COMPANY REGISTRATION NUMBER: 1052410

Apollo Chemicals Limited

Financial Statements

30 April 2018

Apollo Chemicals Limited

Financial Statements

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Apollo Chemicals Limited

Officers and Professional Advisers

The board of directors	Mr J.H. Saunders Mrs G. Saunders Mr I.J. Cornelius
Company secretary	Mrs C. Saunders
Registered office	Ashford House 95 Dixons Green Dudley West Midlands DY2 7DJ
Auditor	Ronald Shaw & Co Chartered accountant & statutory auditor Ashford House 95 Dixons Green Dudley West Midlands DY2 7DJ
Bankers	Svenska Handlesbanken AB(publ) Bitterscote House Bonehill Road Tamworth B78 3HQ
Solicitors	Waldrons Solicitors Capstan House The Waterfront Merry Hill West Midlands DY5 1XL

Strategic report

The directors present their Strategic Report for the year ended 30th April 2018.

Principal activities, review of the business and future development

The principal activity of the company during the year consisted of manufacturing of a broad range of adhesives, sealants and coatings, suitable to serve and support all markets. There has been no significant change in this activity during the year.

	2018	2017
	£	£
Turnover from continuing operations	28,939,696	24,804,295
Operating profit	2,188,639	2,100,930

The directors continue to focus on its vision by building long-term partnerships, adding value and building trust. By maintaining the management policies which have resulted in strong financial performance in recent years they will continue to add value across the supply chain, which is communicated via their brand promise 'more than adhesives'. They consider that although the year ahead appears challenging, they will maintain their current levels of performance, quality of service, and product development through smart investment in people and facilities. The directors consider the state of affairs of the company to be very satisfactory for the period and the outlook for the business to be extremely favourable.

Risk and uncertainties

Financial risk management objectives and policies The company finances its operations through a mixtures of retained profits, bank borrowings and where necessary to fund capital expenditure programmes through hire purchase financing arrangements. The management's objectives are to: (a)retain sufficient liquid funds to enable it to meet its day to day obligations as they fall due; and (b)match the repayment schedule of any external finance with the expected future cash flows expected to arise from the company's trading activities. As the company's surplus funds are primarily invested in sterling bank accounts, this limits exposure to price risk. The company has a normal level of exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling. The company does not enter into any hedging transactions.

This report was approved by the board of directors on 2 January 2019 and signed on behalf of the board by:
Mrs C. Saunders Company Secretary

Apollo Chemicals Limited

Directors' Report

Year ended 30 April 2018

The directors present their report and the financial statements of the company for the year ended 30 April 2018 .

Directors

The directors who served the company during the year were as follows:

Mr J.H. Saunders

Mrs G. Saunders

Mr I.J. Cornelius

Dividends

The directors do not recommend the payment of a dividend.

Events after the end of the reporting period

In September 2018 the company made an arrangement to settle outstanding tax liabilities of £5,146,539 in respect of prior years tax planning, shown in note 11 to these accounts. This may be subject to corporation tax relief in part.

Research and development

The company undertakes research and development activities, involving new product invention and new production service functions.

Donations

During the year the company made charitable donations of £3,500 (2017 £2,800)

Going concern

The company has a strong balance sheet, and the directors consider that the future prospects of the company are good.

The directors have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Disclosure of information in the strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies (Accounts and Reports) Regulations 2008. It has done so in respect of future developments and financial risk management objectives and policies.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 judgments and accounting estimates that are reasonable and prudent; - 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. Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 2 January 2019 and signed on behalf of the board by:

Mrs C. Saunders Company Secretary

Apollo Chemicals Limited

Independent Auditor's Report to the Members of Apollo Chemicals Limited

Year ended 30 April 2018

Opinion

We have audited the financial statements of Apollo Chemicals Limited (the 'company') for the year ended 30 April 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its loss for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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 the 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. This report is made solely to the company shareholders, 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 shareholders those matters we are required to state to them, in an auditors 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 shareholders as a body, for my audit work for this report, or for the opinions we have formed.

