

**ADHESIVE SPECIALITIES LTD**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 MARCH 2018**

**ADHESIVE SPECIALITIES LTD**  
**REGISTERED NUMBER: 00957040**

**BALANCE SHEET**  
**AS AT 31 MARCH 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	3	316,894	371,771
		<u>316,894</u>	<u>371,771</u>
<b>Current assets</b>			
Stocks		551,709	464,391
Debtors: amounts falling due within one year	4	3,097,955	2,990,691
Cash at bank and in hand		27,173	67,317
		<u>3,676,837</u>	<u>3,522,399</u>
Creditors: amounts falling due within one year	5	(2,121,328)	(2,101,629)
<b>Net current assets</b>		<u>1,555,509</u>	<u>1,420,770</u>
<b>Total assets less current liabilities</b>		<u>1,872,403</u>	<u>1,792,541</u>
Creditors: amounts falling due after more than one year		-	(26,260)
<b>Provisions for liabilities</b>			
Deferred tax		(21,019)	(28,413)
		<u>(21,019)</u>	<u>(28,413)</u>
<b>Net assets</b>		<u><u>1,851,384</u></u>	<u><u>1,737,868</u></u>
<b>Capital and reserves</b>			
Called up share capital		1,200,000	1,200,000
Profit and loss account		651,384	537,868
		<u><u>1,851,384</u></u>	<u><u>1,737,868</u></u>

**ADHESIVE SPECIALITIES LTD**  
**REGISTERED NUMBER: 00957040**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2018**

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

.....

**Mr S W Gibson**

Director

Date: 15 October 2018

The notes on pages 3 to 8 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

**1. General information**

Adhesive Specialities Limited is a private company limited by share capital and incorporated in England and Wales. The address of the registered office and principal place of business is Tickitape House, 31 Bone Lane, Newbury, Berkshire, RG14 5SH.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Revenue**

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

**Sale of goods**

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

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

**2.3 Tangible fixed assets**

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

**2. Accounting policies (continued)**

**2.3 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	- 10% - 20%
Motor vehicles	- 25%
Fixtures & fittings	- 20%
Computer equipment	- 20%

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

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

**2.4 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 systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

**2.5 Stocks**

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

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

**2.6 Debtors**

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

**2.7 Cash and cash equivalents**

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

**2. Accounting policies (continued)**

**2.8 Financial instruments**

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

**2.9 Creditors**

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

**2.10 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.11 Leased assets: the Company as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Comprehensive Income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018

2. Accounting policies (continued)

2.12 Pensions

**Defined contribution pension plan**

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

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

2.13 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.14 Current and deferred taxation

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

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

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

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

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

**ADHESIVE SPECIALITIES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**3. Tangible fixed assets**

	<b>Plant &amp; machinery</b>	<b>Motor vehicles</b>	<b>Fixtures &amp; fittings</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>					
At 1 April 2017	876,455	211,174	181,867	266,249	1,535,745
Additions	13,422	-	-	-	13,422
Disposals	(12,051)	-	-	-	(12,051)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	877,826	211,174	181,867	266,249	1,537,116
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
At 1 April 2017	686,460	62,799	158,635	256,080	1,163,974
Charge for the year on owned assets	8,759	46,699	2,595	5,247	63,300
Disposals	(7,052)	-	-	-	(7,052)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	688,167	109,498	161,230	261,327	1,220,222
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 31 March 2018	<u>189,659</u>	<u>101,676</u>	<u>20,637</u>	<u>4,922</u>	<u>316,894</u>
<b>At 31 March 2017</b>	<u>189,995</u>	<u>148,375</u>	<u>23,232</u>	<u>10,169</u>	<u>371,771</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Plant and machinery	-	32,825
Motor vehicles	77,459	85,651
	<hr/>	<hr/>
	<u>77,459</u>	<u>118,476</u>



# ADHESIVE SPECIALITIES LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

### 4. Debtors

	2018 £	2017 £
Trade debtors	1,050,173	1,051,207
Amounts owed by group undertakings	1,932,582	1,824,797
Other debtors	80,400	80,400
Prepayments and accrued income	34,800	34,287
	<u>3,097,955</u>	<u>2,990,691</u>

### 5. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	-	2,961
Trade creditors	845,710	695,940
Corporation tax	38,810	28,107
Other taxation and social security	98,910	105,373
Obligations under finance lease and hire purchase contracts	27,207	63,978
Other creditors	970,174	982,476
Accruals and deferred income	140,517	222,794
	<u>2,121,328</u>	<u>2,101,629</u>

Included within other creditors is an amount of £963,192 (2017: £975,508) relating to the invoice discounting facility for trade debts. The facility agreement is secured by a fixed charge over the book debts and a floating charge over the assets and undertakings of the company.

### 6. Controlling party

The ultimate parent company at the balance sheet date is AS (Tapes) Limited.

The parent of the smallest and largest group for which group accounts including Adhesive Specialities Limited are drawn up is A S Tapes Limited. Copies of these accounts may be obtained from the registered office.

### 7. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2018 was unqualified.

The audit report was signed on 15 October 2018 by Jonathan Baillie BA (Hons) FCCA ACA (Senior Statutory Auditor) on behalf of James Cowper Kreston.



This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.