

Company Registration No. 02334866 (England and Wales)

BITUCHEM HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

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BITUCHEM HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Miss M Paschali Mr P Paschali Jnr P Paschali Mr R K Lord N Panagiotis Y Nyzhnyk Paschali
Secretary	Miss M Paschali
Company number	02334866
Registered office	Laymore Road Forest Vale Industrial Estate Cinderford Gloucestershire GL14 2PH
Auditor	Baldwins Audit Services Limited Churchill House 59 Lichfield Street Walsall West Midlands WS4 2BX
Business address	Laymore Road Forest Vale Industrial Estate Cinderford Gloucestershire GL14 2PH
Bankers	Barclays Bank Plc 6 Market Place Bexleyheath Kent DA6 7DY

BITUCHEM HOLDINGS LIMITED

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BITUCHEM HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present the strategic report for the year ended 31 December 2016.

Fair review of the business

The group results for the year are in line with expectations and are considered satisfactory by the directors. Turnover has increased by 1.6% to £11.6m compared to £11.4m for the previous year. The group continue to maintain long term relationships with key clients and also the successful development and integration of new products in the industry. This in turn has created opportunities in winning new clients and company growth into the future.

The group has reported another profitable year with the operating profit increasing from £1,185,311 in 2015 to £1,362,611 in 2016. This is an improvement on the operating profit margin of 1.4% and is in line with director expectations.

Financial Risk Management - Objectives and Policies

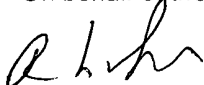
Due to the nature of the groups trade, the directors consider that changes in the economy and the effect that these changes have on the construction sectors to be a principal risk of the group. The risks that the group faces within the construction sector are mitigated, as far as possible, by fulfilling contracts for a diverse range of sectors.

The directors recognise that the current market conditions are likely to provide continuing challenges within the contracting sector in the forthcoming year. The group overall is in a strong position within the contracting sector at the year end with a significant order book for the forthcoming year.

Key performance indicators

The directors consider the key financial performance indicators (KPI's) when assessing the performance of the group. The KPI's used by the directors in the current market conditions are the control of overheads and costs.

On behalf of the board



Mr R K Lord

Director

21/9/2017

BITUCHEM HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal activities

The principal activity of the company and group continued to be that of manufacturing, supplying and marketing bituminous products for use in road construction and civil engineering.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Miss M Paschali
Mr P Paschali Jnr
P Paschali
Mr R K Lord
N Panagiotis
Y Nyzhnyk Paschali

Results and dividends

The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £285,000. The directors do not recommend payment of a further dividend.

Auditor

In accordance with the company's articles, a resolution proposing that Baldwins Audit Services Limited be reappointed as auditor of the group will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BITUCHEM HOLDINGS LIMITED

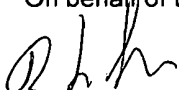
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company and group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company and group is aware of that information.

On behalf of the board



Mr R K Lord

Director

21/9/2017

BITUCHEM HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BITUCHEM HOLDINGS LIMITED

We have audited the financial statements of Bituchem Holdings Limited for the year ended 31 December 2016 which comprise the Group Profit And Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and the related notes. 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 FRS 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 an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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. 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 group's and the parent 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 annual report 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 group's and the parent company's affairs as at 31 December 2016 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 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.

BITUCHEM HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BITUCHEM HOLDINGS 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Baldwins Audit Services Limited

**Robert Van Ryssen (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services Limited**

21/9/2017

**Chartered Accountants
Statutory Auditor**

Churchill House
59 Lichfield Street
Walsall
West Midlands
WS4 2BX

BITUCHEM HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
Turnover	3	11,603,322	11,418,396
Cost of sales		(5,741,078)	(6,041,007)
Gross profit		<u>5,862,244</u>	<u>5,377,389</u>
Distribution costs		(497,293)	(394,384)
Administrative expenses		(4,002,341)	(3,797,694)
Operating profit	4	<u>1,362,610</u>	<u>1,185,311</u>
Interest receivable and similar income	8	22	-
Interest payable and similar charges	9	(27,285)	(31,595)
Profit before taxation		<u>1,335,347</u>	<u>1,153,716</u>
Taxation	11	(152,836)	(234,154)
Profit for the financial year		<u><u>1,182,511</u></u>	<u><u>919,562</u></u>
Profit for the financial year is attributable to:			
- Owners of the parent company		1,174,029	908,673
- Non-controlling interests		8,482	10,889
		<u><u>1,182,511</u></u>	<u><u>919,562</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BITUCHEM HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
Profit for the year	1,182,511	919,562
Other comprehensive income		
Revaluation of tangible fixed assets	(200)	(174)
Total comprehensive income for the year	<u>1,182,311</u>	<u>919,388</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,173,829	908,499
- Non-controlling interests	8,482	10,889
	<u>1,182,311</u>	<u>919,388</u>