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. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Robert Pawlowski FCA
(Senior Statutory Auditor)
For and on behalf of
Ronald Shaw & Co
Chartered accountant & statutory auditor
Ashford House
95 Dixons Green
Dudley
West Midlands
DY2 7DJ
3 January 2019

Apollo Chemicals Limited

Statement of Comprehensive Income

Year ended 30 April 2018

	Note	2018		2017	
		£		£	
Turnover	4	**28,939,696**		24,804,295	
Change in stocks of finished goods and in work in progress		**395,333**		(812,181)	
		29,335,029		23,992,114	
Raw material and consumables			**17,982,263**		13,509,782
Other external charges			**625,735**		518,989
Staff costs	7		**5,553,455**		5,113,706
Depreciation and other amounts written off tangible and intangible fixed assets			**326,522**		352,291
Other operating expenses			**2,658,415**		2,396,416
Operating profit	5		**2,188,639**		2,100,930
Other interest receivable and similar income	9	**2,658**		5,479	
Interest payable and similar expenses	10	**37,154**		36,375	
Profit before taxation		**2,154,143**		2,070,034	
Tax on profit	11	**5,464,240**		317,831	
(Loss)/profit for the financial year and total comprehensive income		**(3,310,097)**		1,752,203	

All the activities of the company are from continuing operations.

Apollo Chemicals Limited

Statement of Financial Position

30 April 2018

	Note	2018 £	2018 £	2017 £
Fixed assets				
Tangible assets	**12**		**3,049,158**	2,952,916
Current assets				
Stocks	**13**	**3,182,499**		2,776,133
Debtors	**14**	**7,042,083**		5,988,124
Cash at bank and in hand		**3,564,417**		3,532,809
		13,788,999		12,297,066
Creditors: amounts falling due within one year	**15**	**11,072,680**		6,361,750
Net current assets			**2,716,319**	5,935,316
Total assets less current liabilities			**5,765,477**	8,888,232
Creditors: amounts falling due after more than one year	**16**		**1,389,449**	1,200,000
Provisions				
Taxation including deferred tax	**18**		**369**	2,476
Net assets			**4,375,659**	7,685,756
Capital and reserves				
Called up share capital	**22**		**1,405**	1,405
Share premium account	**23**		**139**	139
Revaluation reserve	**23**		**613,146**	613,146
Capital redemption reserve	**23**		**667**	667
Profit and loss account	**23**		**3,760,302**	7,070,399
Shareholders funds			**4,375,659**	7,685,756

These financial statements were approved by the board of directors and authorised for issue on 2 January 2019 , and are signed on behalf of the board by:

Mr J.H. Saunders Director

Company registration number: 1052410

Apollo Chemicals Limited

Statement of Changes in Equity

Year ended 30 April 2018

	Called up share capital	Share premium account	Revaluation reserve	Capital redemption reserve	Profit and loss account	**Total**
	£	£	£	£	£	**£**
At 1 May 2016	1,405	139	613,146	667	5,318,196	5,933,553
Profit for the year					1,752,203	1,752,203
Total comprehensive income for the year	–	–	–	–	1,752,203	1,752,203
At 30 April 2017	1,405	139	613,146	667	7,070,399	**7,685,756**
Loss for the year					(3,310,097)	**(3,310,097)**
Total comprehensive income for the year	–	–	–	–	(3,310,097)	**(3,310,097)**
At 30 April 2018	1,405	139	613,146	667	3,760,302	**4,375,659**

Apollo Chemicals Limited

Statement of Cash Flows

Year ended 30 April 2018

	2018	2017
	£	£
Cash flows from operating activities		
(Loss)/profit for the financial year	**(3,310,097)**	1,752,203
Adjustments for:		
Depreciation of tangible assets	**339,722**	353,991
Other interest receivable and similar income	**(2,658)**	(5,479)
Interest payable and similar expenses	**37,154**	36,375
Gains on disposal of tangible assets	**(13,200)**	(1,700)
Tax on profit	**5,464,240**	317,831
Accrued expenses/(income)	**193,327**	(53,025)
Changes in:		
Stocks	**(406,366)**	(450,227)
Trade and other debtors	**(1,053,959)**	(407,820)
Trade and other creditors	**4,570,206**	(676,652)
Cash generated from operations	**5,818,369**	865,497
Interest paid	**(37,154)**	(36,375)
Interest received	**2,658**	5,479
Tax paid	**(5,488,849)**	(253,967)
Net cash from operating activities	**295,024**	580,634
Cash flows from investing activities		
Purchase of tangible assets	**(435,964)**	(142,678)
Proceeds from sale of tangible assets	**13,200**	1,700
Net cash used in investing activities	**(422,764)**	(140,978)
Cash flows from financing activities		
Proceeds from borrowings	**(202,516)**	147,193
Proceeds from loans from group undertakings	**–**	(23,807)
Proceeds from loans from participating interests	**–**	(8,758)
Payments of finance lease liabilities	**361,864**	–
Net cash from financing activities	**159,348**	114,628
Net increase in cash and cash equivalents	**31,608**	554,284
Cash and cash equivalents at beginning of year	**3,532,809**	2,978,525
Cash and cash equivalents at end of year	**3,564,417**	3,532,809

