

Company Registration No. 02387763 (England and Wales)

BITUCHEM ASPHALT LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
PAGES FOR FILING WITH REGISTRAR

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BITUCHEM ASPHALT LIMITED

COMPANY INFORMATION

Directors	P Paschali Mr P Paschali Jnr Mr R K Lord Mr T E Ellsmore Miss M Paschali D G Howie
Secretary	Miss M Paschali
Company number	02387763
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 ASPHALT LIMITED

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BITUCHEM ASPHALT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	4		130,947		119,613
Current assets					
Stocks		169,641		189,298	
Debtors	5	443,727		316,794	
Cash at bank and in hand		52,510		-	
		<u>665,878</u>		<u>506,092</u>	
Creditors: amounts falling due within one year	6	<u>(621,420)</u>		<u>(500,337)</u>	
Net current assets			<u>44,458</u>		<u>5,755</u>
Total assets less current liabilities			<u>175,405</u>		<u>125,368</u>
Creditors: amounts falling due after more than one year	7		(21,437)		(33,688)
Provisions for liabilities			<u>(14,297)</u>		<u>(17,820)</u>
Net assets			<u><u>139,671</u></u>		<u><u>73,860</u></u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss reserves			<u>139,571</u>		<u>73,760</u>
Total equity			<u><u>139,671</u></u>		<u><u>73,860</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 21.12.16 and are signed on its behalf by:



Mr R K Lord
Director

Company Registration No. 02387763

BITUCHEM ASPHALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Company information

Bituchem Asphalt Limited is a private company limited by shares incorporated in England and Wales. The registered office is Laymore Road, Forest Vale Industrial Estate, Cinderford, Gloucestershire, GL14 2PH.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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. The principal accounting policies adopted are set out below.

1.2 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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.3 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:

Leasehold land and buildings	5% Straight Line
Plant and equipment	5-20% 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 credited or charged to profit or loss.

BITUCHEM ASPHALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

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.

1.5 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 the lower of replacement cost and 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.

1.6 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.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

BITUCHEM ASPHALT LIMITED

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

1 Accounting policies

(Continued)

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.

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 company after deducting all of its liabilities.

Basic financial 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 payments 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.

1.8 Equity instruments

Equity instruments issued by the company 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 company.

1.9 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

BITUCHEM ASPHALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

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 when the company has 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.

1.10 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.

1.11 Retirement benefits

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

1.12 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.

BITUCHEM ASPHALT LIMITED

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

2 Judgements and key sources of estimation uncertainty

In the application of the company'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 Employees

The average monthly number of persons (including directors) employed by the company during the year was 8 (2015 - 8).

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2016	27,295	176,177	203,472
Additions	-	38,819	38,819
At 31 December 2016	27,295	214,996	242,291
Depreciation and impairment			
At 1 January 2016	2,092	81,767	83,859
Depreciation charged in the year	1,365	26,120	27,485
At 31 December 2016	3,457	107,887	111,344
Carrying amount			
At 31 December 2016	23,838	107,109	130,947
At 31 December 2015	25,203	94,410	119,612

BITUCHEM ASPHALT LIMITED

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

5 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	299,344	142,402
Amounts due from group undertakings	127,539	156,650
Other debtors	16,844	17,742
	<u>443,727</u>	<u>316,794</u>

Trade debtors disclosed above are measured at amortised cost.

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

6 Creditors: amounts falling due within one year

	Notes	2016 £	2015 £
Bank loans and overdrafts		-	68,885
Obligations under finance leases		12,250	12,250
Trade creditors		127,344	145,066
Amounts due to group undertakings		188,098	111,971
Corporation tax		-	8,374
Other taxation and social security		16,318	9,700
Other creditors		198,032	95,100
Accruals and deferred income		79,378	48,991
		<u>621,420</u>	<u>500,337</u>

Included within other creditors is £198,032 (2015: £95,100) 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.

7 Creditors: amounts falling due after more than one year

	Notes	2016 £	2015 £
Obligations under finance leases		<u>21,437</u>	<u>33,688</u>

Amounts due under finance lease agreements are secured by the assets to which they relate.

BITUCHEM ASPHALT LIMITED

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

8 Provisions for liabilities

	2016 £	2015 £
Deferred tax liabilities	14,297	17,820
	<u>14,297</u>	<u>17,820</u>

9 Called up share capital

	2016 £	2015 £
Ordinary share capital Issued and fully paid 100 Ordinary of £1 each	100	100
	<u>100</u>	<u>100</u>

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Robert Van Ryssen.

The auditor was Baldwins Audit Services Limited.

11 Financial commitments, guarantees and contingent liabilities

The company has given a guarantee to the bank in respect of loans and overdrafts of fellow subsidiaries and its parent undertaking. At the balance sheet date the maximum potential liability was £99,207 (2015: £87,402).

12 Operating lease commitments

Lessee

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

2016 £	2015 £
12,841	65,078
<u>12,841</u>	<u>65,078</u>

BITUCHEM ASPHALT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

13 Parent company

The company is owned by its parent company Bituchem Holdings Limited by virtue of its 99% shareholding of the company's issued share capital.

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

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

BITUCHEM ASPHALT LIMITED

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

14 Related party transactions

Transactions with related parties

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

	Sale of goods		Purchase of goods	
	2016	2015	2016	2015
	£	£	£	£
Bituchem Holdings Limited	-	-	175,192	202,501
Bituchem Building Products Limited	480	18,407	33,348	27,346
	<u>480</u>	<u>18,407</u>	<u>208,540</u>	<u>229,847</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed to related parties	
	2016	2015
	£	£
Bituchem Building Products Limited	188,098	111,971
	<u>188,098</u>	<u>111,971</u>

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties		Amounts owed by related parties	
	2016		2015	
	Balance	Net	Balance	Net
	£	£	£	£
Bituchem Holdings Limited	127,539	127,539	156,650	156,650
	<u>127,539</u>	<u>127,539</u>	<u>156,650</u>	<u>156,650</u>

No guarantees have been given or received.

During the year, dividends totalling £24,000 (2015: £24,000) were paid to the parent company, Bituchem Holdings Limited.