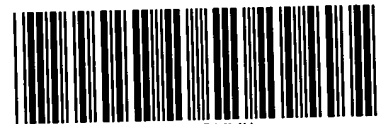


Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 April 2015
for
Primasil Silicones Limited

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for the Year Ended 30 April 2015

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Primasil Silicones Limited

Company Information
for the Year Ended 30 April 2015

DIRECTORS:

Mrs S E Wheeler
R Frost
S J Wheeler
A W Zarebski
M R Wheeler

SECRETARY:

R Frost

REGISTERED OFFICE:

Kington Road
Weobley
Herefordshire
HR4 8QU

REGISTERED NUMBER:

01357452 (England and Wales)

AUDITORS:

Thorne & Co.
Accountants and Statutory Auditor
1 St Mary's Street
Ross-on-Wye
Herefordshire
HR9 5HT

Strategic Report
for the Year Ended 30 April 2015

The directors present their strategic report for the year ended 30 April 2015.

REVIEW OF BUSINESS

While turnover has not increased, gross margin has further improved and research and development activity continues to grow. The directors have continued to support this investment and are satisfied with the performance of the company this year. The economic climate continues to be challenging, but there remain outstanding opportunities in the marketplace.

The company's key financial and other performance indicators during the year were as follows:

| | 2015 | 2014 |
|---------------|------|------|
| Debtor days | 52 | 52 |
| Creditor days | 86 | 69 |
| Stock days | 88 | 82 |

PRINCIPAL RISKS AND UNCERTAINTIES

Business risks are understood due to close collaboration with suppliers and key customers, with the key focus on managing raw material costs. In response to this risk, the directors continue to take steps to improve efficiency. Internal operations are closely monitored by observing contribution rates per customer, enquiry rates, and other performance indicators such as customer satisfaction.

ON BEHALF OF THE BOARD:

x 
.....
S J Wheeler - Director

x Date: 21.1.16

Primasil Silicones Limited

Report of the Directors for the Year Ended 30 April 2015

The directors present their report with the financial statements of the company for the year ended 30 April 2015.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2015.

RESEARCH AND DEVELOPMENT

The company has a history of research and development activity which will increase as new opportunities are presented.

FUTURE DEVELOPMENTS

The business continues to take advantage of business opportunities and the directors consider the state of affairs to be satisfactory.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2014 to the date of this report.

Mrs S E Wheeler
R Frost
S J Wheeler
A W Zarebski
M R Wheeler

Other changes in directors holding office are as follows:

S C G Wheeler - deceased 18 November 2014

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise cash, short term borrowings and various items such as trade debtors, trade creditors etc that may arise directly from operations. The main purpose of these financial instruments is the funding of the company's trading activities.

Regular management accounts allow for any financial risk to be understood and managed, with cross currency exposure the biggest current risk. This risk is actively managed by balancing invoicing and purchasing currencies. The company does not presently hedge against these risks as the benefits of entering into such agreements is not considered to be significant enough to outweigh the cost and administrative burden associated with such hedging contracts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

Primasil Silicones Limited

Report of the Directors
for the Year Ended 30 April 2015

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

x 
.....
S J Wheeler - Director

x Date: 21-1-16

Report of the Independent Auditors to the Members of Primasil Silicones Limited

We have audited the financial statements of Primasil Silicones Limited for the year ended 30 April 2015 on pages seven to twenty. 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 a Report of the Auditors 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 Directors' Responsibilities set out on page three, 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 and express an opinion on 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 the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 April 2015 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

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

Report of the Independent Auditors to the Members of
Primasil Silicones Limited

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 for our audit.

Edward Richards

Edward Richards (Senior Statutory Auditor)
for and on behalf of Thorne & Co.
Accountants and Statutory Auditor
1 St Mary's Street
Ross-on-Wye
Herefordshire
HR9 5HT

Date: 25 January 2016

Primasil Silicones Limited

Profit and Loss Account
for the Year Ended 30 April 2015

| | Notes | 30.4.15 £ | 30.4.14 £ |
|---|-------|--------------|--------------|
| TURNOVER | 2 | 9,606,749 | 10,172,491 |
| Cost of sales | | 5,976,253 | 6,386,673 |
| GROSS PROFIT | | 3,630,496 | 3,785,818 |
| Administrative expenses | | 3,885,898 | 3,775,954 |
| | | (255,402) | 9,864 |
| Other operating income | | 2,000 | - |
| OPERATING (LOSS)/PROFIT | 4 | (253,402) | 9,864 |
| Interest payable and similar charges | 6 | 11,649 | 6,426 |
| (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | (265,051) | 3,438 |
| Tax on (loss)/profit on ordinary activities | 7 | (9,927) | 17,020 |
| LOSS FOR THE FINANCIAL YEAR | | (255,124) | (13,582) |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current year or previous year.

