

REGISTERED NUMBER: 01357452 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 April 2017
for
Primasil Silicones Limited

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for the Year Ended 30 April 2017

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Primasil Silicones Limited

Company Information
for the Year Ended 30 April 2017

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 2017

The directors present their strategic report for the year ended 30 April 2017.

REVIEW OF BUSINESS

Turnover has increased and gross margin has improved.

Research and development activity continues to grow, driven by new and existing customers having demands not able to be satisfied using other means.

The directors have continued to support this investment and are satisfied with the performance of the company this year. The economic climate for technical products is encouraging, with exciting new opportunities in the UK and overseas.

This company is ideally suited to take advantage of EU opportunities with a group manufacturing facility in the Czech Republic.

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

	2017	2016
Debtor days	52	50
Creditor days	76	92
Stock days	75	77

PRINCIPAL RISKS AND UNCERTAINTIES

Increasing raw material prices have been offset by efficiency improvements and price increases.

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:

S J Wheeler - Director

31 January 2018

Report of the Directors
for the Year Ended 30 April 2017

The directors present their report with the financial statements of the company for the year ended 30 April 2017.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2017.

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 2016 to the date of this report.

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

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 in 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 Strategic Report, 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.

Report of the Directors
for the Year Ended 30 April 2017

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:

S J Wheeler - Director

31 January 2018

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 2017 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, 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, and has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

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 (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

31 January 2018

Income Statement
for the Year Ended 30 April 2017

	Notes	30.4.17 £	30.4.16 £
TURNOVER	3	10,413,810	9,848,164
Cost of sales		<u>6,410,917</u>	<u>6,350,125</u>
GROSS PROFIT		4,002,893	3,498,039
Administrative expenses		<u>3,945,336</u> 57,557	<u>3,922,493</u> (424,454)
Other operating income		<u>3,000</u>	<u>3,000</u>
OPERATING PROFIT/(LOSS)	5	60,557	(421,454)
Interest receivable and similar income		<u>310</u> 60,867	<u>-</u> (421,454)
Interest payable and similar expenses	6	<u>7,896</u> 52,971	<u>9,626</u> (431,080)
PROFIT/(LOSS) BEFORE TAXATION			
Tax on profit/(loss)	7	<u>-</u>	<u>(160,148)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>52,971</u>	<u>(270,932)</u>

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 30 April 2017

	Notes	30.4.17 £	30.4.16 £
PROFIT/(LOSS) FOR THE YEAR		52,971	(270,932)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME			
FOR THE YEAR		<u>52,971</u>	<u>(270,932)</u>

Balance Sheet
30 April 2017

	Notes	30.4.17 £	£	30.4.16 £	£
FIXED ASSETS					
Tangible assets	8		1,037,555		1,028,487
CURRENT ASSETS					
Stocks	9	1,276,206		1,302,832	
Debtors	10	1,819,756		1,723,702	
Cash at bank		<u>2,236</u>		<u>5,486</u>	
		3,098,198		3,032,020	
CREDITORS					
Amounts falling due within one year	11	<u>3,168,854</u>		<u>3,197,712</u>	
NET CURRENT LIABILITIES			<u>(70,656)</u>		<u>(165,692)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			966,899		862,795
CREDITORS					
Amounts falling due after more than one year	12		<u>74,427</u>		<u>23,294</u>
NET ASSETS			<u>892,472</u>		<u>839,501</u>
CAPITAL AND RESERVES					
Called up share capital	16		55,000		55,000
Share premium	17		15,320		15,320
Retained earnings	17		<u>822,152</u>		<u>769,181</u>
SHAREHOLDERS' FUNDS			<u>892,472</u>		<u>839,501</u>

The financial statements were approved by the Board of Directors on 31 January 2018 and were signed on its behalf by:

S J Wheeler - Director

Statement of Changes in Equity
for the Year Ended 30 April 2017

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 May 2015	55,000	1,040,113	15,320	1,110,433
Changes in equity				
Total comprehensive income	-	(270,932)	-	(270,932)
Balance at 30 April 2016	55,000	769,181	15,320	839,501
Changes in equity				
Total comprehensive income	-	52,971	-	52,971
Balance at 30 April 2017	55,000	822,152	15,320	892,472