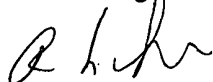
BITUCHEM HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	12		2,315,349		2,364,521
Current assets					
Stocks	16	426,649		332,813	
Debtors	17	879,622		688,026	
Cash at bank and in hand		2,161,945		1,086,997	
		<u>3,468,216</u>		<u>2,107,836</u>	
Creditors: amounts falling due within one year	18	<u>(2,312,667)</u>		<u>(1,800,700)</u>	
Net current assets			1,155,549		307,136
Total assets less current liabilities			3,470,898		2,671,657
Creditors: amounts falling due after more than one year	19		(27,787)		(44,520)
Provisions for liabilities	22		(307,619)		(389,156)
Net assets			<u>3,135,492</u>		<u>2,237,981</u>
Capital and reserves					
Called up share capital	24		5,000		5,000
Revaluation reserve			294,242		294,442
Profit and loss reserves			<u>2,801,679</u>		<u>1,912,450</u>
Equity attributable to owners of the parent company			3,100,921		2,211,892
Non-controlling interests			<u>34,571</u>		<u>26,089</u>
			<u>3,135,492</u>		<u>2,237,981</u>

The financial statements were approved by the board of directors and authorised for issue on 21/9/2017 and are signed on its behalf by:



Mr R K Lord
Director

BITUCHEM HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	12		605,406		631,478
Investments	13		400		400
			<u>605,806</u>		<u>631,878</u>
Current assets					
Debtors	17	94,621		93,662	
Cash at bank and in hand		49		49	
		<u>94,670</u>		<u>93,711</u>	
Creditors: amounts falling due within one year	18	(303,841)		(297,207)	
Net current liabilities			(209,171)		(203,496)
Total assets less current liabilities			<u>396,635</u>		<u>428,382</u>
Provisions for liabilities	22		(42,472)		(104,948)
Net assets			<u>354,163</u>		<u>323,434</u>
Capital and reserves					
Called up share capital	24		5,000		5,000
Revaluation reserve			294,242		294,442
Profit and loss reserves			54,921		23,992
Total equity			<u>354,163</u>		<u>323,434</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21/12/2017 and are signed on its behalf by:



Mr R K Lord
Director

Company Registration No. 02334866

BITUCHEM HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Balance at 1 January 2015		5,000	294,616	1,549,451	1,849,067	15,210	1,864,277
Year ended 31 December 2015:							
Profit for the year		-	-	908,673	908,673	10,889	919,562
Other comprehensive income:							
Revaluation of tangible fixed assets		-	(174)	-	(174)	-	(174)
Total comprehensive income for the year		-	(174)	908,673	908,499	10,889	919,388
Dividends	10	-	-	(545,848)	(545,848)	-	(545,848)
Transfers		-	-	174	174	-	174
Balance at 31 December 2015		5,000	294,442	1,912,450	2,211,892	26,089	2,237,981
Year ended 31 December 2016:							
Profit for the year		-	-	1,174,029	1,174,029	8,482	1,182,511
Other comprehensive income:							
Revaluation of tangible fixed assets		-	(200)	-	(200)	-	(200)
Total comprehensive income for the year		-	(200)	1,174,029	1,173,829	8,482	1,182,311
Dividends	10	-	-	(285,000)	(285,000)	-	(285,000)
Transfers		-	-	200	200	-	200
Balance at 31 December 2016		5,000	294,242	2,801,679	3,100,921	34,571	3,135,492

BITUCHEM HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 January 2015		5,000	294,616	45,117	344,733
Year ended 31 December 2015:					
Profit for the year		-	-	524,549	524,549
Other comprehensive income:					
Revaluation of tangible fixed assets		-	(174)	-	(174)
Total comprehensive income for the year		-	(174)	524,549	524,375
Dividends	10	-	-	(545,848)	(545,848)
Transfers		-	-	174	174
Balance at 31 December 2015		5,000	294,442	23,992	323,434
Year ended 31 December 2016:					
Profit for the year		-	-	315,729	315,729
Other comprehensive income:					
Revaluation of tangible fixed assets		-	(200)	-	(200)
Total comprehensive income for the year		-	(200)	315,729	315,529
Dividends	10	-	-	(285,000)	(285,000)
Transfers		-	-	200	200
Balance at 31 December 2016		5,000	294,242	54,921	354,163