Balance Sheet
30 April 2015

| | Notes | 30.4.15 £ | £ | 30.4.14 £ | £ |
|--|-------|------------------|-------------------------|------------------|-------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | 1,012,562 | | 1,079,279 |
| CURRENT ASSETS | | | | | |
| Stocks | 9 | 1,392,465 | | 1,405,861 | |
| Debtors | 10 | 1,702,251 | | 1,761,294 | |
| Cash at bank | | 4,126 | | 22,832 | |
| | | <u>3,098,842</u> | | <u>3,189,987</u> | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 11 | <u>2,759,850</u> | | <u>2,667,886</u> | |
| NET CURRENT ASSETS | | | <u>338,992</u> | | <u>522,101</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>1,351,554</u> | | <u>1,601,380</u> |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 12 | | (91,268) | | (76,043) |
| PROVISIONS FOR LIABILITIES | 16 | | <u>(149,853)</u> | | <u>(159,780)</u> |
| NET ASSETS | | | <u><u>1,110,433</u></u> | | <u><u>1,365,557</u></u> |
| CAPITAL AND RESERVES | | | | | |
| Called-up share capital | 17 | | 55,000 | | 55,000 |
| Share premium | 18 | | 15,320 | | 15,320 |
| Profit and loss account | 18 | | <u>1,040,113</u> | | <u>1,295,237</u> |
| SHAREHOLDERS' FUNDS | 24 | | <u><u>1,110,433</u></u> | | <u><u>1,365,557</u></u> |

x The financial statements were approved by the Board of Directors on 20.11.14 and were signed on its behalf by:

x 
S J Wheeler - Director

Primasil Silicones Limited

Cash Flow Statement
for the Year Ended 30 April 2015

| | Notes | £ | 30.4.15 | £ | £ | 30.4.14 | £ |
|--|-------|---|---------|---------------------------|---|---------|---------------------------|
| Net cash inflow from operating activities | 1 | | | 125,321 | | | 192,367 |
| Returns on investments and servicing of finance | 2 | | | (11,649) | | | (6,426) |
| Taxation | | | | - | | | (17,575) |
| Capital expenditure | 2 | | | (107,567) | | | (45,135) |
| | | | | 6,105 | | | 123,231 |
| Financing | 2 | | | (89,098) | | | (41,545) |
| (Decrease)/increase in cash in the period | | | | <u>(82,993)</u> | | | <u>81,686</u> |
| <hr/> | | | | | | | |
| Reconciliation of net cash flow to movement in net debt | 3 | | | | | | |
| (Decrease)/increase in cash in the period | | | | (82,993) | | | 81,686 |
| Cash outflow from decrease in debt and lease financing | | | | <u>89,098</u> | | | <u>41,545</u> |
| Change in net debt resulting from cash flows | | | | 6,105 | | | 123,231 |
| New hire purchase contracts | | | | (142,283) | | | (75,064) |
| Movement in net debt in the period | | | | <u>(136,178)</u> | | | <u>48,167</u> |
| Net debt at 1 May | | | | <u>(1,069,165)</u> | | | <u>(1,117,332)</u> |
| Net debt at 30 April | | | | <u><u>(1,205,343)</u></u> | | | <u><u>(1,069,165)</u></u> |

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 April 2015

1. **RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

| | 30.4.15 £ | 30.4.14 £ |
|--|----------------|----------------|
| Operating (loss)/profit | (253,402) | 9,864 |
| Depreciation charges | 171,388 | 158,282 |
| Profit on disposal of fixed assets | (1,947) | - |
| Decrease/(increase) in stocks | 13,396 | (100,538) |
| Decrease/(increase) in debtors | 59,043 | (151,954) |
| Increase in creditors | 136,843 | 276,713 |
| Net cash inflow from operating activities | 125,321 | 192,367 |

