its intended use, in which case they are capitalised as part of the cost of that asset. Capitalisation of borrowing costs commences when expenditures for the asset and borrowing costs are being incurred and the activities to prepare the asset for its intended use are in progress. Borrowing costs are capitalised up to the date when the project is completed and ready for its intended use. There were no borrowing costs capitalised during the current or prior year.

#### **Borrowings**

Borrowings are recognised initially at fair value, net of directly attributable transaction costs incurred. All other costs are expensed as incurred. Borrowings are subsequently carried at amortised cost; any difference between the fair value initially recognised and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. The effective interest method takes into account estimations of future cash flows associated with the instrument. Management are required to reassess these estimates at each reporting date and where the expectations of the nature and timing of cash flows change a one-off adjustment is required to alter the carrying value of the instrument in accordance with the new expectations.

Finance cost on borrowings is treated as an expense in the income statement.

#### **Creditors**

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

#### **Taxation**

A current tax liability is recognised for the tax payable on the taxable profit of the current and past years. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous year.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Current and deferred tax assets and liabilities are not discounted.

#### **Reduced disclosure exemptions**

Under FRS 102 (Section 1.12 (b)), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent company (Ibstock plc) includes the company's cash flows in its own published consolidated financial statements.

The Company is a qualifying entity and has also taken advantage of the financial instrument disclosure requirement exemptions, share based payment exemptions and exemption from disclosing key management compensation (other than Director's emoluments) under FRS (Section 1.12).

# Ibstock Building Products Limited

## Notes to the Financial Statements

for the year ended 31 December 2023

### 1 Summary of material accounting policies (continued)

#### *Critical accounting estimates and key sources of estimation uncertainty*

No critical judgements or estimates were made in applying the Company's accounting policies for the current year.

### 2 Revenue

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Interest receivable	<u>33,785</u>	<u>31,220</u>

Interest receivable represents interest on a loan granted to Figgs Bidco Limited, a subsidiary undertaking, which carries 8% interest per annum. Accrued interest is included in amounts owed by subsidiary undertakings as disclosed in Note 9.

### 3 Operating profit

Auditor's remuneration for the audit of these financial statements costs of £11,146 (2022: £11,000) are borne by Ibstock Plc.

### 4 Staff costs

The Company has no employees other than Directors. The Directors' services to the Company do not occupy a significant amount of their time. As such the Directors do not consider that they have received any remuneration for their inconsequential services to the Company for the year ended 31 December 2023 (2022: £nil).

### 5 Interest receivable and similar income

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Interest receivable	<u>210</u>	<u>-</u>
	<u>210</u>	<u>-</u>

Interest receivable represents interest on a loan granted to Figgs Bidco Limited, which carries 8% interest per annum. Accrued interest is included in amounts owed by subsidiary undertakings as disclosed in Note 9.

### 6 Interest payable and similar expenses

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Interest payable on bank borrowings	<u>32</u>	<u>-</u>
	<u>32</u>	<u>-</u>

### 7 Tax on profit

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Analysis of tax charge is made up as follows:</b>		
Current tax:		
UK corporation tax on profit of the year	7,981	5,932
Tax charge on profit	<u>7,981</u>	<u>5,932</u>

#### **Factors affecting tax charge**

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Profit before tax	<u>33,962</u>	<u>31,220</u>
Standard rate of corporation tax in the UK	23.50%	19.00%
Profit multiplied by the standard rate of corporation tax	7,981	5,932
Tax charge on profit	<u>7,981</u>	<u>5,932</u>

There are no recognised or unrecognised amounts in respect of deferred tax for the year.

#### **Factors that may affect future tax charges**

There are no factors that may affect future tax charges.

## Ibstock Building Products Limited

### Notes to the Financial Statements

for the year ended 31 December 2023

#### 8 Investments

	£000
<i>Cost:</i>	
At 1 January 2023	130,308
Additions	250
At 31 December 2023	<u>130,558</u>
<i>Impairment:</i>	
At 1 January 2023	<u>(6,011)</u>
At 31 December 2023	<u>(6,011)</u>
<i>Carrying value:</i>	
At 31 December 2022	<u>124,297</u>
At 31 December 2023	<u>124,547</u>

The Company had the following subsidiaries as at 31 December 2023.