BITUCHEM HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Cash generated from operations	29	2,072,534		1,777,345	
Interest paid		(27,285)		(31,595)	
Income taxes paid		(239,424)		(49,905)	
Net cash inflow from operating activities		1,805,825		1,695,845	
Investing activities					
Purchase of tangible fixed assets		(353,397)		(498,301)	
Proceeds from other investments and loans		15,000		(13,000)	
Interest received		22		-	
Net cash used in investing activities		(338,375)		(511,301)	
Financing activities					
Payment of finance leases obligations		(50,421)		(93,662)	
Dividends paid to equity shareholders		(285,000)		(545,848)	
Net cash used in financing activities		(335,421)		(639,510)	
Net increase in cash and cash equivalents		1,132,029		545,034	
Cash and cash equivalents at beginning of year		930,709		385,675	
Cash and cash equivalents at end of year		2,062,738		930,709	
Relating to:					
Cash at bank and in hand		2,161,945		1,086,997	
Bank overdrafts included in creditors payable within one year		(99,207)		(156,288)	

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Bituchem Holdings Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Laymore Road, Forest Vale Industrial Estate, Cinderford, Gloucestershire, GL14 2PH.

The group consists of Bituchem Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £315,729 (2015 - £524,549 profit).

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Bituchem Holdings Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2016. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line on buildings, 20% straight line on office additions and none on land
Leasehold land and buildings	5% straight line
Plant and equipment	5% - 50% straight line
Fixtures and fittings	10% - 25% straight line
Motor vehicles	25% - 50% reducing balance and 50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The group 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.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. 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 group'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 liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2016 £	2015 £
Turnover	11,603,322	11,418,396

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(12,817)	(2,477)
Depreciation of owned tangible fixed assets	345,142	271,863
Depreciation of tangible fixed assets held under finance leases	53,209	53,209
Profit on disposal of tangible fixed assets	4,218	-
Cost of stocks recognised as an expense	5,741,078	6,041,007
Operating lease charges	184,619	178,408

5 Auditor's remuneration

	2016 £	2015 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	3,540	3,540
Audit of the company's subsidiaries	8,090	8,090
	11,630	11,630

6 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2016 Number	2015 Number
Directors	8	8
Administration	5	5
Production	18	18
	31	31

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	1,433,174	1,265,761
Social security costs	159,056	139,589
Pension costs	115,168	122,796
	1,707,398	1,528,146

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

7 Directors' remuneration

	2016 £	2015 £
Remuneration for qualifying services	274,267	205,951
Company pension contributions to defined contribution schemes	21,020	27,540
	<u>295,287</u>	<u>233,491</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounts to 4 (2015 - 4).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

Remuneration for qualifying services	<u>136,873</u>	<u>115,898</u>
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8 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	<u>22</u>	<u>-</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	<u>22</u>	<u>-</u>
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9 Interest payable and similar charges

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	5,414	9,721
Interest on invoice finance arrangements	21,871	21,874
	<u>27,285</u>	<u>31,595</u>

10 Dividends

	2016 £	2015 £
Interim paid	<u>285,000</u>	<u>545,848</u>

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

11 Taxation

	2016 £	2015 £
Current tax		
UK corporation tax on profits for the current period	280,000	195,051
Adjustments in respect of prior periods	(45,627)	252
Total current tax	234,373	195,303
Deferred tax		
Origination and reversal of timing differences	(81,537)	38,851
Total tax charge	152,836	234,154

The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	1,335,347	1,153,716
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	267,069	230,743
Tax effect of expenses that are not deductible in determining taxable profit	9,503	11,005
Effect of change in corporation tax rate	-	2,273
Permanent capital allowances in excess of depreciation	(57,566)	(10,972)
Research and development tax credit	(21,336)	-
Under/(over) provided in prior years	(45,627)	252
Leased cars	793	853
Tax expense for the year	152,836	234,154