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

| | 30.4.15 £ | 30.4.14 £ |
|---|------------------|-----------------|
| Returns on investments and servicing of finance | | |
| Interest paid | (549) | (198) |
| Interest element of hire purchase payments | (11,100) | (6,228) |
| Net cash outflow for returns on investments and servicing of finance | (11,649) | (6,426) |
| Capital expenditure | | |
| Purchase of tangible fixed assets | (111,067) | (45,135) |
| Sale of tangible fixed assets | 3,500 | - |
| Net cash outflow for capital expenditure | (107,567) | (45,135) |
| Financing | | |
| Capital repayments in year | (89,098) | (41,545) |
| Net cash outflow from financing | (89,098) | (41,545) |

Primasil Silicones Limited

Notes to the Cash Flow Statement
for the Year Ended 30 April 2015

3. ANALYSIS OF CHANGES IN NET DEBT

| | At 1.5.14 £ | Cash flow £ | Other non-cash changes £ | At 30.4.15 £ |
|----------------|--------------------|-----------------|-----------------------------------|--------------------|
| Net cash: | | | | |
| Cash at bank | 22,832 | (18,706) | | 4,126 |
| Bank overdraft | (955,708) | (64,287) | | (1,019,995) |
| | <u>(932,876)</u> | <u>(82,993)</u> | | <u>(1,015,869)</u> |
| Debt: | | | | |
| Hire purchase | (136,289) | 89,098 | (142,283) | (189,474) |
| | <u>(136,289)</u> | <u>89,098</u> | <u>(142,283)</u> | <u>(189,474)</u> |
| Total | <u>(1,069,165)</u> | <u>6,105</u> | <u>(142,283)</u> | <u>(1,205,343)</u> |

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents amounts invoiced by the company in respect of goods and services provided and the value of work done, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|-----------------------|---|
| Plant and machinery | - 25% on reducing balance and 10% on reducing balance |
| Fixtures and fittings | - 25% on reducing balance and 20% on cost |
| Motor vehicles | - 25% on reducing balance |

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Deferred tax

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 required by FRS 19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

2. TURNOVER

The turnover and loss (2014 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

| | 30.4.15 £ | 30.4.14 £ |
|----------------|------------------|-------------------|
| United Kingdom | 7,271,564 | 6,818,583 |
| Europe | 2,054,226 | 2,962,251 |
| Rest of world | 280,959 | 391,657 |
| | <u>9,606,749</u> | <u>10,172,491</u> |

3. STAFF COSTS

| | 30.4.15 £ | 30.4.14 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 2,423,343 | 2,488,571 |
| Social security costs | 220,980 | 219,719 |
| Other pension costs | 178,598 | 139,341 |
| | <u>2,822,921</u> | <u>2,847,631</u> |

The average monthly number of employees during the year was as follows:

| | 30.4.15 | 30.4.14 |
|----------------------------|------------|------------|
| Production | 85 | 82 |
| Administration and support | 32 | 31 |
| | <u>117</u> | <u>113</u> |

4. OPERATING (LOSS)/PROFIT

The operating loss (2014 - operating profit) is stated after charging/(crediting):

| | 30.4.15 £ | 30.4.14 £ |
|--|----------------|----------------|
| Other operating leases | 215,589 | 222,270 |
| Depreciation - owned assets | 118,719 | 116,173 |
| Depreciation - assets on hire purchase contracts | 52,669 | 42,109 |
| Profit on disposal of fixed assets | (1,947) | - |
| Auditors' remuneration | 7,000 | 7,000 |
| Other non-audit services | 23,460 | 24,450 |
| Foreign exchange differences | (2,640) | (2,066) |
| | <u>196,034</u> | <u>270,088</u> |
| Directors' remuneration | 11,754 | 11,523 |
| Directors' pension contributions to money purchase schemes | | |

The number of directors to whom retirement benefits were accruing was as follows:

| | | |
|------------------------|----------|----------|
| Money purchase schemes | <u>2</u> | <u>2</u> |
|------------------------|----------|----------|

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

4. **OPERATING (LOSS)/PROFIT - continued**

Information regarding the highest paid director is as follows:

| | 30.4.15 | 30.4.14 |
|---|-------------------|-------------------|
| | £ | £ |
| Emoluments etc | 87,543 | 102,814 |
| Pension contributions to money purchase schemes | 6,321 | 6,197 |
| | <u> </u> | <u> </u> |

5. **EXCEPTIONAL ITEMS**

The directors of the company have decided to write off the loan to Primasil sro of £309,935. The company has previously provided for £279,159 so the effect on the profit and loss account this year is £30,776.

