

A.B.G. RUBBER & PLASTICS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



A.B.G. RUBBER & PLASTICS LIMITED
REGISTERED NUMBER: 01202761

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	4	417,914	491,319
		<u>417,914</u>	<u>491,319</u>
Current assets			
Stocks	5	263,035	297,675
Debtors: amounts falling due within one year	6	1,008,773	686,384
Cash at bank and in hand		401,661	557,760
		<u>1,673,469</u>	<u>1,541,819</u>
Creditors: amounts falling due within one year	7	(438,373)	(414,175)
Net current assets		<u>1,235,096</u>	<u>1,127,644</u>
Total assets less current liabilities		<u>1,653,010</u>	<u>1,618,963</u>
Creditors: amounts falling due after more than one year	8	(122,133)	(198,350)
Provisions for liabilities			
Deferred tax		(4,057)	(8,187)
		<u>(4,057)</u>	<u>(8,187)</u>
Net assets		<u><u>1,526,820</u></u>	<u><u>1,412,426</u></u>
Capital and reserves			
Called up share capital		250,000	250,000
Profit and loss account		1,276,820	1,162,426
		<u><u>1,526,820</u></u>	<u><u>1,412,426</u></u>

A.B.G. RUBBER & PLASTICS LIMITED
REGISTERED NUMBER: 01202761

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 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 Profit and Loss Account 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:



.....
N J Driver
Director

Date: 16/05/2019

The notes on pages 3 to 10 form part of these financial statements.

A.B.G. RUBBER & PLASTICS LIMITED

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

1. General information

A.B.G Rubber & Plastics Limited is a private company, limited by shares, domiciled in England and Wales, registration number 01202761. The registered office is 68 Scudamore Road, Braunstone Frith Industrial Estate, Leicester, LE3 1UA.

The principal activity of the Company continues to be that of the manufacture and factoring of industrial rubber and plastics products.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 Company's functional and presentational currency is British Pound Sterling (£).

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.

A.B.G. RUBBER & PLASTICS LIMITED

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

2. Accounting policies (continued)

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.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	20%	Reducing balance per annum
Motor vehicles	-	25%	Reducing balance per annum
Fixtures and fittings	-	15%	Reducing balance per annum
Computer equipment	-	25%	Reducing balance per annum

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 Profit and Loss Account.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

2.5 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the Profit and Loss Account at a constant rate of charge on the balance of capital repayments outstanding.

A.B.G. RUBBER & PLASTICS LIMITED

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

2. Accounting policies (continued)

2.6 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 the Profit and Loss Account.

2.7 Debtors

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

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice. 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.

2.9 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.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

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

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

2. Accounting policies (continued)

2.9 Financial instruments (continued)

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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.10 Creditors

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

2.11 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and Loss Account within 'other operating income'.

2.12 Finance costs

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

A.B.G. RUBBER & PLASTICS LIMITED

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

2. Accounting policies (continued)

2.13 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 Profit and Loss Account 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.

2.14 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

2.15 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 Profit and Loss Account 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.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, 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 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.

A.B.G. RUBBER & PLASTICS LIMITED

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

2. Accounting policies (continued)

2.17 Borrowing costs

All borrowing costs are recognised in the Profit and Loss Account in the year in which they are incurred.

3. Employees

The average monthly number of employees, including directors, during the year was 40 (2017 - 39).

4. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2018	1,327,818	18,990	42,540	67,858	1,457,206
Additions	5,639	22,500	3,196	-	31,335
At 31 December 2018	<u>1,333,457</u>	<u>41,490</u>	<u>45,736</u>	<u>67,858</u>	<u>1,488,541</u>
Depreciation					
At 1 January 2018	867,308	15,610	20,042	62,927	965,887
Charge for the year	93,182	6,470	3,854	1,234	104,740
At 31 December 2018	<u>960,490</u>	<u>22,080</u>	<u>23,896</u>	<u>64,161</u>	<u>1,070,627</u>
Net book value					
At 31 December 2018	<u><u>372,967</u></u>	<u><u>19,410</u></u>	<u><u>21,840</u></u>	<u><u>3,697</u></u>	<u><u>417,914</u></u>
At 31 December 2017	<u><u>460,510</u></u>	<u><u>3,380</u></u>	<u><u>22,498</u></u>	<u><u>4,931</u></u>	<u><u>491,319</u></u>

5. Stocks

	2018 £	2017 £
Raw materials and consumables	263,035	297,675
	<u><u>263,035</u></u>	<u><u>297,675</u></u>

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

6. Debtors

	2018 £	2017 £
Trade debtors	589,142	655,014
Amounts owed by group undertakings	394,565	-
Other debtors	1,410	3,860
Prepayments and accrued income	23,656	27,510
	<u>1,008,773</u>	<u>686,384</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	5,686	-
Trade creditors	111,674	116,008
Amounts owed to group undertakings	-	59,007
Corporation tax	37,004	40,916
Other taxation and social security	151,328	70,355
Net obligations under hire purchase contracts	76,217	89,712
Accruals and deferred income	56,464	38,177
	<u>438,373</u>	<u>414,175</u>

Net obligations under hire purchase contracts amounting to £76,217 (2017 - £89,712) are secured by the Company against the assets to which they relate.

8. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Net obligations under hire purchase contracts	122,133	198,350
	<u>122,133</u>	<u>198,350</u>

Net obligations under hire purchase contracts amounting to £122,133 (2017 - £198,350) are secured by the Company against the assets to which they relate.

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

9. Commitments under operating leases

The Company had no commitments under non-cancellable operating leases as at the balance sheet date (2017 - £73,000).

10. Controlling party

The ultimate parent undertaking of this Company is Oadby Plastics Holdings Limited. The registered office and principal place of business is 68 Scudamore Road, Braunstone Frith Industrial Estate, Leicester, LE3 1UA. The parent preparing consolidated financial statements for the smallest group of which the Company is a member is Oadby Plastics Holdings Limited.

11. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on *20 May 2019* by Alan Herbert FCA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.