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2016**

12 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 January 2016	428,540	27,295	3,793,308	172,123	68,845	4,490,111
Additions	-	-	326,802	24,095	2,500	353,397
Disposals	-	-	(4,218)	(49,395)	-	(53,613)
At 31 December 2016	428,540	27,295	4,115,892	146,823	71,345	4,789,895
Depreciation and impairment						
At 1 January 2016	64,937	2,092	1,873,304	127,730	57,527	2,125,590
Depreciation charged in the year	1,678	1,365	374,141	17,921	3,246	398,351
Eliminated in respect of disposals	-	-	-	(49,395)	-	(49,395)
At 31 December 2016	66,615	3,457	2,247,445	96,256	60,773	2,474,546
Carrying amount						
At 31 December 2016	361,925	23,838	1,868,447	50,567	10,572	2,315,349
At 31 December 2015	363,603	25,203	1,920,004	44,393	11,318	2,364,521

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Company	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2016	428,540	484,837	49,395	9,750	972,522
Disposals	-	-	(49,395)	-	(49,395)
At 31 December 2016	428,540	484,837	-	9,750	923,127
Depreciation and impairment					
At 1 January 2016	64,937	216,962	49,395	9,750	341,044
Depreciation charged in the year	1,678	24,394	-	-	26,072
Eliminated in respect of disposals	-	-	(49,395)	-	(49,395)
At 31 December 2016	66,615	241,356	-	9,750	317,721
Carrying amount					
At 31 December 2016	361,925	243,481	-	-	605,406
At 31 December 2015	363,603	267,875	-	-	631,478

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2016 £	2015 £	Company 2016 £	2015 £
Plant and equipment	274,194	327,403	-	-
Depreciation charge for the year in respect of leased assets	53,209	53,209	-	-

Land and buildings were revalued in October 2010 by J.L.B. Kendrick (B.A. Hons, Cert. T.P., F. Inst.L.Ex) of Kendricks Planning Limited, an independent valuers not connected with the company on the basis of open market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Cost	131,541	131,541	131,541	131,541
Accumulated depreciation	63,855	62,377	63,855	62,377
Carrying value	67,686	69,164	67,686	69,164

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

13 Fixed asset investments

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Investments in subsidiaries	14	-	-	400	400

14 Subsidiaries

Details of the company's subsidiaries at 31 December 2016 are as follows:

Name of undertaking	County of incorporation	Class of shareholding	% Held	
			Direct	Indirect
Bituchem Building Products Limited	UK	Ordinary	99.00	1.00
Bituchem Asphalt Limited	UK	Ordinary	99.00	1.00
Bituchem Contracting Limited	UK	Ordinary	99.00	1.00
Bituchem Limited	UK	Ordinary	99.00	1.00

Name of undertaking	Nature of business
Bituchem Building Products Limited	Marketing bituminous products for use in road construction and civil engineering
Bituchem Asphalt Limited	Manufacturing, supplying and applying bituminous products
Bituchem Contracting Limited	Dormant
Bituchem Limited	Dormant

15 Financial instruments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	786,875	606,342	63,033	63,033
Carrying amount of financial liabilities				
Measured at amortised cost	2,005,766	1,492,407	268,007	267,582

16 Stocks

	Group 2016 £	2015 £	Company 2016 £	2015 £
Raw materials and consumables	257,008	143,515	-	-
Finished goods and goods for resale	169,641	189,298	-	-
	426,649	332,813	-	-

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

17 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
Amounts falling due within one year:				
Trade debtors	783,932	588,399	-	-
Amounts due from subsidiary undertakings	-	-	63,033	63,033
Other debtors	2,943	17,943	-	-
Prepayments and accrued income	92,747	81,684	31,588	30,629
	<u>879,622</u>	<u>688,026</u>	<u>94,621</u>	<u>93,662</u>

The group factors its debts with Barclays Bank Plc, who have a first fixed charge over the book debts. Debtors are stated gross and the liability due to the factoring company is included in creditors due within one year.

18 Creditors: amounts falling due within one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Bank loans and overdrafts	20	99,207	156,288	99,207	63,173
Obligations under finance leases	21	16,732	50,420	-	-
Trade creditors		697,514	534,133	9,775	14,663
Amounts due to group undertakings		-	-	100	100
Amounts due to undertakings in which the group has a participating interest		-	-	131,682	160,793
Corporation tax payable		190,000	195,051	-	-
Other taxation and social security		144,688	157,762	35,834	29,625
Other creditors		522,548	130,479	-	-
Accruals and deferred income		641,978	576,567	27,243	28,853
		<u>2,312,667</u>	<u>1,800,700</u>	<u>303,841</u>	<u>297,207</u>

Included within other creditors is £511,832 (2015: £119,763) owing to Barclays Bank Plc Sales Financing under a confidential invoice discounting facility. The debt is secured by a first charge over the book debts of the company.