6. **INTEREST PAYABLE AND SIMILAR CHARGES**

| | 30.4.15 | 30.4.14 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Bank interest | 424 | 198 |
| Other interest | 125 | - |
| Hire purchase interest | 11,100 | 6,228 |
| | <u> </u> | <u> </u> |
| | 11,649 | 6,426 |
| | <u> </u> | <u> </u> |

7. **TAXATION**

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

| | 30.4.15 | 30.4.14 |
|--|-------------------|-------------------|
| | £ | £ |
| Current tax: | | |
| Adjustments in respect of previous years | - | (7,934) |
| | <u> </u> | <u> </u> |
| Deferred tax: | | |
| Origination and reversal of timing differences | (2,318) | 36,678 |
| Effect of changes in tax rates | (7,609) | (11,724) |
| | <u> </u> | <u> </u> |
| Total deferred tax | (9,927) | 24,954 |
| | <u> </u> | <u> </u> |
| Tax on (loss)/profit on ordinary activities | (9,927) | 17,020 |
| | <u> </u> | <u> </u> |

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

7. **TAXATION - continued**

Factors affecting the tax (credit)/charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | 30.4.15 £ | 30.4.14 £ |
|---|------------------|----------------|
| (Loss)/profit on ordinary activities before tax | <u>(265,051)</u> | <u>3,438</u> |
| (Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 20%) | (53,010) | 688 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 6,952 | 332 |
| Capital allowances in excess of depreciation | - | (35,273) |
| Depreciation in excess of capital allowances | 1,729 | - |
| Adjustments to tax charge in respect of previous periods | - | (7,934) |
| Unpaid pension contributions | 590 | 341 |
| Losses carried back to previous year | - | 7,280 |
| Losses surrendered to group companies | 39,873 | 26,632 |
| Losses carried forward | <u>3,866</u> | <u>-</u> |
| Current tax (credit)/charge | <u>-</u> | <u>(7,934)</u> |

8. **TANGIBLE FIXED ASSETS**

| | Plant and machinery £ | Fixtures and fittings £ | Motor vehicles £ | Totals £ |
|------------------------|-----------------------------|----------------------------------|------------------------|------------------|
| COST | | | | |
| At 1 May 2014 | 3,306,643 | 588,264 | 40,341 | 3,935,248 |
| Additions | 83,406 | 22,818 | - | 106,224 |
| Disposals | <u>(17,989)</u> | <u>-</u> | <u>-</u> | <u>(17,989)</u> |
| At 30 April 2015 | <u>3,372,060</u> | <u>611,082</u> | <u>40,341</u> | <u>4,023,483</u> |
| DEPRECIATION | | | | |
| At 1 May 2014 | 2,329,678 | 489,528 | 36,763 | 2,855,969 |
| Charge for year | 142,129 | 28,364 | 895 | 171,388 |
| Eliminated on disposal | <u>(16,436)</u> | <u>-</u> | <u>-</u> | <u>(16,436)</u> |
| At 30 April 2015 | <u>2,455,371</u> | <u>517,892</u> | <u>37,658</u> | <u>3,010,921</u> |
| NET BOOK VALUE | | | | |
| At 30 April 2015 | <u>916,689</u> | <u>93,190</u> | <u>2,683</u> | <u>1,012,562</u> |
| At 30 April 2014 | <u>976,965</u> | <u>98,736</u> | <u>3,578</u> | <u>1,079,279</u> |

