

# **DRC POLYMER PRODUCTS LIMITED**

## **Directors' report and Financial Statements**

**30 JUNE 2015**

COMPANY REGISTRATION No. 410413



# **DRC POLYMER PRODUCTS LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2014/2015**

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## **DRC POLYMER PRODUCTS LIMITED**

### **DIRECTORS' REPORT**

The directors' present their annual report and the audited financial statements for the year ended 30 June 2015.

### **PRINCIPAL ACTIVITIES**

DRC Polymer Products Limited manufactures a wide range of polymer-based sheet materials for use in a variety of structural waterproofing applications and other more specialist markets such as fireproofing and soundproofing.

### **REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS**

The Company made a profit before tax of £2,739 (2014: Profit £32,901).

Turnover has decreased from £96,133 to £14,400 during the year under review. Turnover and gross margin information represent the Key Performance Indicators used to manage the business.

### **DIVIDENDS**

No dividend is recommended (2014: £nil).

### **DIRECTORS**

The directors during the year were as follows:

C A Stott  
D J Pett

### **DISCLOSURE OF INFORMATION TO AUDITORS**

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

The director's report has been prepared taking advantage of the exemptions available to small companies under the Companies Act 2006.

By order of the Board.



D J Pett  
Director

Company Registration No. 410413

## **DRC POLYMER PRODUCTS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable Law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimate 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **DRC POLYMER PRODUCTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRC POLYMER PRODUCTS LIMITED**

We have audited the financial statements of DRC Polymer Products Limited for the year ended 30 June 2015 set out pages 6 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Director's Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition we read all financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its Profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **DRC POLYMER PRODUCTS LIMITED**

### **Opinion of other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

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

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



**Matthew Stallabrass**  
Senior Statutory Auditor

For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor and Chartered Accountants, London

Date: 22 March 2016

**DRC POLYMER PRODUCTS LIMITED****PROFIT AND LOSS ACCOUNT****Year ended 30 June 2015**

	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>TURNOVER</b>	<b>2</b>	<b>14,400</b>	<b>96,133</b>
Cost of sales		-	-
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		<b>14,400</b>	<b>96,133</b>
Administrative expenses		(11,661)	(63,232)
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>		<b>2,739</b>	<b>32,901</b>
Interest payable and similar charges	<b>4</b>	-	-
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>2,739</b>	<b>32,901</b>
Tax on profit on ordinary activities	<b>5</b>	-	41,172
		<hr/>	<hr/>
<b>PROFIT FOR THE YEAR</b>		<b>2,739</b>	<b>74,073</b>
		<hr/>	<hr/>

All activities were continuing throughout the year.

The Company had no recognised gains or losses in either the current or preceding year other than the profit for the year.

There is no material difference between the results as disclosed and the results calculated on an unmodified historical cost basis.

# DRC POLYMER PRODUCTS LIMITED

## BALANCE SHEET 30 June 2015

	Note	2015 £	2014 £
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due within one year	6	606,765	593,307
Cash at bank & in hand		<u>-</u>	<u>-</u>
		606,765	593,307
<b>CREDITORS: amounts falling due within one year</b>	7	(308,556)	(297,837)
<b>NET CURRENT ASSETS</b>		<u>298,209</u>	<u>295,470</u>
<b>NET ASSETS</b>		<u>298,209</u>	<u>295,470</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	4,500,000	4,500,000
Profit and loss account	9	<u>(4,201,791)</u>	<u>(4,204,530)</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>	10	<u>298,209</u>	<u>295,470</u>

The financial statements were approved and authorised for issue by the board on 17/3/16 and signed on its behalf

  
D J Pett  
Director



## **DRC POLYMER PRODUCTS LIMITED**

### **NOTES TO THE ACCOUNTS**

**Year ended 30 June 2015**

#### **1 ACCOUNTING POLICIES**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

##### **Basis of accounting**

The financial statements are prepared on a going concern basis and the directors confirm that they have received confirmation from the parent company that it intends to provide financial support as necessary for the company to continue to meet its financial obligations as they fall due for the foreseeable future.

##### **Turnover**

Turnover represents net invoiced sales excluding value added tax.

##### **Tangible fixed assets**

Depreciation is provided on cost or revalued amounts in equal annual instalments over the estimated useful lives of the assets.

The rates of depreciation are as follows:

Plant and machinery	5%-10%	per annum straight line
Motor vehicles	25%	per annum straight line
Fixtures, fittings, tools and equipment	20%-50%	per annum straight line

##### **Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production.

##### **Taxation**

The charge for taxation is based on the Profit for the year and takes into account deferred taxation. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

The company recognises a deferred tax asset in respect of past trading losses to the effect that the directors believe future taxable profits will arise.