19 Creditors: amounts falling due after more than one year

	Notes	Group 2016 £	2015 £	Company 2016 £	2015 £
Obligations under finance leases	21	<u>27,787</u>	<u>44,520</u>		

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

20 Loans and overdrafts

	Group 2016 £	2015 £	Company 2016 £	2015 £
Bank overdrafts	99,207	156,288	99,207	63,173
Payable within one year	99,207	156,288	99,207	63,173

The long-term loans are secured by fixed and floating charge over the assets of the group. In addition, the group has entered into a Composite Accounting Agreement whereby each participating company has provided a guarantee to the bank, under the terms of which the bank is authorised to offset credit balances and apply them in the reduction of liabilities including debit balances with the Composite Accounting Agreement

21 Finance lease obligations

	Group 2016 £	2015 £	Company 2016 £	2015 £
Future minimum lease payments due under finance leases:				
Within one year	19,150	55,749	-	-
In two to five years	31,740	50,891	-	-
	50,890	106,640	-	-
Less: future finance charges	(6,371)	(11,700)	-	-
	44,519	94,940	-	-

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Amounts due under hire purchase are secured by the assets to which they relate.

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

22 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
Group		
Accelerated capital allowances	307,619	389,156
	<u>307,619</u>	<u>389,156</u>
	Liabilities 2016 £	Liabilities 2015 £
Company		
Accelerated capital allowances	42,472	104,948
	<u>42,472</u>	<u>104,948</u>
	Group 2016 £	Company 2016 £
Movements in the year:		
Liability at 1 January 2016	389,156	104,948
Credit to profit or loss	(81,537)	(62,476)
	<u>307,619</u>	<u>42,472</u>
Liability at 31 December 2016	307,619	42,472

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

23 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	115,168	122,796
	<u>115,168</u>	<u>122,796</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Share capital

	Group and company 2016 £	2015 £
Ordinary share capital		
Issued and fully paid		
5,000 Ordinary of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

25 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2016 £	2015 £	Company 2016 £	2015 £
Within one year	170,350	161,159	47,500	47,500
Between two and five years	38,745	115,067	-	-
	<u>209,095</u>	<u>276,226</u>	<u>47,500</u>	<u>47,500</u>

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2016 £	2015 £
Aggregate compensation	<u>739,227</u>	<u>584,710</u>

Transactions with related parties

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

	Sale of goods		Purchase of goods	
	2016 £	2015 £	2016 £	2015 £
Group				
Inter-Euro Investments Limited	<u>-</u>	<u>-</u>	<u>273,990</u>	<u>263,990</u>
Company				
Inter-Euro Investments Limited	-	-	273,990	263,990
Bituchem Building Products Limited	616,867	546,944	-	-
Bituchem Asphalt Limited	<u>175,192</u>	<u>202,501</u>	<u>-</u>	<u>-</u>
	<u>792,059</u>	<u>749,445</u>	<u>273,990</u>	<u>263,990</u>

BITUCHEM HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

26 Related party transactions

(Continued)

During the year dividends of £285,000 (2015: £545,848) were paid to Inter-Euro Investments Limited. There were no outstanding balances due between the companies as at year end (2015: £nil).

As at 31 December 2016, the group paid rents of £47,500 (2015: £47,500) to Bituchem Holdings Limited Retirement Benefit Scheme.

No guarantees have been given or received.

27 Directors' transactions

As at 31 December 2016, the company was owed £nil (2015: £15,000) from P Paschali Jnr, a director of the company. This amount is included in other debtors. No interest has been charged and no fixed repayment terms are in place.

28 Controlling party

The company's ultimate parent company is Inter-Euro Investments Limited, a company incorporated in the Seychelles, by virtue of its 100% ownership of the share capital in Bituchem Holdings Limited.

The ultimate controlling party is P Paschali Senior, by virtue of his controlling interest in Inter-Euro Investments Limited.

29 Cash generated from group operations

	2016 £	2015 £
Profit for the year after tax	1,182,511	919,562
Adjustments for:		
Taxation charged	152,836	234,154
Finance costs	27,285	31,595
Investment income	(22)	-
Loss on disposal of tangible fixed assets	4,218	-
Depreciation and impairment of tangible fixed assets	398,351	325,072
Movements in working capital:		
(Increase)/decrease in stocks	(93,836)	45,955
(Increase)/decrease in debtors	(206,596)	91,450
Increase in creditors	607,787	129,557
Cash generated from operations	2,072,534	1,777,345