Company	Shares held Class	Proportion of shareholding (%)	Country of Incorporation	Nature of Business
Figgs Bidco Limited	Ordinary	100	UK	Holding company
Ibstock Telling GRC Limited	Ordinary	100	UK	Holding company
Ibstock Group Limited	Ordinary	100	UK	Holding company
Forticrete Limited	Ordinary	100	UK	Manufacturer of concrete products
Anderton Concrete Products Limited	Ordinary	100	UK	Manufacturer and supplier of precast and prestressed concrete products
Supreme Concrete Limited	Ordinary	100	UK	Manufacturer and supplier of precast and prestressed concrete products
Longley Holdings Limited	Ordinary	100	UK	Holding Company
Longley Concrete Limited	Ordinary	100	UK	Manufacturer of concrete products
G-Tech Coper Limited <sup>1</sup>	Ordinary	100	UK	Dormant
Ibstock Brick Holding Company Limited	Ordinary	100	UK	Holding Company
Ibstock Brick Limited	Ordinary	100	UK	Brick sales and brick specials manufacturer
Ibstock Manufacturing Services Limited	Ordinary	100	UK	Brick manufacturer
Kevington Building Products Limited	Ordinary	100	UK	Dormant
Ibstock Brick Leicester Limited	Ordinary	100	UK	Dormant
Ibstock Brick Aldridge Limited	Ordinary	100	UK	Dormant
Ibstock Brick Himley Limited	Ordinary	100	UK	Dormant
Ibstock Westbrick Limited	Ordinary	100	UK	Dormant
Ibstock Brick Aldridge Property Limited	Ordinary	100	UK	Dormant
Moore & Sons Limited	Ordinary	100	UK	Dormant
Manchester Brick and Precast Ltd	Ordinary	100	UK	Dormant
Ibstock Brick Nostell Limited	Ordinary	100	UK	Dormant
Ibstock Brick Roughdales Limited	Ordinary	100	UK	Dormant
Ibstock Brick Cattybrook Limited	Ordinary	100	UK	Dormant
Ibstock Brick Hathernware Limited	Ordinary	100	UK	Dormant
Ibstock Bricks (1996) Limited	Ordinary	100	UK	Property Holding Company
Loopfire Systems Limited	Ordinary	100	UK	Dormant
Generix Facades Limited	Ordinary	100	UK	Manufacturer and supplier of facades
Generix Facades International Limited	Ordinary	100	UK	Dormant
Valerie Coltman Holdings Limited	Ordinary	100	UK	Holding Company
Coltman Precast Concrete Limited	Ordinary	100	UK	Manufacturer and

<sup>1</sup> Longley Precast Limited was renamed as G-Tech Coper Limited on 12 June 2023.

Figgs Bidco Limited, Generix Facades Ltd and Ibstock Telling GRC Limited are owned directly by Ibstock Building Products Limited. All other companies are indirectly owned.

On 29 July 2022, the Group acquired 75% of the share capital of Generix Facades Limited for cash consideration of £1.0 million, which was paid during the prior year. Deferred consideration of £0.1 million was paid in July 2023. The values of acquired assets associated with the acquisition were finalised during the current year with no updates to provisional value assigned, which were set out on page 190 of the Group's 2022 Annual Report and Accounts.

In December 2023, the Group acquired the remaining 25% of share capital for a consideration of £0.3 million.

# Ibstock Building Products Limited

## Notes to the Financial Statements

for the year ended 31 December 2023

### 8 Investments (Continued)

On 30 November 2023, the Group acquired 100% of the share capital of Valerie Coltman Holdings Limited and its subsidiary Coltman Precast Concrete Limited. The acquisition of the Coltman business will expand the Group's Concrete segment and supports further growth in precast and prestressed concrete business. The headline price for the acquisition was £3.4 million. The net cash paid in 2023 totalled £2.7 million (comprising gross payments of £5.2 million less cash acquired of £2.5 million). This net payment of £2.7 million excluded £0.7 million of the headline consideration, withheld ahead of finalisation of closing adjustments, which was concluded during the first quarter 2024.