## **DRC POLYMER PRODUCTS LIMITED**

### **NOTES TO THE ACCOUNTS**

**Year ended 30 June 2015**

#### **Leases**

Costs in respect of operating leases are charged on a straight line basis over the lease term. Leasing agreements which transfer to the company substantially all the benefits of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligation under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit so as to give a constant periodic amount of charge on the remaining balance outstanding at each accounting period. Assets held under finance leases are depreciated over the useful lives of equivalent owned assets.

#### **Cash Flow Statement**

The company has not provided a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking which satisfies the requirements of paragraph 5a of FRS1 (Revised 1996) Cash Flow Statements.

#### **Research and Development**

Expenditure on research and development is generally charged against profits in the year in which it is incurred unless it meets the requirements of SSAP13 in which case it is capitalised and amortised over the expected useful life of the product.

## **DRC POLYMER PRODUCTS LIMITED**

### **NOTES TO THE ACCOUNTS (Continued)**

**Year ended 30 June 2015**

#### **2 TURNOVER**

All turnover arose in the United Kingdom.

#### **3 INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

No director was paid by the company in either the current or preceding year. No pension contributions were paid to directors in either year.

#### **4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>2015 £</b>	<b>2014 £</b>
<b>This is stated after charging:</b>		
Auditor's remuneration		
- Audit of these financial statements	1,000	1,000

#### **5 TAX ON PROFIT ON ORDINARY ACTIVITIES**

<b>Analysis of tax charge in the year</b>	<b>2015 £</b>	<b>2014 £</b>
Current taxation – UK corporation tax charge	-	6,002
Deferred taxation		
Origination and reversal of timing differences	-	(47,174)
<b>Tax charge for the year</b>	<b>-</b>	<b>(41,172)</b>

**DRC POLYMER PRODUCTS LIMITED****NOTES TO THE ACCOUNTS (Continued)**  
**Year ended 30 June 2015****5 TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)**

The current tax charge for the year is lower than the standard rate of corporation tax in the UK 20% (2014: 22.50%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before taxation	2,739	32,901
Current tax at 20% (2014: 22.5%)	548	7,403
Effects of:		
Depreciation in excess of capital allowances	-	-
Losses brought forward utilised	(548)	(1,401)
Total current tax	-	6,002

**6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade debtors	2,880	4,320
Other debtors	401,076	370,728
Taxation and social security	2,809	18,259
Amounts owed by group undertakings	200,000	200,000
	606,765	593,307

**7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Bank loans and overdraft	285,363	226,450
Trade creditors	15,901	65,185
Amounts owed to group undertakings	-	-
Accruals and deferred income	1,290	200
Corporation Tax	6,002	6,002
	308,556	297,837

The bank loans and overdraft are secured by a fixed and floating charge over all the assets of the Company.

**DRC POLYMER PRODUCTS LIMITED**

**NOTES TO THE ACCOUNTS (Continued)**

**Year ended 30 June 2015**

**8 CALLED UP SHARE CAPITAL**

	<b>2015 £</b>	<b>2014 £</b>
<b>Authorised</b>		
5,500,000 ordinary shares of £1 each	5,500,000	5,500,000
<b>Allotted, called up and fully paid</b>		
4,499,000 (2012: 4,499,000) ordinary shares of £1 each	4,499,000	4,499,000
1,000 redeemable deferred ordinary shares of £1 each	1,000	1,000
	<u>4,500,000</u>	<u>4,500,000</u>

**9 RESERVES**

	<b>Profit and Loss Account</b>
At 30 June 2014	(4,204,530)
Profit for the year	<u>2,739</u>
At 30 June 2015	<u>(4,201,791)</u>

**10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS (DEFICIT)/FUNDS**

	<b>Year Ended 30 June 2015 £</b>	<b>Year Ended 30 June 2014 £</b>
Profit for the year	2,739	74,073
Shareholders' funds/(deficit) at beginning of the year	295,470	221,397
Shareholders' funds/(deficit) at end of the year	<u>298,209</u>	<u>295,470</u>

## **DRC POLYMER PRODUCTS LIMITED**

### **NOTES TO THE ACCOUNTS (Continued)**

**Year ended 30 June 2015**

#### **11 CONTINGENT LIABILITIES**

The Company has guaranteed the bank borrowings of certain of its fellow group undertakings.

#### **12 RELATED PARTIES**

The Company has taken advantage of the exemptions available under paragraph 3[c] of FRS8 relating to related party transactions.

#### **13 PARENT COMPANY**

The Company is a subsidiary undertaking of SWP Group plc. The financial statements of the company are included within the consolidated financial statements of SWP Group plc. Copies of the consolidated financial statements may be obtained from The Secretary, SWP Group plc, Bedford House, 1 Regal Lane, Soham, Cambridgeshire CB7 5BA .