Cash Flow Statement
for the Year Ended 30 April 2017

	Notes	30.4.17 £	30.4.16 £
Cash flows from operating activities			
Cash generated from operations	1	(70,163)	185,114
Interest paid		(2,956)	(1,165)
Interest element of hire purchase payments paid		(4,940)	(8,461)
Taxation refund		17,576	-
Net cash from operating activities		<u>(60,483)</u>	<u>175,488</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(84,228)	(182,414)
Sale of tangible fixed assets		3,959	167
Interest received		310	-
Net cash from investing activities		<u>(79,959)</u>	<u>(182,247)</u>
Cash flows from financing activities			
Capital repayments in year		<u>(73,611)</u>	<u>(96,875)</u>
Net cash from financing activities		<u>(73,611)</u>	<u>(96,875)</u>
Decrease in cash and cash equivalents		<u>(214,053)</u>	<u>(103,634)</u>
Cash and cash equivalents at beginning of year	2	(1,119,503)	(1,015,869)
Cash and cash equivalents at end of year	2	<u>(1,333,556)</u>	<u>(1,119,503)</u>

Notes to the Cash Flow Statement
for the Year Ended 30 April 2017

1. **RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	30.4.17	30.4.16
	£	£
Profit/(loss) before taxation	52,971	(431,080)
Depreciation charges	158,363	173,872
Finance costs	7,896	9,626
Finance income	(310)	-
	<u>218,920</u>	<u>(247,582)</u>
Decrease in stocks	26,626	89,633
Increase in trade and other debtors	(113,630)	(11,155)
(Decrease)/increase in trade and other creditors	<u>(202,079)</u>	<u>354,218</u>
Cash generated from operations	<u>(70,163)</u>	<u>185,114</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 April 2017

	30.4.17	1.5.16
	£	£
Cash and cash equivalents	2,236	5,486
Bank overdrafts	<u>(1,335,792)</u>	<u>(1,124,989)</u>
	<u>(1,333,556)</u>	<u>(1,119,503)</u>

Year ended 30 April 2016

	30.4.16	1.5.15
	£	£
Cash and cash equivalents	5,486	4,126
Bank overdrafts	<u>(1,124,989)</u>	<u>(1,019,995)</u>
	<u>(1,119,503)</u>	<u>(1,015,869)</u>

Notes to the Financial Statements
for the Year Ended 30 April 2017

1. STATUTORY INFORMATION

Primasil Silicones Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

The principal activity of the company is the manufacture, design and development of fluorosilicone, silicone and fluorocarbon compounds, mouldings and extrusions.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Significant judgements and estimates

The company makes estimates and assumptions concerning the future, and judgements in applying the company's accounting policies. The resulting accounting estimates will, by definition, seldom equal the actual results. There were no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

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 is calculated using the first-in, first-out method and 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.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2017

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss 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 profit or loss in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 30 April 2017

3. **TURNOVER**

The turnover and profit (2016 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	30.4.17 £	30.4.16 £
United Kingdom	7,270,985	7,131,306
Europe	2,643,929	2,313,082
Rest of world	498,896	403,776
	<u>10,413,810</u>	<u>9,848,164</u>

4. **EMPLOYEES AND DIRECTORS**

	30.4.17 £	30.4.16 £
Wages and salaries	2,440,660	2,419,373
Social security costs	225,851	218,557
Other pension costs	202,545	198,144
	<u>2,869,056</u>	<u>2,836,074</u>

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

	30.4.17	30.4.16
Production	85	87
Administration and support	30	31
	<u>115</u>	<u>118</u>

	30.4.17 £	30.4.16 £
Directors' remuneration	173,253	173,390
Directors' pension contributions to money purchase schemes	<u>11,645</u>	<u>11,754</u>

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

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

5. **OPERATING PROFIT/(LOSS)**

The operating profit (2016 - operating loss) is stated after charging:

	30.4.17 £	30.4.16 £
Other operating leases	254,199	222,519
Depreciation - owned assets	139,165	141,274
Depreciation - assets on hire purchase contracts	19,198	32,598
Auditors' remuneration	7,000	7,000
Other non-audit services	24,280	23,810
Foreign exchange differences	<u>11,100</u>	<u>31,743</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2017

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.4.17	30.4.16
	£	£
Bank interest	2,956	1,165
Hire purchase interest	4,940	8,461
	<u>7,896</u>	<u>9,626</u>

7. TAXATION

Analysis of the tax credit

The tax credit on the profit for the year was as follows:

	30.4.17	30.4.16
	£	£
Current tax:		
Adjustments in respect of previous years	-	(10,295)
Deferred tax:		
Origination and reversal of timing differences	-	(149,853)
Tax on profit/(loss)	<u>-</u>	<u>(160,148)</u>

Reconciliation of total tax credit included in profit and loss

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

	30.4.17	30.4.16
	£	£
Profit/(loss) before tax	<u>52,971</u>	<u>(431,080)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19.917% (2016 - 20%)	10,550	(86,216)
Effects of:		
Expenses not deductible for tax purposes	433	82
Capital allowances in excess of depreciation	(9,756)	(12,162)
Adjustments to tax charge in respect of previous periods	-	(10,295)
Losses surrendered to group companies	131,484	126,640
Losses carried forward	3,620	(178,197)
Research and development tax credit	<u>(136,331)</u>	<u>-</u>
Total tax credit	<u>-</u>	<u>(160,148)</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2017