The country of incorporation is the same as the place of business for all the above entities. All entities have the same registered office as the ultimate Parent Company, Leicester Road, Ibstock, Leicestershire LE67 6HS.

### 9 Debtors

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by subsidiary undertakings	446,851	413,018
Amounts owed by parent undertaking	17,600	25,696
	<u>464,451</u>	<u>438,714</u>

Amounts owed by subsidiary undertakings includes a loan granted to Figgs Bidco Limited which carries interest of 8% per annum. The loan is unsecured and repayable on demand. The amount disclosed in this note includes accrued interest. Amounts owed by parent undertaking and by subsidiary undertakings (excluding Figgs Bidco Limited) are unsecured, do not carry interest and are repayable on demand.

These amounts have been recorded as current assets as plans are being put in place to settle them with their related counterparties and these are not expected to be used on a continuing basis.

### 10 Creditors: amounts falling due within one year

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to subsidiary undertakings	285,960	285,860
Deferred consideration	-	112
	<u>285,960</u>	<u>285,972</u>

Amounts owed to subsidiary undertakings represent current account balances at year end, which carry no interest, are unsecured and are repayable on demand.

The Group has an interest bearing overdraft facility of £10 million as part of the Group's cash pooling arrangements.

### 11 Capital and reserves

	<b>Nominal</b>		<b>2023</b>	<b>2022</b>
	<b>value</b>	<b>Number</b>	<b>£000</b>	<b>£000</b>
Allotted, called up and fully paid:				
Ordinary shares	£0.10 each	105,000,000	<u>10,500</u>	<u>10,500</u>

The Ordinary shares give full voting, dividend and capital distribution rights. There has been no change in ordinary shares allotted, called up and fully paid during the year.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

Other reserves represents a capital contribution £98,250,000 made by company's immediate parent company.

The profit and loss reserve represents cumulative profit or losses net of dividends and other adjustments.



## **Ibstock Building Products Limited**

### **Notes to the Financial Statements**

for the year ended 31 December 2023

#### **12 Related party transactions**

The Company is a wholly owned subsidiary of Ibstock Plc as at 31 December 2023, the consolidated financial statements of which are publicly available at Ibstock plc, Leicester Road, Ibstock, Leicestershire, United Kingdom, LE67 6HS. Accordingly, the Company has taken advantage of the exemption in FRS 102.33.1A, from disclosing transactions with members of Ibstock Plc Group. Related party balances are disclosed in Note 9 and Note 10.

#### **13 Controlling party**

The Company's immediate and ultimate parent company, ultimate controlling party and the only Group company into which this company is consolidated is Ibstock Plc. Ibstock Plc has the same registered office address as the Company.

The parent of the smallest and largest group in which these financial statements are consolidated is Ibstock Plc, incorporated in England.

The address of Ibstock plc is: Leicester Road, Ibstock, Leicestershire, United Kingdom, LE67 6HS.

These financial statements are available on request from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

#### **14 Subsequent events**

No subsequent events requiring disclosure or adjustments to these financial statements have been identified since the balance sheet date.

## **Independent auditor's report to the members of Ibstock Building products Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Ibstock Building Products Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31<sup>st</sup> December 2023 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:

- Income Statement
- Statement of Financial Position
- Statement of changes in Equity
- the related notes 1 to 14.

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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

information contained within the annual report. 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.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit, and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework[s] that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included employment law, occupational health and safety regulations, the Environment Act, the Water Framework Directive, the Waste Directive, the Environmental Protection Act and the Energy Efficiency Directive.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations, pensions, IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

#### **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 or 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 our 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.

A handwritten signature in black ink, appearing to read 'L Highton', with a long horizontal stroke extending to the right.

Lee Highton (FCA)  
(Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Birmingham, United Kingdom  
4<sup>th</sup> July 2024