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

8. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

| | Plant and machinery £ | Fixtures and fittings £ | Totals £ |
|---------------------------|-----------------------------|----------------------------------|-------------|
| COST | | | |
| At 1 May 2014 | 373,736 | 53,536 | 427,272 |
| Reclassification/transfer | 173,389 | - | 173,389 |
| At 30 April 2015 | 547,125 | 53,536 | 600,661 |
| DEPRECIATION | | | |
| At 1 May 2014 | 254,095 | 17,807 | 271,902 |
| Charge for year | 41,953 | 10,716 | 52,669 |
| Reclassification/transfer | 1,445 | - | 1,445 |
| At 30 April 2015 | 297,493 | 28,523 | 326,016 |
| NET BOOK VALUE | | | |
| At 30 April 2015 | 249,632 | 25,013 | 274,645 |
| At 30 April 2014 | 119,641 | 35,729 | 155,370 |

9. **STOCKS**

| | 30.4.15 £ | 30.4.14 £ |
|------------------|--------------|--------------|
| Raw materials | 544,527 | 609,787 |
| Work-in-progress | 847,938 | 796,074 |
| | 1,392,465 | 1,405,861 |

10. **DEBTORS**

| | 30.4.15 £ | 30.4.14 £ |
|---|--------------|--------------|
| Amounts falling due within one year: | | |
| Trade debtors | 1,562,203 | 1,640,380 |
| Tax | 7,280 | 7,280 |
| Prepayments and accrued income | 132,768 | 82,858 |
| | 1,702,251 | 1,730,518 |
| Amounts falling due after more than one year: | | |
| Amounts owed by group undertakings | - | 30,776 |
| Aggregate amounts | 1,702,251 | 1,761,294 |

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 30.4.15 | 30.4.14 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans and overdrafts (see note 13) | 1,019,995 | 955,708 |
| Hire purchase contracts (see note 14) | 98,206 | 60,246 |
| Trade creditors | 1,354,286 | 1,333,275 |
| Amounts owed to group undertakings | 41,825 | 107,308 |
| Social security and other taxes | 57,608 | 64,653 |
| VAT | 144,468 | 105,516 |
| Accruals and deferred income | 43,462 | 41,180 |
| | <u>2,759,850</u> | <u>2,667,886</u> |

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 30.4.15 | 30.4.14 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Hire purchase contracts (see note 14) | <u>91,268</u> | <u>76,043</u> |

13. LOANS

An analysis of the maturity of loans is given below:

| | 30.4.15 | 30.4.14 |
|---|------------------|----------------|
| | £ | £ |
| Amounts falling due within one year or on demand: | | |
| Bank overdrafts | <u>1,019,995</u> | <u>955,708</u> |

14. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

| | Hire purchase contracts 30.4.15 | 30.4.14 |
|----------------------------|------------------------------------|----------------|
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | 98,206 | 60,246 |
| Between one and five years | <u>91,268</u> | <u>76,043</u> |
| | <u>189,474</u> | <u>136,289</u> |

The following operating lease payments are committed to be paid within one year:

| | Other operating leases 30.4.15 | 30.4.14 |
|----------------------------|-----------------------------------|---------------|
| | £ | £ |
| Expiring: | | |
| Within one year | 2,438 | 5,849 |
| Between one and five years | <u>24,831</u> | <u>26,114</u> |
| | <u>27,269</u> | <u>31,963</u> |

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

15. SECURED DEBTS

The following secured debts are included within creditors:

| | 30.4.15 £ | 30.4.14 £ |
|-------------------------|------------------|------------------|
| Bank overdrafts | 1,019,995 | 955,708 |
| Hire purchase contracts | 189,474 | 136,289 |
| | <u>1,209,469</u> | <u>1,091,997</u> |

The company's bankers hold a cross guarantee and debenture (see note 21 for further details). They also hold a mortgage debenture over the company's fixed and floating assets. The short term loan is secured by an all assets debenture over the company's fixed and floating assets. Liabilities under hire purchase contracts are secured specifically on the underlying asset.