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Ashford House, 95 Dixons Green, Dudley, West Midlands, DY2 7DJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The tax expense represents the sum of the tax currently payable and deferred tax. Current tax Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. Deferred tax Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted. Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits. Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income. Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilitiesare offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property	-	100 years
Plant & Equipment	-	4 years
Office equipment	-	7 years
Motor Vehicles	-	4 years
Leasehold Property	-	125 years

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stock has been valued at the lower of cost and net realisable value. Cost in the case of products manufactured by the company consists of direct material and labour costs, together with relevant factory overheads.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. A financial instrument is a contract giving rise to a financial asset (such as trade and other debtors, cash and bank balances) or a financial liability (such as trade and other creditors, bank and other loans, hire purchase and lease creditors) or an equity instrument (such as ordinary or preference shares). Financial instruments are recognised in the company's balance sheet when the company becomes a party to the contractual provisions of the instrument. All the company's financial instruments are basic financial instruments and are recognised at amortised cost using the effective interest method. Amortised cost: the original transaction value, less amounts settled, less any adjustment for impairment. Effective interest method: where a financial instrument falls due more than 12 months after the balance sheet date and is subject to a rate of interest which is below a market rate, the original transaction value is discounted using a market rate of interest to give the net present value of future cash flows. Derecognition of financial instruments Financial assets cease to be recognised only when the contractual rights to the cash flows expire, or when substantially all the risks and rewards of ownership are transferred to another entity. Financial liabilities cease to be recognised when and only when the company's obligations are discharged, cancelled, or they expire.

Defined contribution plans

The company operates a defined contribution pensions scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

4. Turnover

Turnover arises from:

	2018	2017
	£	£
Sale of goods	**28,939,696**	24,804,295

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2018	2017
	£	£
United Kingdom	**27,025,696**	22,978,551
Rest of Europe	**1,206,000**	1,256,594
Rest of the World	**708,000**	569,150
	28,939,696	24,804,295

5. Operating profit

Operating profit or loss is stated after charging/crediting:

	2018	2017
	£	£
Gains on disposal of tangible assets	**(13,200)**	(1,700)
Impairment of trade debtors	**–**	19,042
Operating lease rentals	**316,617**	284,159
Depreciation of tangible assets	**233,834**	353,991
Depreciation of tangible assets held under hire purchase	**105,888**	–

6. Auditor's remuneration

	2018	2017
	£	£
Fees payable for the audit of the financial statements	**12,000**	12,000

Fees payable to the company's auditor and its associates for other services:

Other non-audit services	**17,700**	17,700

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2018	2017
	No.	No.
Production staff	**134**	95
Administrative staff	**27**	22
Management staff	**2**	2
Number of sales and techinical staff	**18**	18
	181	137

The aggregate payroll costs incurred during the year, relating to the above, were:

	2018	2017
	£	£
Wages and salaries	**4,798,684**	4,534,282
Social security costs	**510,580**	469,425
Other pension costs	**244,191**	109,999
	5,553,455	5,113,706

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2018	2017
	£	£
Remuneration	**702,016**	640,896

Remuneration of the highest paid director in respect of qualifying services:

	2018	2017
	£	£
Aggregate remuneration	**393,160**	393,160

9. Other interest receivable and similar income

	2018	2017
	£	£
Interest on cash and cash equivalents	**2,658**	5,479

10. Interest payable and similar expenses

	2018	2017
	£	£
Interest on banks loans and overdrafts	**37,154**	36,375

11. Tax on profit

Major components of tax expense

	2018	2017
	£	£
Current tax:		
UK current tax expense	**319,815**	342,317
Adjustments in respect of prior periods	**5,146,532**	(10)
Total current tax	**5,466,347**	342,307
Deferred tax:		
Origination and reversal of timing differences	**(2,107)**	(24,476)
Tax on profit	**5,464,240**	317,831

An adjustment of £5,146,539 has been made in respect prior periods tax planning settlement.