8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 May 2016	3,554,290	618,649	40,341	4,213,280
Additions	92,989	78,401	-	171,390
Disposals	-	-	(21,145)	(21,145)
At 30 April 2017	<u>3,647,279</u>	<u>697,050</u>	<u>19,196</u>	<u>4,363,525</u>
DEPRECIATION				
At 1 May 2016	2,600,420	546,045	38,328	3,184,793
Charge for year	132,860	28,158	(2,655)	158,363
Eliminated on disposal	-	-	(17,186)	(17,186)
At 30 April 2017	<u>2,733,280</u>	<u>574,203</u>	<u>18,487</u>	<u>3,325,970</u>
NET BOOK VALUE				
At 30 April 2017	<u>913,999</u>	<u>122,847</u>	<u>709</u>	<u>1,037,555</u>
At 30 April 2016	<u>953,870</u>	<u>72,604</u>	<u>2,013</u>	<u>1,028,487</u>

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 2016	437,162	43,472	480,634
Additions	70,000	26,165	96,165
Transfer to ownership	(256,223)	(43,472)	(299,695)
At 30 April 2017	<u>250,939</u>	<u>26,165</u>	<u>277,104</u>
DEPRECIATION			
At 1 May 2016	247,779	34,047	281,826
Charge for year	18,653	545	19,198
Transfer to ownership	(213,351)	(34,047)	(247,398)
At 30 April 2017	<u>53,081</u>	<u>545</u>	<u>53,626</u>
NET BOOK VALUE			
At 30 April 2017	<u>197,858</u>	<u>25,620</u>	<u>223,478</u>
At 30 April 2016	<u>189,383</u>	<u>9,425</u>	<u>198,808</u>

9. STOCKS

	30.4.17 £	30.4.16 £
Raw materials	673,502	518,340
Work-in-progress	<u>602,704</u>	<u>784,492</u>
	<u>1,276,206</u>	<u>1,302,832</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2017

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.4.17	30.4.16
	£	£
Trade debtors	1,683,153	1,563,710
Other debtors	18,850	18,850
Tax	-	17,576
Prepayments and accrued income	117,753	123,566
	<u>1,819,756</u>	<u>1,723,702</u>

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.4.17	30.4.16
	£	£
Bank loans and overdrafts (see note 13)	1,335,792	1,124,989
Hire purchase contracts (see note 14)	39,273	76,855
Trade creditors	1,491,843	1,676,586
Amounts owed to group undertakings	67,740	69,600
Social security and other taxes	63,913	53,513
VAT	119,616	148,100
Accruals and deferred income	50,677	48,069
	<u>3,168,854</u>	<u>3,197,712</u>

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

	30.4.17	30.4.16
	£	£
Hire purchase contracts (see note 14)	<u>74,427</u>	<u>23,294</u>

13. **LOANS**

An analysis of the maturity of loans is given below:

	30.4.17	30.4.16
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>1,335,792</u>	<u>1,124,989</u>

14. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	30.4.17	30.4.16
	£	£
Net obligations repayable:		
Within one year	39,273	76,855
Between one and five years	<u>74,427</u>	<u>23,294</u>
	<u>113,700</u>	<u>100,149</u>

Notes to the Financial Statements - continued
for the Year Ended 30 April 2017

14. **LEASING AGREEMENTS - continued**

	Non-cancellable operating leases	
	30.4.17	30.4.16
	£	£
Within one year	51,836	73,908
Between one and five years	110,587	146,768
	<u>162,423</u>	<u>220,676</u>

15. **SECURED DEBTS**

The following secured debts are included within creditors:

	30.4.17	30.4.16
	£	£
Bank overdrafts	1,335,792	1,124,989
Hire purchase contracts	113,700	100,149
	<u>1,449,492</u>	<u>1,225,138</u>

The company's bankers hold a cross guarantee and debenture (see note 20 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. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	30.4.17	30.4.16
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>

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

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17. **RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 May 2016	769,181	15,320	784,501
Profit for the year	52,971		52,971
At 30 April 2017	<u>822,152</u>	<u>15,320</u>	<u>837,472</u>

18. **PENSION COMMITMENTS**

Contributions totalling £15,416 (2016 - £14,849) were payable to the scheme at the end of the year and are included in creditors.

19. **ULTIMATE PARENT COMPANY**

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

20. **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 £606,297 (2016 - £612,277).

21. **RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

22. **KEY MANAGEMENT PERSONNEL REMUNERATION**

There are no key management personnel other than the directors. Their remuneration is disclosed in note 5 in the accounts.

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