16. PROVISIONS FOR LIABILITIES

| | 30.4.15 £ | 30.4.14 £ |
|--------------------------------|----------------|----------------|
| Deferred tax | | |
| Accelerated capital allowances | 152,791 | 162,245 |
| Other timing differences | (2,938) | (2,465) |
| | <u>149,853</u> | <u>159,780</u> |

| | | |
|---|--|----------------------|
| | | Deferred tax £ |
| Balance at 1 May 2014 | | 159,780 |
| Credit to Profit and Loss Account during year | | (9,927) |
| Balance at 30 April 2015 | | <u>149,853</u> |

17. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | Nominal value: | 30.4.15 | 30.4.14 |
|----------------------------------|---|-------------------|---------------|---------------|
| Number: | Class: | | £ | £ |
| 50,000 | Ordinary | £1 | 50,000 | 50,000 |
| 5,000 | 3 per cent non-cumulative preference | £1 | 5,000 | 5,000 |
| | | | <u>55,000</u> | <u>55,000</u> |

Notes to the Financial Statements - continued
for the Year Ended 30 April 2015

17. CALLED UP SHARE CAPITAL - continued

The 3 per cent non-cumulative preference shares of £1 each have attached thereto the rights and privileges and being subject to the restrictions and provisions set out below, namely:

- the right to receive, out of the profits of the company available for distribution and from time to time determined to be distributed by way of dividend, a fixed non-cumulative dividend at the rate of 3 per cent per annum on the amounts paid up thereon in priority to any dividend paid on the ordinary shares of the company
- the right on a return of capital on liquidation or otherwise to repayment of the amounts paid up thereon in priority to any payment in respect of the ordinary shares of the company
- the preference shares shall not carry the right to receive notice of or to attend and vote at any general meeting of the company and shall not carry any other right to participate in the profits or assets of the company

18. RESERVES

| | Profit and loss account £ | Share premium £ | Totals £ |
|----------------------|------------------------------------|-----------------------|------------------|
| At 1 May 2014 | 1,295,237 | 15,320 | 1,310,557 |
| Deficit for the year | (255,124) | | (255,124) |
| At 30 April 2015 | <u>1,040,113</u> | <u>15,320</u> | <u>1,055,433</u> |

19. PENSION COMMITMENTS

Contributions totalling £14,688 (2014 - £11,738) were payable to the scheme at the end of the year and are included in creditors.

20. ULTIMATE PARENT COMPANY

Chase Products Limited is regarded by the directors as being the company's ultimate parent company.

21. CONTINGENT LIABILITIES

The company, its parent company and fellow UK subsidiary are party to a cross guarantee given to Handelsbanken in respect of group overdraft and loan facilities. The amount guaranteed is £578,720 (2014 - £520,348).

22. CAPITAL COMMITMENTS

| | 30.4.15 £ | 30.4.14 £ |
|---|----------------|--------------|
| Contracted but not provided for in the financial statements | <u>115,788</u> | <u>-</u> |

23. RELATED PARTY DISCLOSURES

Chase Products Limited

Parent company

During the year, the company received management services from Chase Products Limited. The charge payable for this service was £816,000 (2014 - £816,000). The company occupies premises owned by Chase Products Limited. The rent charged for the period was £168,000 (2014 - £168,000).

| | 30.4.15 £ | 30.4.14 £ |
|---|---------------|----------------|
| Amount due to related party at the balance sheet date | <u>58,625</u> | <u>107,308</u> |

Primasil sro

A company under common control

During the year, the company made sales to Primasil sro of £981 (2014 - £175).

| | 30.4.15 £ | 30.4.14 £ |
|---|---------------|--------------|
| Amount due from related party at the balance sheet date | - | 309,935 |
| Provisions for doubtful debt at the balance sheet date | - | 279,159 |
| Amounts written off during the year | <u>30,776</u> | <u>-</u> |

Primasil sro

A company under common control

During the year, the company made purchases from Primasil sro of £ 1,460,044 (2014 - £1,513,040).

| | 30.4.15 £ | 30.4.14 £ |
|---|----------------|----------------|
| Amount due to related party at the balance sheet date | <u>370,558</u> | <u>220,201</u> |

24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 30.4.15 £ | 30.4.14 £ |
|---|-------------------------|-------------------------|
| Loss for the financial year | <u>(255,124)</u> | <u>(13,582)</u> |
| Net reduction of shareholders' funds | (255,124) | (13,582) |
| Opening shareholders' funds | <u>1,365,557</u> | <u>1,379,139</u> |
| Closing shareholders' funds | <u>1,110,433</u> | <u>1,365,557</u> |