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2017: lower than) the standard rate of corporation tax in the UK of 19 % (2017: 19.92 %).

	2018	2017
	£	£
Profit on ordinary activities before taxation	**2,154,143**	2,070,034
Profit on ordinary activities by rate of tax	**409,287**	412,351
Effect of expenses not deductible for tax purposes	**7,682**	5,544
Effect of capital allowances and depreciation	**(99,260)**	(100,005)
Rounding on tax charge	**(8)**	(59)
Adjustment in respect of prior periods	**5,146,539**	–
Tax on profit	**5,464,240**	317,831

Factors that may affect future tax expense

No provision for deferred taxation has been made in relation to the revaluation of freehold and leasehold land and buildings included in the revaluation reserve. If the interest in freehold and leashold land and buildings were disposed of at its balance sheet amount it is estimated that the tax liability would amount to approximately to Nil.

12. Tangible assets

	Freehold property	Plant and machinery	Fixtures and fittings	Motor vehicles	Leasehold property	**Total**
	£	£	£	£	£	**£**
Cost						
At 1 May 2017	418,671	4,372,764	543,839	194,864	2,551,325	**8,081,463**
Additions	–	426,104	9,860	–	–	**435,964**
Disposals	–	(39,200)	–	(73,062)	–	**(112,262)**
At 30 Apr 2018	418,671	4,759,668	553,699	121,802	2,551,325	**8,405,165**
Depreciation						
At 1 May 2017	75,368	4,077,152	532,039	179,420	264,568	**5,128,547**
Charge for the year	4,187	283,729	9,238	15,444	27,124	**339,722**
Disposals	–	(39,200)	–	(73,062)	–	**(112,262)**
At 30 Apr 2018	79,555	4,321,681	541,277	121,802	291,692	**5,356,007**
Carrying amount						
At 30 Apr 2018	339,116	437,987	12,422	–	2,259,633	**3,049,158**
At 30 Apr 2017	343,303	295,612	11,800	15,444	2,286,757	2,952,916

The leasehold buildings are on land which has been leased for a term of 125 years from 12th December 1974. Freehold land and buildings have been amortised over 100 years. Other tangible fixed assets including additions to land and buildings are included at cost. The directors are not aware of any material change in the property values. Particulars relating to revalued assets are given below:- Freehold and long leasehold land and buildings The land and buildings were revalued as at 30th April 1990, by Slater Donn, Surveyors, on the basis of open market value. The historical cost of revalued assets £763,210 (2017 £763,210). A subsequent valuation in May 2014 by Scanlans, Consultant Surveyors LLP valued the freehold and long leasehold buildings at £1,100,000 on the basis of open market value. Other tangible fixed assets including subsequent additions to land and buildings are included at cost. The directors do not feel a revaluation on the accounts was necessary.

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery
	£
At 30 April 2018	**317,663**
At 30 April 2017	–

13. Stocks

	2018	2017
	£	£
Raw materials and consumables	**2,220,275**	2,209,242
Finished goods and goods for resale	**962,224**	566,891
	3,182,499	2,776,133

14. Debtors

	2018	2017
	£	£
Trade debtors	**4,138,925**	4,028,380
Prepayments and accrued income	**173,291**	129,619
Loan - Apollo Roofing Solutions Limited	**1,054,599**	805,573
Loan - Apollo Construction Solutions Limited	**1,650,063**	1,015,993
Other debtors	**25,205**	8,559
	7,042,083	5,988,124

15. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	**100,000**	100,000
Trade creditors	**3,922,634**	2,375,581
Accruals and deferred income	**363,560**	170,233
Corporation tax	**319,815**	342,317
Social security and other taxes	**616,941**	702,038
Obligations under finance leases and hire purchase contracts	**72,415**	–
Director loan accounts	**1,495,435**	1,597,951
Taxation adjustment in prior periods	**3,673,887**	–
Other creditors	**507,993**	1,073,630
	11,072,680	6,361,750

The loans in respect of the hire purchase agreements are secured against the assets to which they relate.
The nature of the security in respect of bank borrowing is shown in note 16.

16. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	**1,100,000**	1,200,000
Obligations under finance leases and hire purchase contracts	**289,449**	–
	1,389,449	1,200,000

The bank borrowing is secured by the following:- (a) Debenture on Bank's Standard Form dated 21st November 2014 (b) Cross Guarantee dated 21st November 2014 between Apollo Chemicals Group Limited, Apollo Chemicals Limited and Raleigh Adhesive Coatings Limited (c) Legal charge dated 21st November 2014 over Plots 9 and 11 (now known as Apollo Chemicals Limited) Sandy way, Amington Industrial Estate, Tamworth. (d) Legal charge dated 2nd March 2015 over Plots 20 and 20A Amington Industrial Estate, Silica Road, Tamworth. The loans in respect of the hire purchase agreements are secured against the assets to which they relate. There are liabilities disclosed in the above creditors falling due after more than one year that are due for repayment after more than five years from balance sheet date £700,000 (2017 £800,000).

17. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2018	2017
	£	£
Not later than 1 year	**72,415**	–
Later than 1 year and not later than 5 years	**289,449**	–
	361,864	–

18. Provisions

	Deferred tax (note 19)
	£
At 1 May 2017	**2,476**
Charge against provision	**(2,107)**
At 30 April 2018	**369**

19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in provisions (note 18)	**369**	2,476

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	**369**	2,476

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 179,191 (2017: £ 109,999).

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2018	2017
	£	£
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	**4,138,925**	4,028,380
Other debtors	**4,375,810**	1,959,744
Cash at bank and in hand	**3,564,417**	3,532,809
	12,079,152	9,520,933
Financial liabilities measured at amortised cost		
Bank loans and overdrafts	**1,300,000**	1,300,000
Trade creditors	**3,922,634**	2,375,581
Other creditors	**3,203,744**	3,886,169
Finance lease and hire purchase	**361,864**	–
Provisions	**369**	2,476
	8,788,611	7,564,226

22. Called up share capital

Issued, called up and fully paid

	2018		2017	
	No.	£	No.	£
Ordinary shares of £ 1 each	**1,334**	**1,334**	1,334	1,334
Ordinary "B" shares of £ 1 each	**71**	**71**	71	71
	1,405	**1,405**	1,405	1,405

23. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

24. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than 1 year	**316,616**	284,158
Later than 1 year and not later than 5 years	**685,352**	656,446
Later than 5 years	**344,250**	459,000
	1,346,218	1,399,604

25. Contingencies

The company has given an unlimited guarantee to its fellow subsidiary company Raleigh Adhesive Coatings Limited. In the opinion of the directors no liability will arise under this guarantee.

26. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

	2018			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	**Balance outstanding**
	£	£	£	**£**
Mr J.H. Saunders	(1,597,951)	427,516	(325,000)	**(1,495,435)**

	2017			
	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr J.H. Saunders	(1,350,758)	237,807	(485,000)	(1,597,951)

27. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		**Balance owed by/(owed to)**	
	2018	2017	**2018**	2017
	£	£	£	£
Sales and recharges due to related company - Apollo Roofing Solutions Limited	4,548,919	4,010,138	–	–
Amounts due from related company - Apollo Roofing Solutions Limited	–	–	1,054,599	805,573
Sales and recharges due to related company - Apollo Construction Solutions Limited	4,487,017	3,780,171	–	–
Amounts due from related company - Apollo Construction Solutions Limited	–	–	1,650,063	1,015,993

The above transactions with fellow subsidiary and related parties during the year were conducted in the normal course of business. J.H. Saunders, family and pension scheme own 2 units which the company rent at market value. The amount paid by the company during the year was £42,500 (2017 £42,500).

28. Controlling party

The company's ultimate holding company is Apollo Chemicals Group Limited, a company registered in England and Wales.